MINUTES

PCF OVERSIGHT BOARD

July 2, 2015

OCHSNER MEDICAL CENTER
NEW ORLEANS, LA

Mr. Clark Cossé, Chairman, convened the meeting of the Patient's Compensation Fund Oversight Board at 6:30 PM on Thursday, July 2, 2015.

The following Board members were in attendance:

Mr. Clark Cossé, Chairman	Dr. Patrick Breaux	Dr. Christopher Foret
Mr. Kent Guidry	Mr. Jim Hritz	

The following Board members were absent:

Dr. Van Culotta	Mr. Manuel DePascual	Mr. Joe Donchess
Dr. Lesley Meng		

Others present:

Mr. Ken Schnauder	Mr. Jim Hurley	Mr. Jeff Williams
Mr. Kurt Loup	Dr. Dollen Licciardi	Mr. Tom McCormick
Ms. Barbara Woodard	Dr. Thomas Grimstad	Mr. Larry Warren
Ms. Betty Patrick	Mr. Ward Blackwell	Ms. Meredith Miceli
Mr. David Woolridge		

Mr. Cossé called the meeting to order and asked that the record reflect five Board members were in attendance and a quorum was present. Mr. Cossé welcomed the guests to the meeting and asked all present to introduce themselves.

Mr. Cossé asked for public comments or questions. No public comments were made.

Mr. Cossé called for the approval of the June 4, 2015 minutes. Mr. Hritz moved for the minutes to be approved and Mr. Guidry seconded the motion. By verbal vote, the minutes were adopted with no dissenting votes.

Mr. Cossé asked for discussion of the annual actuary rates. Mr. Jim Hurley of Towers Watson provided the Board with the annual actuary report, based on data received through December 31, 2014. He advised there was improvement in the non-hospital category but the hospital category deteriorated, and the financial situation of the Fund has improved. Mr. Hurley had been asked by the Board to develop rates for several different scenarios at the April 2015 Board meeting; he provided the Board with four different rate scenarios. After much discussion, Dr. Breaux made a motion to implement a reduction of $15 million in surcharges allocated across all coverage categories, according to estimated 2015 surcharge volume, which would result in an overall

estimated decrease of 13.9%. The motion was seconded by Mr. Guidry; by verbal vote, the motion was approved with no dissenting votes.

Mr. Cossé called for discussion of election of Board officers. Mr. Jim Hritz advised the majority of the election committee had met and they were very pleased with the current committee members and would like to re-nominate the current members: Mr. Cossé – Chairman, Dr. Culotta – Vice Chairman and Mr. Guidry – Secretary. Mr. Cossé expressed appreciation for the confidence of the Board and graciously accepted on behalf of the committee members. Mr. Hritz moved for approval of the current Board committee members remaining the same; Dr. Breaux seconded the motion. By verbal vote, motion passed with no dissenting votes.

Mr. Cossé gave the Board an update on the 2015 Legislative Session. He advised SB 158, which involves reporting claims to the Health and Welfare Committees, had passed and that HB 843 had also passed; that bill would provide that dietitians/nutritionists working as employees of a physician/group be covered under the Act.

Mr. Cossé asked for the financial reports. Ms. Barbara Woodard informed the Board the fund balance for the fiscal year to date was approximately $937,397,263, the total net collected in surcharge payments to date was approximately $172,640,204, and the total net filing fees collected to date were $275,500. She advised the reported investment income through May was $18,716,898, the total operating expenses to date were $5,153,813, and the claims expenses to date were $112,197,563. There were no questions asked and no public comments made.

Mr. Cossé asked for the claims report. Mr. Loup informed the Board that for the month of June there were 88 panels filed, 104 panels closed, 107 claims opened and 115 claims closed, ending the month with a total pending claims count of 4,440. Mr. Loup advised that $0 in judicial interest was paid for the month and $259,241 in legal fees and expenses were paid. Mr. Loup presented 15 claims for settlement approval for the month in the amount of $3,845,000. There were no questions asked and no public comments made.

Mr. Cossé asked if there were any questions or comments from the public. A member of the public asked if there were any data on hospitals paying claims on physicians who are employed by those hospitals; Mr. Schnauder advised that information was not tracked and would be subjective and not credible if it were tracked. There were no more questions asked.

Mr. Cossé thanked the guests for attending the meeting. Dr. Breaux then made a motion for the Board to move into Executive Session; Dr. Foret seconded the motion. The verbal vote was unanimous and the Board moved into Executive Session to discuss matters of litigation.

Mr. Clark R. Cossé III, J.D., Chairman

Aug. 6, 2015
Date