MINUTES

PCF OVERSIGHT BOARD

August 6, 2015

OUR LADY OF THE LAKE REGIONAL MEDICAL CENTER
BATON ROUGE, LA

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

The following Board members were in attendance:

Mr. Clark Cossé, Chairman	Dr. Patrick Breaux	Dr. Christopher Foret
Dr. Van Culotta*	Dr. Lesley Meng*	Mr. Manuel DePascual
Mr. Kent Guidry	Mr. Jim Hritz*	

*Arrived after start of meeting but before voting on resolutions

The following Board member was absent:
Mr. Joe Donchess

Others present:

Mr. Ken Schnauder	Ms. Betty Patrick	Mr. Jeff Williams
Mr. Kurt Loup	Mr. David Woolridge	Mr. Larry Warren
Ms. Barbara Woodard		

Mr. Cossé called the meeting to order and asked that the record reflect eight 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 July 2, 2015 minutes. Mr. Guidry moved for the minutes to be approved and Dr. Breaux seconded the motion. By verbal vote, the minutes were adopted with no dissenting votes.

Mr. Cossé called for discussion of the PCF claims manager annual compensation review. Mr. Schnauder reminded the Board they had been provided a copy of Mr. Loup's current annual review. Mr. Schnauder expressed his satisfaction with Mr. Loup's job performance and progress and advised he is recommending a 6% salary increase for him, to be effective August 3, 2015. Dr. Breaux moved to approve a 6% salary increase for Mr. Loup; Mr. Guidry seconded the motion. By verbal vote, the motion was approved with no dissenting votes. Mr. Schnauder then advised the Board that, at the beginning of the fiscal year, the Governor issued an Executive Order for a hiring and expenditure freeze for all state agencies appropriated through the General

Fund. Mr. Schnauder advised he has received a written opinion from the Division's Office of General Counsel advising the PCF does not fall under the executive order, and he is recommending 4% merit increases for all classified employees who qualify. Also, there was discussion about devising a true merit-based system in the coming year. Dr. Breaux moved to approve a 4% salary increase for all qualified PCF employees; Dr. Foret seconded the motion. By verbal vote, the motion was approved with no dissenting votes.

Mr. Cossé asked for the financial reports. Ms. Barbara Woodard informed the Board the fund balance for the fiscal year to date was approximately $943,024,306, the total net collected in surcharge payments to date was approximately $13,493,800, and the total net filing fees collected to date were $25,600. She advised the reported investment income through July was $371,809, the total operating expenses to date were $418,902, and the claims expenses to date were $3,476,845. Ms. Woodard also presented the updated year-end figures for FY 2015. There were no questions asked and no public comments made.

Mr. Schnauder then discussed the RFP process for investment managers and consultants. He advised he felt the process was not required for the PCF due to the critical nature of the services provided, and he would like to request an opinion from the Office of General Counsel on whether the PCF could be allowed to waive the RFP process for the PCF's investment consultant and managers should it so choose. Dr. Foret moved to authorize Mr. Schnauder to request the opinion; Dr. Culotta seconded the motion. By verbal vote, the motion was approved with no dissenting votes.

Mr. Cossé asked for the claims report. Mr. Loup informed the Board for the month of July there were 122 panels filed, 137 panels closed, 120 claims opened and 103 claims closed, ending the month with a total pending claims count of 4,452. Mr. Loup advised $959,567 in judicial interest was paid for the month and $289,929 in legal fees and expenses were paid. Mr. Loup presented 18 claims for settlement approval for the month in the amount of $4,772,297. There were no questions asked and no public comments made.

Mr. Cossé asked if there were any questions or comments from the public. There were none.

Mr. Cossé thanked the guests for attending the meeting. Dr. Foret then made a motion for the Board to move into Executive Session; Dr. Breaux 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

9/8/15