# MINUTES

# PCF OVERSIGHT BOARD

September 3, 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, September 3, 2015.

The following Board members were in attendance:

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| Mr. Clark Cossé, Chairman | Dr. Christopher Foret | Mr. Manuel DePascual |
| Mr. Kent Guidry | Mr. Jim Hritz | Mr. Joe Donchess |

The following Board members were absent:

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| Dr. Van Culotta | Dr. Patrick Breaux | Dr. Lesley Meng |

Others present:

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| Mr. Ken Schnauder | Mr. David Woolridge | Mr. Joseph Walden (speakerphone) |
| Ms. Barbara Woodard | Mr. Matt Padberg | Mr. Larry Warren |
| Ms. Shelly Fowler | Mr. Rick Maloney | Mr. Travis Taylor |
| Ms. Betty Patrick | Ms. Dawn Silvia | |

Mr. Cossé called the meeting to order and asked that the record reflect six 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 August 6, 2015 minutes. Mr. Hritz moved for the minutes to be approved and Dr. Foret seconded the motion. By verbal vote, the minutes were adopted with no dissenting votes.

Mr. Cossé called for discussion of the investment update. Mr. Matt Padberg of Cardinal Investment Advisors began, providing the Board with a detailed quarterly report and portfolio update. Mr. Padberg advised, after much effort and discussions with the Securities and Exchange Commission, the PCF cannot invest in 144a securities, restricted investment-grade bonds that can only be owned by "qualified institutional buyers," which the PCF does not meet the definition of. In order to become a "QIB" the PCF would need to obtain a "private letter ruling" from the SEC who advised they are unable to provide a ruling at present. He advised GR-NEAM and JP Morgan were fully funded by the end of June and the PCF's overall portfolio slightly underperformed the benchmark by ~2 basis points for the quarter but he is still pleased with the portfolio at this time and all allocations are still progressing as expected.

Mr. Cossé then asked for an investment update from Mr. Joseph Walden and Ms. Dawn Silvia of J.P. Morgan. Mr. Walden participated via speakerphone and Ms. Silvia provided the Board with a detailed report and portfolio review.

Mr. Cossé asked for the financial reports. Ms. Barbara Woodard informed the Board the Fund balance for the fiscal year to date was approximately $946,495,305, the total net collected in surcharge payments to date was approximately $21,486,173, and the total net filing fees collected to date were $55,200. She advised the reported investment income through July was $1,544,613, the total operating expenses to date were $954,730, and the claims expenses to date were $8,664,795. There were no questions asked and no public comments made.

Mr. Cossé asked for the claims report. Mr. Schnauder informed the Board for the month of August there were 98 panels filed, 121 panels closed, 112 claims opened and 128 claims closed, ending the month with a total pending claims count of 4,443. Mr. Schnauder advised $0 in judicial interest was paid for the month and $265,073 in legal fees and expenses were paid. Mr. Schnauder presented 23 claims for settlement approval for the month in the amount of $5,548,164. 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; Mr. Hritz seconded the motion. The verbal vote was unanimous and the Board moved into Executive Session to discuss matters of litigation.

Clark R Cossé

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

Oct 1, 2015

Date