MINUTES

PCF OVERSIGHT BOARD

March 3, 2016

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

Mr. Clark Cossé, Chairman, convened the meeting of the Patient's Compensation Fund Oversight Board at 6:30 PM on Thursday, March 3, 2016.

The following Board members were in attendance:

Mr. Clark Cossé, Chairman	Dr. Christopher Foret	Mr. Manuel DePascual
Dr. Van Culotta	Dr. Lesley Meng	Mr. Joe Donchess
Mr. Kent Guidry	Mr. Jim Hritz	

The following Board member was absent:
Dr. Patrick Breaux

Others present:

Mr. Ken Schnauder	Mr. Brent Bourgeois	Mr. Larry Warren
Ms. Barbara Woodard	Mr. Matt Padberg	Mr. Wes Hataway
Mr. Kurt Loup	Ms. Beth Landers	Mr. Ward Blackwell
Ms. Betty Patrick	Mr. Jeff Williams	

Mr. Cossé called the meeting to order and asked 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 February 4, 2016 minutes. The minutes were amended to correct "Dr. Hritz" on the last page of the minutes to read "Mr. Hritz." Dr. Foret moved for the minutes to be approved as amended and Dr. Culotta seconded the motion. By verbal vote, the minutes were adopted as amended with no dissenting votes.

Mr. Cossé called for discussion on the legislative update. Mr. Brent Bourgeois provided the details of pre-filed Senate Bill SB 36 and a discussion of Senate Bill SB 78 was initiated by a guest. It was determined no action was necessary and the Board asked staff and general counsel to watch the progression of the bills and inform the Board accordingly.

Mr. Cossé called for the quarterly investment update. Mr. Padberg of Cardinal Investment Advisors provided the Board with a detailed quarterly report and portfolio update. Mr. Padberg

advised all asset classes for the quarter were within their policy target ranges and the PCF's overall portfolio slightly underperformed the benchmark by 12 basis points. Mr. Padberg then went on to discuss their review of the investment managers for the commodities allocation to determine if the PCF should streamline its portfolio. After a discussion of the diversified commodity managers, Dr. Culotta moved to consolidate the current four managers into two managers, splitting them equally between DFA and PIMCO's Commodities PLUS. Mr. Guidry seconded the motion and, by verbal vote, the motion was adopted with no dissenting votes. Ms. Beth Landers discussed Cardinal's review of the current international equity managers to see if money could be saved on fees without impairing performance. Mr. Hritz moved to make no changes to the international equity managers and Dr. Culotta seconded the motion; by verbal vote the motion was adopted with no dissenting votes. Last, there was the matter of Cardinal's current contract expiring on September 30, 2016. Mr. Hritz moved to renew the Cardinal Investment Advisors, LLC contract for another 3 years at the proposed bid amount; Dr. Culotta seconded the motion. By verbal vote, the contract renewal for Cardinal Investment Advisors, LLC 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 $1,002,112,109, the total net collected in surcharge payments to date was approximately $121,568,694, and the total net filing fees collected to date were $209,100. She advised the reported investment income through January was $14,660,046, the total operating expenses to date were $3,939,064, and the claims expenses to date were $60,591,863. There were no questions asked and no public comments made.

Mr. Cossé asked for the claims report. Mr. Loup informed the Board for the month of February there were 114 panels filed, 96 panels closed, 98 claims opened and 92 claims closed, ending the month with a total pending claims count of 4,543. Mr. Loup advised $0 in judicial interest was paid for the month and $456,713 in legal fees and expenses were paid. Mr. Loup presented 11 claims for settlement approval for the month in the amount of $2,875,000. 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. Meng then made a motion for the Board to move into Executive Session; Mr. Donchess 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

4/7/16

Date