

MINUTES
PCF OVERSIGHT BOARD

September 3, 2009

WOMAN'S HOSPITAL
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, 2009, at the Woman's Hospital Corporate Board Room in Baton Rouge.

The following Board Members were in attendance:

Mr. Clark Cossé III	Dr. Katharine Rathbun
Dr. Melanie Firmin	Dr. Van Culotta
Mr. Kent Guidry	
Mr. Joe Donchess	

Board Members absent:
Dr. William LaCorte
Mr. Manual DePascual
Mr. James Hritz

Others present:

Mrs. Lorraine LeBlanc	Mr. Ken Schnauder
Mr. Dave Woolridge	Ms. Annette Droddy
Mrs. Aminthe Broussard	Mr. Tom McCormick

Mr. Cossé called the meeting to order. Mr. Cossé asked that the record show that six Board members were in attendance and that 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. No public comments were made.

Mr. Cossé called for the approval of the June minutes. Dr. Culotta moved for the minutes to be approved with no corrections. Dr. Rathbun seconded the motion. The minutes were adopted and there were no dissenting votes.

Next, Mrs. Woodard went over the financial report. There was a question regarding the amounts shown as paid and to be paid on the form. It was explained that the amounts to be paid were claims that were approved by the Board and were in the process of being paid and those that the Board is expected to approve at the current meeting. Mr. Cossé asked if there were any other questions regarding the financial reports, there were none.

The next item on the agenda was the discussion of the rates and UAL. Mr. Cossé reminded the Board that at the last board meeting, the Board voted to maintain the current surcharge rates. It was also learned at the last meeting that the Commissioner Donelon expected the Board to eliminate the UAL by 2013. Because of this, it was suggested that the actuary calculate the increase in rates that would be necessary to address the UAL in four more years. At the same time, the Board's general counsel was asked to look into the legal aspects of the Board not filing with the Department of Insurance. The responses to both of these requests were forwarded to the Department of Insurance. Mr. Cossé included his concerns over the impact on large increases to the surcharges especially considering the cuts to Medicare and Medicaid. Commissioner Donelon expressed concern regarding his duty to see that the UAL is adequately addressed and has asked his legal department to review the documents provided by the Board, as well as the statutes. Further discussion is expected on whether or not the Board is mandated to submit a rate filing with the Department of Insurance every year, and how the UAL should be addressed. Mr. Cossé stated Commissioner Donelon plans to attend the next board meeting.

Mr. McCormick with LAMMICO stated they are of the opinion that the Board has made great progress in addressing the UAL and the Fund looks good now and should be able to defend its position regarding rates. He also stated that some of the IBNR could also go to the UAL if the trends continue or become better than projected and this should be brought out.

Mr. Cossé asked for the claims manager report. Mr. Schnauder stated it had been a busy month, but mostly due to the backlog of payments from the prior fiscal year. All settlements from the prior fiscal year were paid except for about \$3,000,000. At this meeting 35 claims were being presented for approval in the amount of about \$11,300,000. This past month 123 claims were opened and 143 were closed. There is still a decrease in the number of claims filed as compared to last year. Dr. Culotta asked if there was an advantage to trying to close the older claims. Mr. Schnauder explained that both he and the supervisors look at the oldest claims regularly to make sure no action can be taken. The majority of the claims are still at the primary stage and unless the Board wants to take action to settle the claims without the primary, there is nothing more the PCF staff can do to close them. There were no other comments or questions.

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Mr. Cossé asked if there were any public comments. Mr. McCormick with LAMMICO stated that they are seeing the same trends and they have some old claims that are difficult to close. There were no other public comments. Mr. Cossé thanked the guests for attending the meeting and the General Session was adjourned. The Board moved into the Executive Session.

Mr. Clark R. Cossé III, Chairman