



State of Louisiana
PATIENTS' COMPENSATION FUND

MINUTES

PCF OVERSIGHT BOARD

December 3, 2009

WOMAN'S HOSPITAL
BATON ROUGE, LA.

Mr. Clark Cosse', Chairman, convened the meeting of the Patient's Compensation Fund Oversight Board, at 6:30 PM on Thursday December 3, 2009, at the Woman's Hospital Corporate Board Room in Baton Rouge.

The following Board Members were in attendance:

Mr. Clark Cosse'	Mr. Joe Donchess	Dr. Van Culotta
Dr. Katharine Rathbun	Mr. Kent Guidry	
Mr. James Hritz	Dr. Melanie Firmin	

The following Board Members were absent:

Mr. Manual DePascual
Dr. William LaCorte

Others present:

Mrs. Lorraine LeBlanc	Mr. Ken Schnauder	Mrs. Annette Drodody
Mrs. Barbara Woodard	Mr. David Woolridge	Mr. Buck Copeland
Mrs. Cindy Amedee	Mr. Peter Bondy	

Mr. Cosse' called the meeting to order. Mr. Cosse' asked that the record show that seven board members were in attendance and a quorum was present. Mr. Cosse' welcomed the guests to the meeting and asked all present to introduce themselves.

Mr. Cosse' asked for public comments. No public comments were made.

Mr. Cosse' called for the approval of the November minutes. Dr. Rathbun moved for the minutes to be approved with no corrections. Dr. Culotta seconded the motion. Following a verbal vote, the minutes were adopted with no dissenting votes.

Mr. Cosse' asked for the financial reports. Mrs. LeBlanc informed the Board that the Office of Planning and Budget did remove one position, and the money for the position, from the budgeted positions allocated to the PCF. Mrs. LeBlanc informed the guests attending the meeting that the PCF financial information and minutes of the November general session would be posted on the PCF website following the meeting. This is customary for all such reports presented during the general sessions. There were no questions regarding the financial handout.

Mr. Cosse' moved to the claims manager report. Mr. Schnauder reported for November, the claims section again closed more files than they opened, with 101 opened and 152 closed. There are now only 5244 total pending claims. There were 1316 panels filed so far in 2009 and the last year the total panels filed fell below 1500 was in 1994. There has been a downward trend in panels filed since 2005, some of which is attributable to the decrease in population in New Orleans and the fact that there are fewer hospital beds available. The amount paid in interest is down from the prior years. Fewer defense attorneys are being assigned by the PCF so legal costs are also down. The Board is considering settlements totaling about \$13,000,000 tonight and about \$56,000,000 has already been paid. It appears the PCF could settle and pay between 350 and 400 claims this fiscal year, which will be an all time high.

The next item on the agenda involved proposed revisions to the PCF rules, specifically Chapter 7. All Board members were provided a copy of the rules with recommended changes noted in red. Mrs. LeBlanc informed the Board that she and Mr. Woolridge have been working on revisions to all the PCF rules; however, it was felt that it would be best to present the recommendations to the Board in sections. This chapter was placed first because of the pending litigation with the Dept. of Insurance and the due to some prior legislative changes. Technical corrections were made such as replacing the Insurance Rating Commission with Department of Insurance due to the elimination of the Commission. Some paragraphs were felt to be duplicative and deletion was recommended. Mr. Woolridge mentioned that if there were any conflicts with statutes, the rule should be removed or modified accordingly. There was a question regarding the replacement of Fund with Board throughout the rules. It was explained that the agency, or budget unit of the state, is the PCF Oversight Board and the statutes give the Board the authority to set rates, retain employees, enter into contracts, etc. Mr. Woolridge stated that this actually referred to the PCF employees and not the Board members and a fund was simply the money aspect of the agency and not the actual performance of the functions. Mrs. LeBlanc explained that changes were made to incorporate the use of the email and website communication where appropriate. She added that as part of the new computer system, current certificates of enrollment are online and can be easily and readily obtained. At this point, only the current year

is visible, but the goal is to have two years available online, prior year and current year. There was discussion concerning §715 which deals with coverage issues. There was a concern over doctors that state they are retiring to obtain free tail coverage, then do not actually retire but move to another state or rejoin the workforce shortly after they stated they retired. There were comments regarding the continued licensure of the MD, whether or not services performed without a fee should impact what is considered to be retired, and a mechanism to prevent health care providers from. Mr. Guidry stated consistency was needed in how the PCF treats such situations and what actions were taken in the past need to be reviewed. Mr. Hritz made a motion and Dr. Rathbun seconded that changes recommended to §701 - §713 be adopted and changes to §715 be held for further review. By unanimous verbal vote, the motion carried.

This concluded the items on the agenda for the general session. Mr. Cossé asked for any public comments. There were none.

Dr. Firmin moved that the Board go into executive session to discuss pending litigation. Mr. Hritz seconded the motion. By unanimous verbal vote, the motion carried and the Board moved into executive session. All guests were thanked for their participation.

The General Session was adjourned. The Board moved into the Executive Session.

Clark R. Cossé III, Chairman