

MINUTES

PCF OVERSIGHT BOARD

March 2, 2017

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 2, 2017.

The following Board members were in attendance:

Mr. Clark Cossé, Chairman	Dr. Christopher Foret	Dr. Lesley Meng
Mr. Kent Guidry	Dr. Patrick Breaux	Mr. Jim Hritz

The following Board members were absent:

Dr. Van Culotta	Mr. Marcus Naquin	Mr. Manuel DePascual
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Others present:

Mr. Ken Schnauder	Ms. Shelly Fowler	Mr. Jacob Meese
Ms. Barbara Woodard	Ms. Betty Patrick	Mr. Larry Warren
Mr. Kurt Loup	Mr. David Woolridge	

Mr. Cossé called the meeting to order and asked the record reflect six Board members were in attendance and a quorum was present. Mr. Cossé then 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 2, 2017 minutes. Dr. Foret moved for the minutes to be approved and Dr. Meng seconded the motion. By verbal vote, the minutes were adopted with no dissenting votes.

Mr. Cossé called for the investment update. Mr. Jacob Meese of Cardinal Investment Advisors provided the Board with a detailed quarterly report, portfolio update and an inflation hedge study. Mr. Meese advised all asset classes for the quarter were within their policy target ranges and the PCF's overall portfolio outperformed the benchmark by 24 basis points. He advised for the past year the PCF's overall portfolio outperformed the benchmark by 0.59%, returning 4.98%. He advised both core fixed income and commodities fared well, relatively, while high yield bonds and equities struggled.

Mr. Cossé asked for the financial reports. Ms. Barbara Woodard informed the Board the Fund balance for the fiscal year to date was approximately \$1,059,571,070, the total net collected in

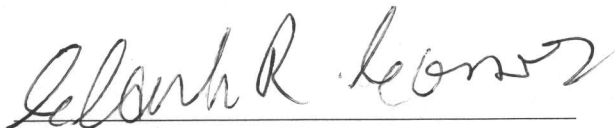
surcharge payments to date was approximately \$119,089,474, and the total net filing fees collected to date were \$184,400. She advised the reported investment income through January was \$8,316,763, the total operating expenses to date were \$3,718,301, and the claims expenses to date were \$68,719,416. There were no questions asked and no public comments made.

Mr. Schnauder advised the Board the PCF books were closed on December 31, 2016 and all information had been sent to the PCF actuary Mr. Jim Hurley, and Mr. Hurley plans to present the annual actuary report at the July 2017 Board meeting. Mr. Schnauder asked the Board to consider moving the July meeting from the 6th to the 13th; after some discussion the Board agreed to do so. Mr. Guidry made a motion to move the July 2017 Board meeting to July 13, 2017 and Dr. Breaux seconded the motion. By verbal vote, the motion was adopted with no dissenting votes.

Mr. Cossé asked for the claims report. Mr. Loup informed the Board for the month of February there were 61 panels filed, 85 panels closed, 82 claims opened and 81 claims closed, ending the month with a total pending claims count of 4,565. Mr. Loup advised \$0 in judicial interest was paid for the month and \$161,649 in legal fees and expenses were paid. Mr. Loup presented 23 claims for settlement approval for the month in the amount of \$9,774,730. 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. Mr. Guidry 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.



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

April 5, 2017

Date