

MINUTES

PCF OVERSIGHT BOARD

July 18, 2019

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

Dr. Christopher Foret, Chairman, convened the meeting of the Patient's Compensation Fund Oversight Board at 6:30 PM on Thursday, July 18, 2019.

The following Board members were in attendance:

Dr. Christopher Foret, Chairman	Mr. Robert Ruel	Mr. Gregory Waddell
Mr. Kent Guidry	Dr. Luis Alvarado	Dr. Corey Hebert
Mr. Marcus Naquin	Ms. Jennifer DeCuir	

The following Board member was absent:

Dr. Patrick Breaux

Others present:

Mr. Ken Schnauder	Ms. Shelly Fowler	Mr. Jeff Williams
Ms. Barbara Woodard	Mr. Dave Woolridge	Mr. Larry Warren
Ms. Betty Patrick	Mr. Jim Hurley	Ms. Annette Droddy

Dr. Foret called the meeting to order and asked that the record reflect eight Board members were in attendance and a quorum was present. Dr. Foret then welcomed the guests to the meeting and asked all present to introduce themselves.

Dr. Foret asked for public comments or questions. No public comments were made.

Dr. Foret called for the approval of the June 6, 2019 minutes. Mr. Naquin moved for the minutes to be adopted and Dr. Alvarado seconded the motion; by verbal vote, the minutes were adopted with no dissenting votes.

Dr. Foret called for the election of Board officers. Mr. Waddell advised the election committee met and discussed the matter and recommends re-nominating the current slate of officers. Mr. Ruel made a motion to keep Dr. Foret as Chairman, Mr. Guidry as Vice Chairman, and Dr. Alvarado as Secretary; the motion was seconded by Ms. DeCuir. By verbal vote, the officers of the Board were elected with no dissenting votes.

Dr. Foret asked for discussion of the annual actuary report. Mr. Jim Hurley of Willis Towers Watson provided the Board with the annual actuary report based on data received through December 31, 2018. Mr. Hurley advised there was a deterioration in claim reserve development

for the first time in several years. He advised in the past few years there had been roughly \$30 million in favorable development allowing the Board to consider rate reductions when increases were indicated; this year there was a \$25 million strengthening in reserves required. He presented 4 rate options for the Board to consider. After much discussion from the Board and the public, Mr. Guidry made a motion for approval of rate changes consistent with Option 4 which would be to take a \$25 million surcharge reduction which would be covered by investment income; every provider would have a 3% increase covering "trend" and the remaining rates would be allocated by class according to loss experience resulting in an overall increase of 7.8%. Mr. Naquin seconded the motion; by verbal vote, the motion was adopted with a 7 to 1 vote.

Dr. Foret asked for the financial and budget reports. Ms. Woodard informed the Board the Fund balance for the fiscal year to date was approximately \$1,105,448,347, the total net collected in surcharge payments to date was approximately \$139,901,979 and the total net filing fees collected to date were \$279,405. She advised the reported investment income through May was \$31,240,996, the total operating expenses to date were \$6,016,274, and the claims expenses to date were \$141,107,799. There were no questions asked and no public comments made.

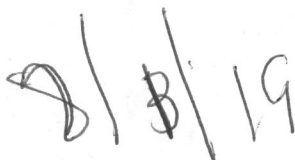
Dr. Foret called for the claims report. Mr. Loup informed the Board for the month of June there were 77 panels filed, 122 panels closed, 91 claims opened, and 100 claims closed, ending the month with total pending claims count of 4,340. Mr. Loup advised \$46,625 in judicial interest was paid for the month and \$245,427 in legal fees and expenses were paid. Mr. Loup presented 28 claims for settlement approval for the month in the amount of \$20,599,500. There were no questions asked and no public comments made.

Dr. Foret asked if there were any questions or comments from the public. There were none.

Dr. Foret thanked the guests for attending the meeting. Dr. Alvarado then made a motion for the Board to move into Executive Session; Mr. Ruel seconded the motion. The verbal vote was unanimous, and the Board moved into Executive Session to discuss matters of litigation.



Dr. Christopher Foret, Chairman



Date