

# MINUTES

## PCF OVERSIGHT BOARD

June 4, 2020

### ZOOM TELECONFERENCE

Dr. Christopher Foret, Chairman, convened the meeting of the Patient's Compensation Fund Oversight Board at 5:30 PM on Thursday, June 4, 2020.

The following Board members were in attendance:

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

The following Board member was absent:

Dr. Corey Hebert

Others present:

Mr. Ken Schnauder	Ms. Betty Patrick	Mr. Larry Warren
Ms. Barbara Woodard	Mr. Dave Woolridge	Mr. Jeff Williams
Mr. Kurt Loup	Mr. Jim Hurley	Ms. Annette Droddy
Ms. Shelly Fowler	Ms. Kah-Leng Patterson	

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 called for approval of the May 7, 2020 minutes. Mr. Naquin moved for the minutes to be adopted and Mr. Guidry seconded the motion; by verbal vote, the minutes were adopted 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 and rate study based on data received through December 31, 2019. Mr. Hurley discussed a few highlights of data, advising the overall indicated rate change was a 15.9% increase. He presented 4 rate options for the Board to consider. After much discussion from the Board, Mr. Naquin made a motion for approval of no rate increase or change for any provider during these trying times; no increase would, in effect, take an expected \$23 million surcharge reduction which would be covered by the improvement in reserve development. Mr. Guidry seconded the motion; by verbal vote, the motion was adopted. Mr. Hurley was comfortable with this option.

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 \$1,130,620,424, the total net collected in

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surcharge payments to date was approximately \$134,919,150 and the total net filing fees collected to date were \$251,595. She advised the investment income through April was approximately \$42,887,942, the total operating expenses to date were \$5,728,202, and the claims expenses to date were \$146,609,363.

Mr. Schnauder then discussed the comparison report and advised all categories were in line except claims which had increased 16.5% from 2019. He advised the claims budget, even with the Board-approved increase in March, would be exhausted before the June 30 fiscal year end; he requested an increase. Mr. Naquin moved for the claims budget to be increased from \$150,000,000 to \$165,000,000. Mr. Guidry seconded the motion, and by verbal vote, the motion was approved.

Mr. Schnauder then discussed the July Board meeting date and it was agreed the meeting will take place on July 9, 2020.

Dr. Foret called for the claims report. Mr. Loup informed the Board for the month of May there were 45 panels filed, 80 panels closed, 63 claims opened, and 74 claims closed, ending the month with a total, pending claims count of 4,268. Mr. Loup advised \$0 in judicial interest was paid for the month and \$239,293 in legal fees and expenses were paid. Mr. Loup presented 16 claims for settlement approval for the month in the amount of \$7,827,500. There were no questions asked and no public comments made.

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



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Dr. Christopher Foret, Chairman

July 9, 2020

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Date