

# MAY MINUTES

## PCF OVERSIGHT BOARD

May 5, 2022

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, May 5th, 2022.

The following Board members were in attendance:

Dr. Christopher Foret, Chairman	Mr. Marcus Naquin	Dr. Luis Alvarado
Mr. Gregory Waddell	Mr. Scott Guidry	Ms. Jennifer DeCuir
Dr. David Broussard		

Absent:

Mr. Robert Ruel	Dr. R. Reese Newsome
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Others present:

Mr. Ken Schnauder	Ms. Barbara Woodard	Mr. Kurt Loup
Ms. Alicia Reynolds	Mr. Dave Woolridge	Mr. Matt Padberg
Mr. Jacob Meese	Ms. Allison Novas	Mr. Jeff Williams

Dr. Foret called the meeting to order and asked that the record reflect 7 Board members were in attendance and a quorum present. Dr. Foret then welcomed the guests to the meeting and asked for all present to be introduced.

Dr. Foret called for approval of the April 7, 2022, minutes. Dr. Alvarado 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 called for the quarterly investment update. Mr. Matt Padberg of Cardinal Investment Advisors, LLC provided a detailed investment report to the Board and advised the overall portfolio for the quarter outperformed the benchmark by 92 bps. He advised for the year, the overall portfolio underperformed its relative benchmark, returning -0.6%. After a brief discussion on the information presented, and a recommendation to consolidate the EM Debt strategy, Dr. Alvarado made a motion to reallocate all funds currently invested with Goldman Sachs Emerging Market Debt to PGIM Emerging Market Debt which currently has 50% of the allocation. Mr. Naquin seconded the motion; by verbal vote the motion passed with no dissenting votes.

Mr. Jacob Meese of Cardinal Investment Advisors, LLC advised the Board the 3-year contract with NEAM was set to expire in the upcoming fiscal year. He reported NEAM had lower fees when compared to all other bond management companies and NEAM has outperformed its benchmark by 40 basis points on an annualized basis since investment inception in June 2014.

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Cardinal's recommendation was to continue with NEAM for another 3-year contract. After a lengthy discussion, Dr. Alvarado made a motion to renew the contract with NEAM which was seconded by Mr. Naquin; by verbal vote the motion passed with no dissenting votes.

Mr. Padberg advised the 3-year contract with Cardinal Investment Advisors; LLC was also set to expire this year. Dr. Alvarado made a motion to renew the contract with Cardinal Investment Advisors, LLC., and Dr. Broussard seconded the motion; by verbal vote the motion passed with no dissenting votes.

Dr. Foret asked for any further contracts that required approval for the upcoming fiscal year. Mr. Schnauder presented 7 administrative contracts due to be renewed effective July 1, 2022: PMSI Settlement Solutions, JPI, Hannis T. Bourgeois, CPA, Willis Towers Watson, Alexander Sides, Lafleur & Laborde, and Corvel Corporation. Mr. Naquin made a motion to approve all 7 contracts presented, Dr. Alvarado seconded the motion and by unanimous verbal vote the motion was approved.

Mr. Schnauder also proposed to increase the hourly rates for PCF defense attorneys to \$195 for those with 10 or more years of experience, \$165 for those with 5 to 10 years of experience and \$140 for those with under 5 years of experience. Mr. Schnauder advised these rates were last increased in 2014. Mr. Guidry made a motion to approve the increased rates as presented. Ms. DeCuir seconded the motion; by verbal vote the motion passed with no dissenting votes.

Mr. Waddell provided a legislative update on bills that have been proposed in the Louisiana legislative session which might have an impact on the Fund.

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 \$1,276,243,724, the total net collected in surcharge payments to date was approximately \$134,282,364 and the total net filing fees collected to date were \$170,605. She advised the investment income through April was approximately \$30,597,295, the total operating expenses to date were \$5,286,317 and the claims expenses to date were \$86,282,831.

Dr. Foret called for the claims report. Mr. Loup informed the Board for the month of April there were 69 panels filed, 106 panels closed, 79 claims opened, and 123 claims closed, ending the month with a total pending claim count of 3906. Mr. Loup advised \$0 in judicial interest was paid for the month and \$142,664 in legal fees and expenses were paid. Mr. Loup presented 20 claims for settlement approval and notice of 1 final judgment for the month of April in the amount of \$5,565,744. There were no questions asked and no public comments made.

Dr. Foret thanked the guests for attending the meeting. Mr. Naquin 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.

After discussion in closed session, Mr. Guidry made a motion to end the executive session and move into open session and to approve the claims with the noted abstentions; Dr. Alvarado seconded the motion, and by unanimous verbal vote the motion was approved.

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At that time, with no further matters to be discussed, Mr. Guidry moved for adjournment; Dr. Broussard seconded the motion. By verbal vote, the motion carried with no dissenting votes; the meeting was adjourned at 8:15 PM.



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Dr. Christopher Foret, Chairman

5/2/22

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Date