MINUTES

PCF OVERSIGHT BOARD

September 6, 2018

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

Dr. Christopher Foret, Vice-Chairman, convened the meeting of the Patient's Compensation Fund Oversight Board at 6:30 PM on Thursday, September 6, 2018.

The following Board members were in attendance:

Dr. Christopher Foret	Mr. Robert Ruel	Mr. Marcus Naquin
Mr. Kent Guidry	Dr. Luis Alvarado	Dr. Corey Hebert
Mr. Gregory Waddell		

The following Board member was absent:
Ms. Jennifer DeCuir

Others present:

Mr. Ken Schnauder	Ms. Shelly Fowler	Mr. Jeff Williams
Mr. Kurt Loup	Mr. David Woolridge	Mr. Larry Warren
Ms. Betty Patrick	Mr. Matt Padberg	Mr. & Mrs. Clark Cossé

Dr. Foret called the meeting to order and asked that the record reflect seven 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.

The Board gave a well-deserved farewell to Mr. Clark R. Cossé, III who served as a Board member for seventeen years and as Board Chairman for the past eleven years. Mr. Schnauder presented Mr. Cossé with a plaque and thanked him for his achievements and service on the Board.

Dr. Foret called for the approval of the August 2, 2018 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. Dr. Alvarado made a motion to nominate Dr. Foret as Chairman and Mr. Guidry seconded the motion; Mr. Naquin made a motion to nominate Mr. Guidry as Vice Chairman and the motion was seconded by Mr. Waddell and Mr. Waddell

made a motion to nominate Dr. Alvarado as Secretary and this was seconded by Mr. Ruel. By verbal vote, the officers of the Board were elected with no dissenting votes. Dr. Foret then selected Dr. Corey Hebert to serve on the claims committee.

Dr. Foret called for the quarterly investment update. Mr. Matt Padberg of Cardinal Investment Advisors provided the Board with a detailed quarterly report and portfolio update. Mr. Padberg advised the PCF's overall portfolio outperformed the benchmark by 3 basis points for the quarter and all asset classes were within their target policy ranges. He advised for the past year, the PCF's overall portfolio outperformed the benchmark by 15 basis points, returning 1.90%. There were several questions asked of Mr. Padberg by the Board and the public about the portfolio which he answered and then concluded his presentation.

Dr. Foret asked for the financial reports. Mr. Schnauder informed the Board the Fund balance for the fiscal year to date was approximately $1,080,839,133, the total net collected in surcharge payments to date was approximately $16,040,901 and the total net filing fees collected to date were $52,700. He advised the reported investment income through July was $2,192,397, the total operating expenses to date were $837,957, and the claims expenses to date were $17,758,947. Mr. Schnauder also presented the updated year-end figures for FY 2018. There were no questions asked and no public comments made.

Mr. Schnauder advised through the first 8 months of 2018 $80MM had been expended on claims which was 40% above 2017 for the same time period. He advised 2018 was gearing up to be the most expensive claims year in the history of the Fund due mainly to severity of claims as frequency is still relatively low.

Dr. Foret called for the claims report. Mr. Loup informed the Board for the month of August there were 101 panels filed, 142 panels closed, 112 claims opened, and 178 claims closed, ending the month with total pending claims count of 4,458. Mr. Loup advised $146,622 in judicial interest was paid for the month and $230,980 in legal fees and expenses were paid. Mr. Loup presented 35 claims for settlement approval for the month in the amount of $16,190,741. 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. Mr. Guidry then made a motion for the Board to move into Executive Session; Dr. Alvarado seconded the motion. The verbal vote was unanimous and the Board moved into Executive Session to discuss matters of litigation.

Dr. Christopher Foret, Chairman

10/4/18

Date