

JULY MINUTES

PCF OVERSIGHT BOARD

July 10, 2025

Our Lady of the Lake Regional Medical Center
Heroman Board Room, First Floor
5000 Hennessey Blvd.
Baton Rouge, LA

Mr. Marcus Naquin, Chairman, convened the meeting of the Patient's Compensation Fund Oversight Board at 6:30 PM on Thursday July 10, 2025.

The following Board members were in attendance:

Mr. Marcus Naquin, Chairman	Mr. Greg Waddell	Dr. R. Reece Newsome
Ms. Tracy Bordelon	Dr. Luis Alvarado	Mr. Robert Ruel
Dr. Christopher Foret	Dr. David Broussard	

Absent:

Mr. John Derenbecker

Others present:

Mr. Ken Schnauder	Mr. Kurt Loup	Ms. Stephanie Laborde
Ms. Alicia Reynolds	Ms. Barbara Woodard	Mr. Jim Hurley
Mr. Jeff Van Kley	Ms. Susan Gremillion	Ms. Normeca Smith
Ms. Holly Descant	Mr. Jeff Williams	Ms. Cathy Moss

Mr. Naquin called the meeting to order and asked that the record reflect 8 Board members were in attendance and a quorum was present. He then welcomed the guests to the meeting and asked for all present to be introduced.

Mr. Naquin called for approval of the June 5, 2025, minutes. Dr. Newsome moved for the minutes to be adopted, and Dr. Alvarado seconded the motion. By verbal vote, the minutes were adopted with no dissenting votes.

Mr. Naquin called for the annual actuarial rate study presented by Mr. Jim Hurley and Mr. Jeff Van Kley of Willis Towers Watson. Mr. Van Kley gave a brief overview of the methods used to formulate the indicated rate changes and observed that panels filed decreased slightly but paid losses for the 2024 calendar year had increased. Mr. Hurley gave a summary of the indicated rate changes for each coverage category and presented 4 options for surcharge rates in the upcoming year. After discussion, Dr. Alvarado made a motion to keep all provider rates the same for the upcoming year. Dr. Newsome seconded the motion, and a roll call vote was requested. Mr. Waddell, Dr. Broussard, Dr. Newsome, and Dr. Alvarado voted to approve the motion. Mr. Ruel, Ms. Bordelon, Dr. Foret and Mr. Naquin voted against the motion. The motion failed to reach a majority with a vote of 4 to 4. Dr. Foret made a motion to adopt the indicated rate changes in option 4 which proposed a 4.5 % increase for Hospitals, 3.6 % increase for Nursing Homes, 2.1 % increase for Class 4 Physicians and a 1.6 % increase for Dentists/Oral Surgeons. The rates for the

remaining classes would remain the same with this option. A roll call vote was requested again. Ms. Bordelon, Dr. Foret, Dr. Newsome and Mr. Naquin voted to approve the motion. Mr. Waddell, Mr. Ruel, Dr. Broussard, and Dr. Alvarado voted against the motion. The motion failed to reach a majority with a vote of 4 to 4. After further discussion, Dr. Newsome made a motion to increase the rate for hospitals by 9% but keep rates for other classes the same; similar to the changes adopted the previous year. The motion was not seconded, and Dr. Newsome withdrew the motion. In an effort to reach a compromise, Mr. Naquin suggested adopting the option 4 indicated rates with a decrease of 1% for each change. With this option rates for Hospitals would increase by 3.5%, Nursing Homes by 2.6%, Class 4 Physicians by 1.1% and Dentists/Oral Surgeons by 0.6%. All other rate classes would remain unchanged. Dr. Newsome made a motion to adopt option 4 with a 1% decrease to any indicated rate change. Dr. Foret seconded the motion, and a roll call vote was requested. Ms. Bordelon, Dr. Broussard, Dr. Foret, Dr. Newsome, Dr. Alvarado, and Mr. Naquin voted to approve the motion. Mr. Waddell and Mr. Ruel voted against the motion. The motion carried with a vote of 6 to 2.

Mr. Naquin called for the compensation committee to report on their evaluation of the PCF's unclassified staff and recommendations for compensation. Mr. Waddell advised that he, Dr. Newsome, Dr. Alvarado, and Mr. Naquin met via zoom and determined Mr. Schnauder and Mr. Loup performed their roles skillfully. To keep their compensation on par with similar positions within the State, the committee recommended a 6% increase for Mr. Schnauder and Mr. Loup. Dr. Alvarado made a motion to adopt this recommendation, and Mr. Waddell seconded it. The motion was approved by a unanimous verbal vote.

Mr. Naquin called for a review of the 3-year Mariner contract set to renew on September 30, 2025. Mariner proposed a fee increase of 2.75% annually over the next 3 years. Dr. Alvarado voted to approve the contract renewal as proposed, Dr. Newsome seconded the motion. A verbal vote was taken, and the motion was approved with no dissenting votes.

Mr. Naquin then called for the monthly financial report. Ms. Woodard informed the Board the Fund balance was approximately \$1,438,628,891, the total net collected in surcharge payments to date was approximately \$163,024,037 and the total net filing fees collected to date were \$248,900. She advised the investment income as of May 31, 2025, was \$54,782,495, the total operating expenses to date were \$7,092,265, and the total claims expenses to date were \$155,482,647.

Mr. Naquin called for the claims report. Mr. Loup informed the Board that for the month of June there were 74 panels filed, 123 panels closed, 106 claims opened, and 106 claims closed, ending the month with a total pending claim count of 3930. Mr. Loup advised \$0, in judicial interest, was paid for the month and \$141,158 in legal fees and expenses were paid. Mr. Loup presented 24 claims for settlement approval for the month in the amount of \$13,820,000. There were no questions asked, and no public comments made.

Mr. Naquin asked if the Board was ready to move to the Executive Session. Dr. Alvarado made a motion for the Board to move into Executive Session; Dr. Newsome 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, the Board agreed to return to General Session. A motion was made by Mr. Waddell to formally end the executive session and to approve the presented claims,

PCFOB Minutes

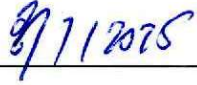
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with any noted abstentions; Mr. Ruel seconded the motion, and by unanimous verbal vote the motion was approved.

At that time, with no further matters to be discussed, Mr. Waddell moved for adjournment. Dr. Alvarado seconded the motion. By verbal vote, the motion passed with no dissenting votes; the meeting was adjourned at 8:30 pm.



Mr. Marcus Naquin, Chairman



Date