

MINUTES

PCF OVERSIGHT BOARD

October 1, 2020

CROWNE PLAZA HOTEL
Conference Room – Cypress II

Dr. Christopher Foret, Chairman, convened the meeting of the Patient's Compensation Fund Oversight Board at 6:30 PM on Thursday, October 1, 2020.

The following Board members were in attendance:

Dr. Christopher Foret, Chairman	Mr. Marcus Naquin	Ms. Jennifer DeCuir
Mr. Robert Ruel	Dr. Patrick Breaux	

Absent:

Mr. Scott Guidry	Mr. Gregory Waddell	Dr. Luis Alvarado
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		

Dr. Foret called the meeting to order and asked that the record reflect five 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 approval of the September 3, 2020 minutes. Dr. Breaux moved for the minutes to be adopted and Mr. Ruel seconded the motion; by verbal vote, the minutes were adopted with no dissenting votes.

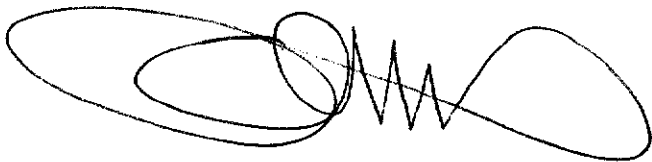
Dr. Foret called for discussion and approval of PCF Emergency Rule 7 (Hurricane Laura). Mr. Schnauder advised Emergency Rule 7 was drafted to correlate with Emergency Rule 45 promulgated by the Louisiana Department of Insurance entitled "Suspension of Certain Statutes Regarding Cancellations, Termination, Non-Renewals, and Nonreinstatements, Premium Payments, Claim Filings and Related Provisions Regarding Any and All Insurance Matters Affecting Insured in Louisiana Caused by the State of Emergency Declared by Governor John Bel Edwards on August 31, 2020, Due to Hurricane Laura." After some discussion, Dr. Breaux made a motion to approve Emergency Rule 7, the effective date being August 27, 2020, and the end date being October 24, 2020 or the end of the State of Emergency, as determined by the Governor, whichever comes first, to give those with renewals falling within the effective dates of the Rule an extended period in which to remit surcharge payments. Mr. Ruel seconded the motion; by verbal vote, the motion was approved.

Dr. Foret called for discussion on the Unclassified Staff Annual Evaluation and Compensation Review. Mr. Naquin advised the committee met for the annual evaluation and compensation review of the PCF Executive Director Ken Schnauder and Claims Manager Kurt Loup; he advised the committee did research on other Executive Director and Claims Manager positions within the State. He advised they were very pleased with Mr. Schnauder's and Mr. Loup's performance and recommended an increase in their annual salaries by 3% effective July 15, 2020, keeping in line with the increases received by classified state employees. Dr. Breaux moved to approve the recommended increases in the salaries, to be retroactive to July 15, 2020. Mr. Ruel seconded the motion; by verbal vote, the motion was approved with no dissenting votes. Mr. Loup and Mr. Schnauder both thanked the Board for their confidence and support.

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 \$1,146,033,065, the total net collected in surcharge payments to date was approximately \$25,878,350 and the total net filing fees collected to date were \$62,100. She advised the investment income through August was approximately \$7,826,291, the total operating expenses to date were \$1,444,004, and the claims expenses to date were \$21,313,111. Mr. Schnauder discussed the effect the pandemic was having on surcharge collections and claims and anticipates a reduction in surcharge collections over the next 4 to 6 months. He stated many practitioners were retiring or had reduced work hours significantly.

Dr. Foret called for the claims report. Mr. Loup informed the Board for the month of September there were 48 panels filed, 120 panels closed, 99 claims opened, and 115 claims closed, ending the month with a total pending claims count of 4,263. Mr. Loup advised \$0 in judicial interest was paid for the month and \$187,589 in legal fees and expenses were paid. Mr. Loup presented 21 claims for settlement approval for the month in the amount of \$12,835,500. 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. 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

11/5/2020

Date