

NOVEMBER MINUTES

PCF OVERSIGHT BOARD

November 14, 2024

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 November 14, 2024.

The following Board members were in attendance:

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

Absent:

Dr. Christopher Foret

Others present:

Mr. Ken Schnauder	Mr. Dave Woolridge	Mr. Kurt Loup
Ms. Alicia Reynolds	Ms. Sonja Connerly	Mr. Jacob Meese
Mr. Matt Hollingsworth	Mr. Jeff Williams	Ms. Holly Descant

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 October 3, 2024 minutes. Dr. Alvarado moved for the minutes to be adopted, and Dr. Newsome seconded the motion. By verbal vote, the minutes were adopted with no dissenting votes.

Mr. Naquin called for the quarterly investment update presented by Mr. Jacob Meese and Mr. Matt Hollingsworth with Cardinal Investment Advisors, LLC. Mr. Meese advised the PCF portfolio underperformed its benchmark by 30 bps returning 4.48% for the quarter; however, relative performance over the past year was positive, returning 12.3%. Mr. Hollingsworth went over the scorecard for each asset class and how they rated in comparison to their peers, specifically focusing on the performance of high yield bonds. Mr. Meese requested a meeting date to review the asset allocation of the PCF portfolio in the spring or summer of next year.

Mr. Naquin requested the projected PCF budget for the 7/1/25-6/30/26 fiscal year. Mr. Schnauder presented the proposed budget, highlighting an increase of \$25,000,000 for claims expenses from prior years. After a brief discussion, Dr. Newsome made a motion to approve the

budget of \$184,798,278.00 for the upcoming fiscal year as presented and Dr. Alvarado seconded the motion. By unanimous verbal vote the motion carried.

Mr. Naquin asked for the monthly financial report. Mr. Schnauder informed the Board the Fund balance was approximately \$1,393,63,593, the total net collected in surcharge payments to date was approximately \$44,730,213, and the total net filing fees collected to date were \$83,800. He advised the investment income as of September 30, 2024 was \$12,198,706, the total operating expenses to date were \$2,454,473, and the claims expenses to date were \$44,344,024.

Mr. Naquin called for the claims report. Mr. Loup informed the Board for the month of October there were 88 panels filed, 116 panels closed, 81 claims opened, and 103 claims closed, ending the month with a total pending claim count of 4028. Mr. Loup advised \$0, in judicial interest was paid for the month and \$197,058 in legal fees and expenses were paid. Mr. Loup presented 28 claims for settlement approval for the month in the amount of \$14,113,817. There were no questions asked, and no public comments made.

Mr. Naquin asked if the board was ready to move into the executive session. Dr. Alvarado made a motion for the Board to move into Executive Session; Ms. Bordelon 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, Dr. Alvarado made a motion to end the executive session and move into open session, Mr. Waddell seconded the motion, and by unanimous verbal vote the motion was approved.

Dr. Alvarado made a motion to approve the findings and conclusions from the Cannady administrative hearing that were reviewed during the executive session and Dr. Newsome seconded the motion. By verbal vote the motion passed with no dissenting votes.

Dr. Newsome made a motion to approve the claims presented during executive session with noted abstentions, Ms. Bordelon seconded the motion and by unanimous verbal vote the motion was approved.

At that time, with no further matters to be discussed, Dr. Alvarado moved for adjournment; Dr. Newsome seconded the motion. By verbal vote, the motion carried with no dissenting votes; the meeting was adjourned at 8:00 pm.



Mr. Marcus Naquin, Chairman

12/5/2024

Date