

**Virginia Birth-Related Neurological Injury Compensation Program
Board of Director's Meeting**

Minutes for February 10, 2015 – Final

Attendees:

Dave Barrett, Chair
Lydia Byrd
Vicki Harris, J.D.
Vienne Murray, M.D.
Vanessa S. Rakestraw, Ph.D., CRC
John Seeds, M.D.

Also Present:

George Deebo, Executive Director
Candace Thomas, Deputy Director
Angela Conley, Claims Manager
Carla R. Collins, Assistant Attorney General - III, Office of the Attorney General
Robert J. Walling III, FCAS, MAAA, CERA (via Skype)

Call to Order:

Mr. Barrett, Chair, called the meeting to order at 10:35 a.m.

Introductions:

Mr. Barrett welcomed Ms. Lydia Byrd as a new Board member. The Board members, Program's staff, and the Board's counsel, Assistant Attorney General Carla R. Collins, introduced themselves.

Minutes:

Ms. Harris moved to approve the December minutes, with revisions recommended by Assistant Attorney General Carla R. Collins. Dr. Murray seconded the motion and it passed unanimously.

Finance:

Ms. Thomas reported that as of the end of December, investments were \$396 million compared to \$374 million for year ending 2013. There are 189 admitted claimants and 144 active claimants in the Program as of December 31, 2014. This includes two new claimants that were accepted into the Program in December. A Financial Committee meeting was held prior to the Board meeting. SunTrust reported that as of February 9, 2015, investments totaled \$398 million.

Investments:

CapGroup Advisors and SunTrust met with the Financial Committee for an in-depth report concerning the Program's investments. In 2012 and 2013, investment growth was at 11.5% and in 2014 investment growth was at 4.4%. Mr. Barrett noted that in the next ten years it will be hard to get double-digit growth. Investment growth was slow in January and went up to 6.5% in February. There is one manager change. Due to a lack of performance, there will be a shift of \$20 million from International Equities to Schroder International Multi-Cap Value Fund.

Public Comment:

Nothing to report.

Actuarial Report:

Rob Walling with Pinnacle Actuarial Services reviewed the Actuarial Report for 2014 via Skype and answered questions. He reported that the Program is in a "solid" position but still has an actuarial deficit. Once all questions were answered, Mr. Walling invited the members of the Board to contact him in the future with any questions they may have and the session via Skype was concluded.

Old Business:

Nothing to report.

Closed Session (Claimants' Issues/Pending Cases/Potential Litigation)

Mr. Barrett moved in accordance with the provisions of Section 2.2-3711 (A)(7) and 2.2-3705.5 (16) of the Code of Virginia, that the Board go into closed meeting for the purpose of:

Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the Board, and consultation with legal counsel employed or retained by the Board regarding specific legal matters requiring the provision of legal advice by such counsel regarding:

Discussion of records the Virginia Birth-Related Neurological Injury Compensation Program is required to keep confidential pursuant to Virginia Code Section 38.2-5002.2; more specifically, records concerning the deliberations of the board of directors in connection with specific claims, as prevented from being disclosed by Virginia Code Section 38.2-5002.2 (iii) and regarding pending litigation. The motion was seconded by Dr. Murray and passed unanimously.

CERTIFICATION:

Mr. Barrett moved the adoption of the following resolution:

WHEREAS, the Virginia Birth-Related Neurological Injury Compensation Program's Board has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by this Board that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED, that the Virginia Birth-Related Neurological Injury Compensation Program Board certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Board.

The Board members were polled individually and all certified the motion.

Results of Closed Session (Claimants' Issues/Pending Cases/Potential Litigation)

Claimant 1 – ████████ VWC File No. B-14-05: Mr. Barrett moved that the Board ratify the proposed settlement regarding pre-petition compensation. Dr. Seeds seconded the motion and it passed unanimously.

Claimant 2 – ████████ – VWC File No. B-14-01: Mr. Barrett moved that the Board ratify the proposed settlement regarding fees and costs. Dr. Seeds seconded the motion and it passed unanimously.

Claimant 3 – ████████ – VWC File No. B-14-03: Mr. Barrett moved that the Board ratify the proposed settlement regarding fees and costs. Dr. Seeds seconded the motion and it passed unanimously.

Case Number 10-04609; Case Number 10-05525; and Case Number 12-01570 – Mr. Barrett moved that the Board ratify the settlement concerning these cases. Dr. Seeds seconded the motion and it passed unanimously.

New Business:

No New Business.

Executive Director's Report:

A consultant's report concerning a housing issue will be presented at the next Board meeting. There was nothing new to report regarding legislation.

Adjournment

Mr. Barrett, Chair, adjourned the meeting at 11:50 a.m.