

**Virginia Birth-Related Neurological Injury Compensation Program
Board of Director's Meeting
Minutes for March 14, 2006**

Attendees:

William "Bill" LeHew, MD, Vice-Chair
Lynn Chapman
Edward Mazur, CPA
McLain O'Ferrall
Jennifer Ogburn
Ralph Shelman

Also Present:

George Deebo, Executive Director
Candace Thomas, Deputy Director
Iris Allen, Claims Manager
Angela Conley, Executive Assistant
Seth Ginther, Hirschler & Fleischer Consulting
Carla Collins, Assistant Attorney General, OAG
Bill McKelway, Richmond Times Dispatch

Call to Order:

Bill LeHew, Vice-Chair, called the meeting to order at 1:05 p.m.

Minutes:

Bill LeHew, Vice-Chair, motioned to accept the minutes of the February 2006 Board of Directors meeting. Lynn Chapman seconded the motion and the motion passed unanimously.

Finance:

Candace Thomas reviewed the financial highlights that included investment allocations and claims reserves on the Balance Sheet and nursing fees, consulting fees, transportation and housing projects on the Profit and Loss Report.

Bill LeHew, Vice-Chair, made a motion to approve the February financial statements. Edward Mazur seconded the motion and the motion carried unanimously.

Finance Committee:

Edward Mazur stated that he had received a letter from the Program's Public Accounting Firm and the 2005 Audit was underway. Edward Mazur commented that this year Candace Thomas, Deputy Director, had completed the 2005 financial statements for the auditors. The audit is going smoothly and on schedule and the 2005 Audit Report should be released to the Program on March 31st or April 1st.

Investment Committee:

Laine O'Ferrall notified the Board of the current status of the Investment portfolio which was 60% active managers and 40% passive managers. In all, there would be 12 active managers. By mid June, the Investment Committee would begin to pick the 12 managers with the guidance of the Program's investment advisor, Jim Rorrer, CapGroup. Laine O'Ferrall stated that Board members are welcome to assist with the search and selection of the managers.

Bill LeHew, Vice-Chair, thanked Laine O'Ferrall for a good job that he has done for the investments for the Program. Laine O'Ferrall thanked Ralph Shelman and Edward Mazur for assisting him with the Investment Committee and their team effort.

Public Comment:

Bill McKelway, Richmond Times Dispatch, asked Seth Ginther if under SB632 would the claimants have to start the petition process from the beginning? Seth Ginther stated that he could not respond to that question at that time.

Bill McKelway, Richmond Times Dispatch, asked "By July, can the Program be structured for legislation to support current claimants in the Program or the Program stop accepting new claimants into the Program for it to run effectively?" George Deebo, Executive Director, and Edward Mazur both commented that it was more hopeful for the end of fall or the end of the year. There are many variables in the equation of the structure but it is possible. Bill McKelway also asked if there would be any major changes judicially to the Program? George Deebo stated none that he was aware of.

Legislative Update

Seth Ginther, lobbying consultant, updated the Board with the current legislation for the Board:

- House Bill 417 has passed out of the House and Senate and will be effective July 1st. 2006. This bill removed the Virginia Retirement System from the Program's legislation and allows the Program to decide on their own investment manager. The legislation was carried for the Program by Delegate Tata with an identical bill carried by Senator Watkins in the Senate.
- House Bill 416, which would have modified several aspects of the Program, was carried over until next year by both Houses.
- Senate Bill 632 introduced by Senator Bill Edwards originally allowed for a denied petition to be resubmitted due to new medical evidence SB 632 was reduced to a Section 1 bill that allows resubmission of denied claims for claimants born within a specific time frame.

Edward Mazur commented to Seth Ginther that he had done a fine job and thanked him for his services on behalf of the Board. Lynn Chapman also commented to Seth Ginther that she appreciated his work and thanked him for a job well done. Edward Mazur also stated to the Board that it needed to continue moving forward to present the Funding Study and proposed legislation to the General Assembly in January 2007.

Laine O'Ferrall asked Seth Ginther what other actions as a Board member could be taken to work on getting the Funding Study and Proposed Legislation through the General Assembly? Seth Ginther stated to visit with Senators and express the need for the legislation. Also, speak with legislators in some of the claimant's home districts and inform them of the positive actions the Program has already taken for these claimants. Seth Ginther said to begin scheduling meetings as early as May.

Closed Session Regarding Claimant Issues:

Lynn Chapman moved that the meeting convene in a closed session to discuss claimant issues pursuant to the exemption at 2.2-3705 (this references §38.2-5002.2). The motion was seconded by Bill LeHew, Vice-Chair, and passed unanimously passed.

Jennifer Ogburn made a motion that the Board certify the closed session, to the best of each member's knowledge, discussed only public business matters lawfully exempted and only such matters as were identified in the motion that closed the meeting. The motion was seconded and unanimously passed.

Results of Closed Session:

- Edward Mazur motioned for the Program to offer to take possession of the van no longer being used by the █████ family and sell it returning the prorated amount of receipts to the family equal to the amount the family had paid into the van.

Lynn Chapman seconded the motion. Motion passed unanimously.

- Lynn Chapman motioned that the Program respond to the █████ family that the request for mileage for travel to and from school was not medically necessary. The Board also notes that the Program has already supplied an air-conditioned van that can be utilized for travel to and from school

Edward Mazur and Ralph Shelman seconded the motion. Motion passed unanimously.

Closed Session Regarding Legal Advice:

Lynn Chapman moved that the meeting convene in a closed session to discuss legal issues pursuant to the exemption at 2.2-3705 (this references §38.2-5002.2). The motion was seconded and unanimously passed.

Jennifer Ogburn made a motion that the Board certify the closed session, to the best of each member's knowledge, discussed only public business matters lawfully exempted and only such matters as were identified in the motion that closed the meeting. The motion was seconded and unanimously agreed.

Executive Director's Report:

George Deebo, Executive Director, reminded the Board that all Board meetings were on the Program's website and that there was not a scheduled meeting for August to allow for vacations, etc. George Deebo asked if all Board members were okay with that or if a Board meeting was needed the Board would be contacted in a timely manner to have it scheduled. The Board agreed.

George Deebo also asked the Board if there were interested in a training session this year in June or July. Topics may include Investments, Program Entry Process, etc. The Board agreed.

Adjournment:

A motion to adjourn was made by Bill LeHew, Vice-Chair, and seconded by Lynn Chapman and unanimously agreed to at 3:30 p.m.