

STATE OF WEST VIRGINIA
DEPARTMENT OF ADMINISTRATION
BOARD OF RISK AND INSURANCE MANAGEMENT



Allan L. McVey
Cabinet Secretary

Mary Jane Pickens
Executive Director
Deputy Cabinet Secretary
MaryJane.Pickens@wv.gov

January 4, 2021

Mr. Aaron Allred, Legislative Manager
West Virginia Legislature
E-132 Kanawha Blvd., East
Charleston, WV 25305-0610

RE: Report on Patient Injury Compensation Fund

Dear Mr. Allred:

On behalf of the West Virginia Board of Risk and Insurance Management, the attached report is hereby submitted pursuant to West Virginia Code Section 29-12D-1a(d).

Sincerely,

A handwritten signature in blue ink that reads "Mary Jane Pickens".

Mary Jane Pickens
Executive Director

MJP/ldm

Attachments

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INTRODUCTION

The West Virginia Board of Risk and Insurance Management ("BRIM") submits this report to the Joint Committee on Government and Finance pursuant to W. Va. Code § 29-12D-1a. It is the fourth such report submitted since the enactment of Senate Bill 602 in 2016, which closed the Patient Injury Compensation Fund ("PICF") to new claims filed on or after July 1, 2016, and established funding sources that would continue for approximately four years. The time period for the funding streams into the PICF was thereafter amended in SB 576, passed during the 2018 regular session. This report is for the period July 1, 2017 through November 30, 2020 (the period post SB 602).

STATUS OF ALL CLAIMS AS OF NOVEMBER 30, 2020

A report showing all claims as of November 30, 2020 in which pro-rata payments are being or will be made and the payment status of each claim is attached as Exhibit A.

A total of thirty-four claims have been filed against the PICF since its inception. As of December 31, 2020, sixteen claimants have been fully paid for their claims. Three claims have been denied. There are fifteen claimants with claims still in the payment phase who are receiving or will receive pro-rated annual payments. Pro-rated payments will continue as long as funding is available.

HISTORY OF FUND COLLECTIONS FOR FY 2017 THROUGH NOVEMBER 30, 2019

See Exhibit B, attached, for a summary of collections into the PICF for the period July 1, 2017 through November 30, 2020, as well as claim and claim-related disbursements from the PICF for that period.

See Exhibit C, attached, for a projection of collections into and disbursements from the PICF for the period of July 1, 2017 through December 31, 2021, the date on which the funding sources are scheduled to end pursuant to the provisions of W. Va. Code § 29-12D-1a, as amended by SB 576 enacted during the 2018 regular Legislative session.

Submitted By:

A handwritten signature in blue ink that reads "Mary Jane Pickens".

Mary Jane Pickens
Executive Director

MJP/ldm

Attachments

Exhibit A

TOTAL PAID AS OFF 11/30/2020

Claimant	Amount Due	Amount Paid to Date
Robinson, Carol	\$ 374,888.59	\$ 294,726.89
Small, Lincoln	\$ 550,000.00	\$ 393,022.45
Strobel, Carolyn	\$ 228,562.46	\$ 179,690.69
Hypes, Estate of Manford	\$ 210,910.92	\$ 165,812.22
Mathes, Cameron J., Infant	\$ 1,000,000.00	\$ 786,173.12
Fitts, Kenneth	\$ 1,000,000.00	\$ 786,173.12
Putman, Estate of Daniel	\$ 373,533.00	\$ 293,661.96
Walker, Samuel, infant	\$ 1,000,000.00	\$ 786,173.12
Kois, Dallas	\$ 1,000,000.00	\$ 786,173.12
Robinson, Estate of Angela A.	\$ 63,521.00	\$ 49,938.89
Taylor, Estate of Johnny	\$ 564,569.16	\$ 443,850.29
Haught, Jr., James W.	\$ 1,000,000.00	\$ 786,173.12
Halsey, Estate of Tamara	\$ 923,564.00	\$ 726,080.96
Riggle, Jacob Ryan	\$ 1,000,000.00	\$ 786,173.12
Richmond, Carolyn	\$ 1,000,000.00	\$ 786,173.12

Exhibit B

West Virginia Board of Risk and Insurance Management
Patient Injury Compensation Fund (PICF)
Analysis for the Period 7-1-17 thru 11-30-20 (After SB602)

Fund Balance 7-1-17		\$ 3,147,146.25
Cash received resulting from SB602:		
1% Court/Settlement Fees	\$ 2,927,284.39	
Trauma Fees	1,605,975.00	
Physicians' Licensing Fees	1,615,849.36	
Court Filing Fees	<u>266,385.00</u>	6,415,493.75
PICF Claims and Claims Related Disbursements:		
Claims Payments	\$ (8,833,839.19)	
Contractual and Professional	<u>(113,694.65)</u>	(8,947,533.84)
Other:		
Interest Earned		62,564.34
Fund Balance 11-30-20 (amount available for claims and expenses for FY'21)		<u><u>\$ 677,670.50</u></u>
Claims O/S (After SB602)		\$ 11,073,392.13
Payments thru 11-30-20		(8,833,839.19)
Fund Balance 11-30-20		<u>(677,670.50)</u>
Unfunded Claims Outstanding 11-30-20		<u><u>\$ 1,561,882.44</u></u>

Exhibit C

**Board of Risk and Insurance Management
 Projected PICF for the Period 7-1-20 thru 12-31-21 (Based on SB576 Revenue Extension)
 Including Remaining Claims Runoff thru 12-31-21**

	<u>FY'21</u>		<u>FY'22 (thru 12/31/21)</u>	
Fund Balance as of:	<u>7/1/20</u>	<u>\$ 1,962,168</u>	<u>7/1/21</u>	<u>\$ 1,959,672</u>
Cash Received:				
1% Court/Settlement Fees	\$ 800,000		\$ 400,000	
Trauma Fees	510,000		255,000	
Physicians' Licensing Fees	520,000		260,000	
Court Filing Fees	<u>80,000</u>	1,910,000	<u>40,000</u>	955,000
PICF Claims and Claims Related Disbursements:				
Claims Payments	(1,899,996)		(2,239,553)	
Contractual and Professional	<u>(15,000)</u>	(1,914,996)	<u>(15,000)</u>	(2,254,553)
Other:				
Interest Earned		2,500		1,650
Fund Balance as of:	<u>6/30/21</u>	<u>\$ 1,959,672</u>	<u>12/31/21</u>	<u>\$ 661,769</u>
Claims O/S 7/1/20		\$ 4,139,549		
Projected Payments:				
FY'21	(1,899,996)			
FY'22 (thru 12-31-21)	(2,239,553)	(4,139,549)		
Claims Outstanding 12/31/21		<u>\$ 0</u>		