

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

March 20, 2020

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

Attachment

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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 third 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. This report is for the period July 1, 2017 through December 31, 2019.

## STATUS OF ALL CLAIMS AS OF DECEMBER 31, 2019

A report showing all claims as of December 31, 2019 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, 2019, 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 December 31, 2019, 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

1124 Smith Street, Suite 4300  
Charleston, West Virginia 25301  
[www.brim.wv.gov](http://www.brim.wv.gov)

(304) 766-2646  
(304) 558-6004 FAX  
(800) 345-4669 TOLL FREE WV

**TOTAL PAID AS OFF 12/31/2019**

Claimant	Amount Due	Amount Paid to Date
Robinson, Carol	\$ 374,888.59	\$ 226,720.19
Small, Lincoln	\$ 550,000.00	\$ 259,843.85
Strobel, Carolyn	\$ 228,562.46	\$ 138,226.99
Hypes, Estate of Manford	\$ 210,910.92	\$ 127,551.92
Mathes, Cameron J., Infant	\$ 1,000,000.00	\$ 604,766.82
Fitts, Kenneth	\$ 1,000,000.00	\$ 604,766.82
Putman, Estate of Daniel	\$ 373,533.00	\$ 225,900.36
Walker, Samuel, infant	\$ 1,000,000.00	\$ 604,766.82
Kois, Dallas	\$ 1,000,000.00	\$ 604,766.82
Robinson, Estate of Angela A.	\$ 63,521.00	\$ 38,415.39
Taylor, Estate of Johnny	\$ 564,569.16	\$ 341,432.69
Haught, Jr., James W.	\$ 1,000,000.00	\$ 604,766.82
Halsey, Estate of Tamara	\$ 923,564.00	\$ 558,540.86
Riggle, Jacob Ryan	\$ 1,000,000.00	\$ 604,766.82
Richmond, Carolyn	\$ 1,000,000.00	\$ 604,766.82

**Exhibit A**

**West Virginia Board of Risk and Insurance Management  
Patient Injury Compensation Fund (PICF)  
Analysis for the Period 7-1-17 thru 12-31-19 (After SB602)**

<b>Fund Balance 7-1-17</b>		\$ 3,147,146.25
<b>Cash received resulting from SB602:</b>		
1% Court/Settlement Fees	\$ 2,038,411.91	
Trauma Fees	1,085,600.00	
Physicians' Licensing Fees	1,082,607.17	
Court Filing Fees	<u>212,805.00</u>	4,419,424.08
<b>PICF Claims and Claims Related Disbursements:</b>		
Claims Payments	\$ (6,933,842.99)	
Contractual and Professional	<u>(112,203.65)</u>	(7,046,046.64)
<b>Other:</b>		
Interest Earned		55,748.67
<b>Fund Balance 12-31-19</b>		<u><u>\$ 576,272.36</u></u>
<b>Claims O/S 7-1-17</b>		\$ 11,073,392.13
Payments thru 12-31-19		(6,933,842.99)
Fund Balance 12-31-19		<u>(576,272.36)</u>
<b>Unfunded Claims Outstanding 12-31-19</b>		<u><u>\$ 3,563,276.78</u></u>

**Exhibit B**



**Board of Risk and Insurance Management  
 Projected PICF for the Period 7-1-19 thru 12-31-21 (Based on SB576 Revenue Extension)  
 Including Remaining Claims Runoff thru 12-31-21**

	FY'20		FY'21		FY'22 (thru 12/31/21)		
	7/1/19	\$	7/1/20	\$	7/1/21	\$	
<b>Fund Balance as of:</b>		2,125,500		1,829,600		1,530,700	
<b>Cash Received:</b>							
1% Court/Settlement Fees	\$ 670,000		\$ 670,000		\$ 335,000		
Trauma Fees	520,000		520,000		260,000		
Physicians' Licensing Fees	520,000		520,000		260,000		
Court Filing Fees	110,000		110,000		55,000		
		1,820,000		1,820,000		910,000	
<b>PICF Claims and Claims Related Disbursements:</b>							
Claims Payments	(2,100,000)		(2,100,000)		(2,039,549)		
Contractual and Professional	(25,000)		(25,000)		(25,000)		
		(2,125,000)		(2,125,000)		(2,064,549)	
<b>Other:</b>							
Interest Earned		9,100		6,100		4,750	
<b>Fund Balance as of:</b>							
6/30/20	\$ 1,829,600		6/30/21	\$ 1,530,700		12/31/21	\$ 380,901
<b>Claims O/S 12/31/19</b>		\$ 4,139,549					
Projected Payments:							
FY'21	(2,100,000)						
FY'22 (thru 12-31-21)	(2,039,549)		(4,139,549)				
<b>Claims Outstanding 12/31/21</b>		\$ 0					