

MINUTES OF THE MEETING  
THE FLORIDA BIRTH-RELATED  
NEUROLOGICAL INJURY COMPENSATION ASSOCIATION

October 28, 2021  
Virtual Meeting via Zoom Video and Zoom Conference Call

The October 28, 2021 meeting of the Board of Directors of the Florida Birth-Related Neurological Injury Compensation Association was called to order by Chair, Jim DeBeaugrine.

Board members present and constituting a quorum were:

Jim DeBeaugrine, MPA  
Renee Oliver  
Julie Ann Zemaitis DeCesare, MD  
Robert A. London, M.D.  
Narendra Dereddy, M.D.

Also present:

Kenney Shipley, NICA Executive Director  
Tim Daughtry, NICA Deputy Director  
Steve Ecenia, NICA General Counsel  
Tana Story, NICA General Counsel's Office  
Matt Dufek, Kikoda/NICA's IT Contractor  
Linda Nelson, NICA Compliance  
Melissa Jaacks  
Tasha Carter, Florida Insurance Consumer Advocate  
Denishia Sword, Office of the Insurance Consumer Advocate  
Sheryl Parker, Office of Insurance Regulation  
Robert Ridenour, Office of Insurance Regulation  
Michael Dobson, Department of Financial Services  
Russell Perkins, Thomas Howell Ferguson  
Mark Crawshaw Ph.D., Madison Consulting  
Choya Everett, Madison Consulting  
Felicia Bennett, Wilshire Consulting  
Katy Wojciechowski, NICA Investment Consultant  
Carol Marbin Miller, Miami Herald  
Patrick McNamara, de la Parte & Gilbert  
Michelle Glisar  
Robin Hagerstrom  
Becky Griffith  
Ashley Hammer  
Patricia Parrish  
Ruth Jacques

Paul Whitfield  
Chelsea Reyes  
Charity Butler  
Michelle Perez  
Nicole Snipes  
Christine Smith  
David Morgan  
Esther Morgan  
Sabrina Jostes  
Barbara Lopez Avila  
Dr. Jackie Amorim  
Sherri Cruz  
Eddie Reyes  
Ann Goshorn  
James Johnson  
Luke Harrison  
Jennifer Pham  
Rachel Rexford  
Fatima Cruz  
Dan Bookhout  
Jennifer Bookhout  
Christiana Buffington  
Virginia Prue  
Laura Sokalski  
Maeva Da Ru-Rodriguez  
Michael Finney  
Jorge Rodriguez  
Cassidy Mueller  
John Romine  
Ashley Mathis  
Meghan Stacy  
Alex Robbins  
Amber Parker  
Tanya Sheffield  
Meribel Roman  
Sherri Savage  
Leanne Lewis  
Eric Fuller

\*\*Attendees who did not provide full names, were only logged in briefly or who did not identify themselves are not included on this list.

The Chair introduced new Board member, Narendra Dereddy, M.D.

The Chair then recognized NICA's General Counsel, Steve Ecenia. Mr. Ecenia announced that there would be no need for an executive session at the meeting. He requested an executive session at the next meeting. The request was granted.

The Chair reminded the Board members that they all have NICA email addresses that should be used for all NICA business.

### **MINUTES**

The Chair asked for a motion to approve the minutes of the September 16, 2021 Board meeting.

**A motion was made to approve the minutes as drafted. The motion passed unanimously.**

### **INTERIM EXECUTIVE DIRECTOR**

The Chair reminded the Board that Kenney Shipley was retiring and recommended hiring an interim executive director to be followed by a search for a permanent executive director. The Chair recommended hiring Melissa Jaacks as interim executive director and asked the Board to allow him to negotiate a six month contract.

Ms. Jaacks introduced herself and discussed her background and experience.

**A motion was made to allow the Chair to proceed with negotiating contract with Melissa Jaacks. The motion passed unanimously.**

### **OPERATIONAL DOCUMENTS**

#### **Plan of Operation**

Tana Storey with the General Counsel's office was recognized to present several operational documents. She began with the revised Plan of Operation. The Chair advised the Board that a vote would not be taken until after public comment. If approved by the Board, the Plan of Operation would be submitted to the Office of Insurance Regulation for approval.

Ms. Storey provided an overview of the revised Plan of Operation which included changes pursuant to Senate Bill 1786. Several scrivener's errors had been noted after the meeting materials had been sent to the Board. Ms. Storey highlighted the corrections.

**\*\*A vote on this topic was taken after public comment\*\***

#### **Draft Revised Benefit Handbook and Benefits List**

The Chair advised the Board that Ms. Storey would be presenting the draft benefit handbook and draft benefits list. The vote that would be taken would be to publish the draft benefit

handbook and benefits list on the NICA website for the public to provide comments and suggestions.

Ms. Storey followed with a presentation of the draft revised benefit handbook and benefits list. The draft handbook had been updated to include a clearer picture of the benefits available as well as to address additional requirements of Senate Bill 1786.

**\*\*A vote on this topic was taken after public comment\*\***

### **Policies and Procedures**

Ms. Storey presented and discussed the revised Personnel Policies and Procedures Manual. The policies are NICA's internal operating policies and procedures for staff. The revisions included the addition the Code of Ethics from Senate Bill 1786 and updated travel policies to correspond with Chapter 112 of the Florida Statutes. Additional forms for employees and board members were also included.

Ms. Oliver asked about the ombudsman that was listed at the bottom of page one. This was discussed during the legislative session but was not included in the final bill. The Chair would like to discuss this at the next board meeting.

**\*\*A vote on this topic was taken after public comment\*\***

### **November Report to the Governor, Legislature and Chief Financial Officer**

Ms. Storey presented and discussed a draft of the new report required by Senate Bill 1786. The legislation requires that on or before November 1, 2021, and by each November 1 thereafter, the association shall submit a report to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the Chief Financial Officer. Ms. Storey summarized the information that is required to be included in the report.

Ms. Storey detailed several scrivener's errors in the draft that would be corrected prior to filing the report.

The Chair asked for clarification that none of the scrivener's errors and edits to the draft report were substantive changes but were formatting and clarifying in nature. Ms. Storey confirmed this.

Dr. London asked if the total number of active participating families could be included in the report. Ms. Storey and Ms. Shipley confirmed that this data could be included as of 6/30/2021. The Chair asked that this information be included.

Dr. Dereddy asked about the average turnaround time for paying or denying compensation for expenses. Mark Crawshaw explained the procedures that were followed to calculate the average turnaround time.

A discussion followed regarding the average turn around time to process claims.

Ms. Oliver asked about decreasing the birth weight from 2,500 grams to 2,000 grams. There were two claims listed in the November report as being denied because they did not meet the birth weight threshold. The Chair asked staff to determine the number of claims that were in this category for the past five years to be discussed at the next meeting.

**\*\*A vote on this topic was taken after public comment\*\***

## **RESERVE EVALUATION**

Mark Crawshaw, Ph.D, of Madison Consulting followed with a presentation of the actuarial reserve evaluations for the quarters ending March 31, 2021 and June 30, 2021. Madison Consulting serves as the peer review actuarial firm for the quarterly reports prepared by Turner Consulting.

Dr. Crawshaw directed the Board's attention to NICA's audited financial statements and highlighted investments, claims reserve and net position. He pointed out that NICA's operating expenses are typically higher than assessments with investment income making up the difference. Increasing expenses would decrease investments and decrease the net position.

Dr. Crawshaw presented the June 30, 2021 actuarial reserve evaluation which included the results of the March 31, 2021 report. The legislative changes from Senate Bill 1786 were included in the claims reserve amounts with the exception of any changes pertaining to Medicaid. The assumptions regarding the interest discount rate and the rate of inflation had not changed from prior analyses which reflected a 1.5% differential between the two. There was no change recommended to the risk margin reserve of \$75.5 million.

A detailed summary of claims payments and reserves for periods from March 31, 2017 through June 30, 2021 was presented. The June 30, 2021 reserve for loss and loss adjustment expenses of \$1,081.1 was relatively unchanged from March 31, 2021. Exhibits were presented detailing the average reserves per claim and claim counts over time. The overall reserve had been increasing over time.

A discussion followed regarding claims paid versus claims expense.

**\*\*A vote on this topic was taken after public comment\*\***

## **INVESTMENTS**

### **Background and Roles**

NICA's internal investment consultant, Katy Wojciechowski, introduced herself and explained her role in NICA's investment program.

Felicia Bennett of Wilshire was introduced as NICA's external investment consultant. Ms. Bennett presented a company overview of Wilshire and their role in the investment program.

### **Investment Performance Update**

Ms. Wojciechowski discussed overall economic fundamentals, NICA's investment objectives and investment performance through June 30, 2021.

Ms. Bennett presented a peer group analysis and NICA's June 30, 2021 investment manager Watch List. One manager, Panagora Asset Management was on the Watch List due to their five year performance being below benchmark. It was recommended that NICA continue to monitor this manager.

Ms. Bennett followed with an investment update through September 30, 2021.

### **AUDITED FINANCIAL STATEMENTS**

Russell Perkins of Thomas Howell Ferguson presented the audited financial statements for the fiscal year ending June 30, 2021. He reminded the Board that his firm is engaged by the Board and they can reach out to him at any time. The significant balances on the Statement of Net Position were Investments at \$1.7 billion, Claims reserves at \$1.2 billion and Net Position at \$500 million. The change in net assets for the year was \$83 million.

**\*\*A vote on this topic was taken after public comment\*\***

### **PUBLIC TESTIMONY**

Steve Ecenia reminded everyone in attendance that the meeting continued to be recorded.

Several families of NICA participants addressed the Board regarding their experiences with NICA.

### **BOARD VOTES**

**A motion was made to adopt the Plan of Operation with the corrections of the scrivener's errors to be submitted to the Office of Insurance Regulation for approval. The motion passed unanimously.**

**A motion was made to publish the Draft Benefit Handbook and Benefits List on the NICA website for public comment. The motion passed unanimously.**

**A motion was made to adopt the revised Personnel Policies and Procedures manual. The motion passed unanimously.**

**A motion was made to approve the November report to the Governor, Legislature and Chief Financial Officer with the edits discussed during the meeting. The motion passed unanimously.**

**A motion was made to accept the March 31, 2021 and the June 30, 2021 actuarial reserve evaluations. The motion passed unanimously.**

**A motion was made to adopt the June 30, 2021 Audited Financial Statements. The motion passed unanimously.**

**OTHER BUSINESS**

Mrs. Oliver discussed the issue of the increased parental award and felt very strongly that this should be applied to parents of deceased children.

The Chair asked the staff to initiate whatever actuarial analysis may be needed to look at this issue going forward.

**ADJOURN**

There being no further business before the Association, the meeting was adjourned.