IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF LOUISIANA

In Re: Oil Spill by the Oil Rig "Deepwater Horizon" in the Gulf of Mexico, on April 20, 2010

MDL NO. 2179

SECTION J

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HONORABLE CARL J. BARBIER

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MAGISTRATE JUDGE SHUSHAN

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STATUS REPORT OF THE CLAIMS ADMINISTRATOR OF THE MEDICAL BENEFITS CLASS ACTION SETTLEMENT AS OF MARCH 17, 2014

The Garretson Resolution Group, Inc. ("GRG"), as the Claims Administrator of the Medical Benefits Class Action Settlement (the "Claims Administrator"), submits the following report to apprise the Court of the status of its work in processing claims and implementing the Medical Benefits Class Action Settlement Agreement as of March 17, 2014.

I. <u>INTRODUCTION</u>

As the Court is aware, the Effective Date of the Medical Benefits Class Action Settlement occurred on February 12, 2014. Prior to the Effective Date, the Claims Administrator could take certain actions in processing Proof of Claim Forms but could not take others. Specifically, the Medical Settlement Agreement provided:

The Claims Administrator shall evaluate and process all Proof of Claim Forms from Medical Benefits Settlement Class Members seeking compensation for a Specified Physical Condition or participation in the Periodic Medical Consultation Program pursuant to Section XXI.C-F of this Medical Settlement Agreement. Upon entry of the Preliminary Approval and Class Certification Order, the Claims Administrator shall process all Proof of Claim Forms that it

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to their fully capitalized renderings in the Medical Benefits Class Action Settlement Agreement.

receives; provided, however, that the Claims Administrator shall not pay or reject any claims or send any Notices of Defect or notices of qualification to Medical Benefits Settlement Class Members until after the Effective Date.

Medical Settlement Agreement § V.B.

In consultation with the Parties, the Claims Administrator established staffing levels in 2013 that would allow it to timely discharge its pre-Effective Date duties, with the understanding that it would augment its staff once the date of the Effective Date became more certain. *See* Status Report of the Deepwater Horizon Medical Benefits Claims Administrator, Oct. 22, 2012, ECF No. 7729. Since the Medical Settlement became effective, the Claims Administrator has worked diligently to finalize preparations for mailing the required correspondence to claimants and Medical Benefits Settlement Class Members and to add the staff necessary to meet the submissions already received and those that will be received going forward.

The Claims Administrator has made progress in these tasks. As of March 10, 2014, 9041 Proof of Claim Forms have been submitted to the Claims Administrator. 217 Notices of Determination for Claim for Specified Physical Conditions ("Notice of SPC Determination") and 522 Notices of Determinations for Claim for Participation in Periodic Medical Consultation Program² ("Notice of PMC Determination") have been prepared and will be sent to Class Members. A Notice of SPC Determination is sent to Class Members whose SPC claims have been qualified. These Class Members are now eligible to receive compensation³ for their SPC injuries claimed in accordance with the values described in the SPC Matrix. A Notice of PMC Determination is sent to Class Members who claimed either the SPC, PMC or both benefits and

² In addition to the 496 Notices of PMC Determinations sent for Class Members who only claimed the PMC benefit, 675 Notices of PMC Determination were sent to Class Members who claimed the SPC benefit and whose basis of participation as a Clean-Up Worker or Zone Resident was confirmed.

³ As highlighted in the Notice of SPC Determination, payment is dependent on resolution and proper reimbursement of all identified lien obligations.

whose basis of participation as a Clean-Up Worker or Zone Resident has been confirmed. These Class Members are eligible to begin scheduling PMC appointments with area providers⁴ and can do so by contacting the Claims Administrator's call center. In addition to the Notices of Determinations, 556 Notices of Defect and 500 Notices of Denial⁵ have been prepared and will be sent by March 21, 2014.

As of the date of this report, additional Determination, Defect or Denial correspondence cannot be prepared or sent for the following reasons:

- 4,612 pending Request for Additional Information ("RAI") fulfillment or receipt of response to RAI
- 25 pending further Claims Review
- 1,210 pending further Medical Record Review ("MRR")
- 46 confirmed as Opt-Outs.

Below is a reference table reflecting status of all 9,041 POCFs filed as of March 10, 2014:

Correspondence Type or Claims Review Process Pending	Initial Volume (as of March 10, 2014)	Volume Processed	Volume Remaining to be Processed and Fulfilled
Notice of SPC Determination	217	217	0
Notice of PMC Determination (PMC only claimed)	522	522	0
Notice of Defect	1,195	556	639 ⁶
Notice of Denial	1.214	500	7147
RAI Pending Response from Class Member	4,612*	300	/14
Claim Review Pending	25*		
Medical Record Review Pending	1,210*		
Confirmed Opt-Out	46		

Total 9,041

^{*}Notably, the Volume Processed will increase as claims pending RAI response, MRR review or Claims review are processed. Furthermore, responses to RAI and completion of MRR or Claims Review will result in Notice of SPC Determination, Notice of Defect or Notice of Denial.

⁴ Appointments will be scheduled for Class Members as PMC Providers in area are available.

⁵ Currently, the primary basis for Notices of Denial is failure to prove Class Membership as a Clean-Up Worker or Zone Resident.

⁶ At a rate of at least 200 per week, the Claims Administrator will complete fulfillment of the 1,195 known Notices of Defect by April 18, 2014.

At a rate of at least 200 per week, the Claims Administrator will complete fulfillment of the 1,214 known Notices of Denial by April 18, 2014.

The Claims Administrator has added significant staff since the Effective Date and will continue to do so as the volume of claims warrants. Accordingly, the Claims Administrator does not anticipate any issues with meeting the demands of the Medical Benefits Class Action Settlement and is committed to processing the claims in the most efficient and effective manner possible. Should the Court desire additional information concerning the Medical Benefits Class Action Settlement, the Claims Administrator will provide it at the Court's convenience.

Respectfully submitted,

/s/ Matthew L. Garretson
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