

UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF LOUISIANA

**IN RE: PROPULSID
PRODUCTS LIABILITY LITIGATION**

MDL NO. 1355

SECTION "L"

JUDGE FALLON

STATUS REPORT OF SPECIAL MASTER

As of this date, 297 tier claims have been processed through a Medical Panel. There have also been 5,121 Administrative Fund Compensation payments which include Medical Reimbursement Forms and non-eligible tier claims.

With the implementation of the new deadlines that have been set and the procedures that we have implemented regarding the review process, we are now able to breakdown our internal processing into the following eight (8) steps:

- I. Clearing claims for briefing by the defense.
- II. Receipt of briefings from the defense.
- III. Briefed claims provided to the Medical Panel for review.
- IV. Receipt of and processing reviewed claims received from the Medical Panel.
 - A. Eligible tier claims to Special Master for awards.
 - B. Letters to non-eligible tier claims that do NOT qualify for Administrative Fund Compensation.
 - C. Spreadsheet to the defense for approval of payments to non-eligible tier claims that DO qualify for Administrative Fund Compensation.
- V. Receipt of Special Master's awards on eligible tier claims and delivery of same to the defense.
- VI. Receipt of spreadsheet from the defense with approvals to pay Administrative Fund Compensation on the non-eligible tier claims.
- VII. Letter from the defense authorizing payment of the Special Master's awards to the eligible tier claimants.
- VIII. Payment of eligible and non-eligible tier claims.

As one would expect, many of these steps overlap each other. For example, as soon as a batch of claims is cleared and sent to the defense for briefing, the staff begins working on the next batch. Once the briefs are received from the defense, the files are given to the medical panel for their review. Upon completion of medical review, we process pay batches to the defense for approval and copies of all medical determinations and payments are sent to the Defense Liaison Committee and Plaintiffs Steering Committee. Obviously, the flow and volume of paperwork between these various steps is critical if we are to thoroughly and efficiently complete this process.

Currently the claims office has cleared 847 claims that have been submitted to the defense for briefing. For the remaining claims, all deficiency resolutions, including claim addendums and newly submitted medical records are being processed and sent to the defense. The claims office expects to clear and send to the defense for briefing a minimum of 250 claims per month. Again, the timeliness of submissions within the various steps will affect these submissions.

In the past one and a half months, the medical review panels have been averaging less than a five (5) day turn-around from receipt to completion. For the Medical Panel to maintain a high level of timely completions, the claims office must have an inventory of claims in-house that are ready for them to review. If the claims office can maintain an inventory of claims for the Medical Panel members to review, it is the opinion of the Special Master that the claims office is capable of processing 200 plus claims per month.

The Special Master anticipates making awards on all eligible tier claims within two weeks of the submission to him.

Additionally, it is important to note that claims of any type are usually paid within 2-3 days after authorization has been received from the defense. The checks must be held for five (5) days before release to the payees.

Recent history reflects that the defense has submitted an average of 100 briefs per month. If that number can increase to 200 briefs per month, the Special Master's office should be able to complete the entire process on the claims in Propulsid I within the next 20 months. Again, it is important to note that the Special Master has made several assumptions in making this time projection.

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CERTIFICATE OF SERVICE

I hereby certify that on April 18, 2007, I electronically filed the foregoing with the Clerk of Court by using the CM/ECF system which will send a notice of electronic filing to all known counsel of record who are participants. I further certify that I mailed the foregoing document and the notice of electronic filing by first-class mail to the following non-CM/ECF participants:

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Lafayette, Louisiana, this 18th day of April, 2007.

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