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14

15 SUPERIOR COURT OF THE STATE OF CALIFORNIA

16 COUNTY OF SAN FRANCISCO

17 UFCW & Employers Benefit Trust, on behalf
of itself and all others similarly situated

18 Plaintiffs,

19 vs.

20 Sutter Health, et al.,

21 Defendants.

22
23 People of the State of California, ex rel.
Xavier Becerra,

24 Plaintiff,

25 vs.

26 Sutter Health,

27 Defendant.
28

Case No. CGC 14-538451
Consolidated with
Case No. CGC-18-565398

**SUPPLEMENTAL SUBMISSION IN
CONNECTION WITH PLAINTIFFS'
MOTION FOR PRELIMINARY
APPROVAL OF SETTLEMENT**

Date: August 12, 2020
Time: 10:00 a.m.
Dept.: 304
Judge: Hon. Anne-Christine Massullo

Action Filed: April 7, 2014

1 On August 6, Plaintiffs filed their Supplemental Submission in Connection with Plaintiffs'
2 Motion for Preliminary Approval of Settlement to which Plaintiffs attached an amended Notice of
3 Proposed Settlement. On August 11, the Court issued its Tentative Ruling on Plaintiffs' Motion
4 for Preliminary Approval. The Tentative Ruling (at pages 13-17) raised a number of issues
5 regarding the Notice. Accordingly, Plaintiffs, in consultation with Sutter, have revised the Notice.
6 The further amended Notice of Proposed Settlement is attached as Appendix 1; a redlined version,
7 showing the changes from the amended Notice filed on August 6, is attached as Appendix 2.

8 Plaintiffs attach as Appendix 3 an amended Claim Form which, in response to the Court's
9 February 25 Order re Plaintiffs' Motion for Preliminary Approval (at page 6), and in consultation
10 with Sutter, amends the Claim Form attached to Plaintiffs' Motion for Preliminary Approval; a
11 redlined version, showing the changes from the Claim Form filed with the Motion for Preliminary
12 Approval on December 19, 2019, is attached as Appendix 4.

13 Pursuant to the August 11 Tentative Ruling (at pages 17-18), Plaintiffs, in consultation
14 with Sutter, prepared two tables of the damages coefficients estimated by Plaintiffs' damages
15 expert that, subject to Court approval, will be used to weight class members' claims and that will
16 be posted on the settlement website and referenced in the Notice. The tables are attached as
17 Appendix 5.

18 Dated: August 13, 2020

CALIFORNIA ATTORNEY GENERAL

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20

By: /s/ Emilio Varanini

Emilio Varanini

Attorneys for The People of the State of California

21

22 Dated: August 13, 2020

PILLSBURY & COLEMAN, LLP

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By: /s/ Richard Grossman

Richard Grossman

Attorneys for Plaintiffs

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APPENDIX 1

SAN FRANCISCO SUPERIOR COURT

NOTICE OF PROPOSED SETTLEMENT

in

***UFCW & Employers Benefit Trust v. Sutter Health, Case No. CGC-14-538451, and
People of the State of California, ex. rel. Xavier Becerra v. Sutter Health, Case No.
CGC-18-565398***

California entities that paid Sutter Health for general acute care hospital services and ancillary products could receive money from a class action settlement.

A state court authorized this notice. It is not a solicitation from a lawyer.

You are not being sued.

**CLASS MEMBERS' LEGAL RIGHTS ARE AFFECTED
WHETHER THEY ACT OR DO NOT ACT, SO PLEASE READ
THIS NOTICE CAREFULLY.**

- This is a notice of a proposed settlement of a class action lawsuit. This notice has important information if you are a member of the Class described below. You are receiving this notice because records in the case indicate that you may be a Class Member.
- Defendants have agreed to pay \$575 million (“Settlement Fund”) and to change certain alleged contracting practices with insurance companies to resolve the Class’s damages claims and the California Attorney General’s disgorgement claim against them. Plaintiffs’ Counsel (which include both Class Counsel and the California Attorney General’s Office) collectively have moved for payment from the Settlement Fund of attorneys’ fees of \$184 million (32 percent of Settlement Fund) and litigation expenses of [up to \$25] million, and Class Counsel have moved for payment from the Settlement Fund of a Class Representative service award of \$250,000, and will move for payment from the Settlement Fund of current and future settlement-related expenses, which they estimate will total about \$350,000 plus any charges for potential data analysis. If approved by the Court, the Settlement will fully resolve the class action lawsuit against Defendants.
- If you are a Class Member and you do nothing, **you will not share in the Settlement Fund**, even if the Settlement is approved. To receive your share of the Settlement Fund if you are a Class Member and the settlement is approved, **you must complete, sign and return either the enclosed Claim Form or the online Claim Form according to its instructions**. If the Settlement is approved, Class Members are releasing the Released Claims regardless of whether or not they submit the Claim Form.
- The Court has preliminarily approved the Settlement and scheduled a hearing (“Fairness Hearing”) to decide upon final approval of the Settlement, the plan for allocating the Settlement Fund to Class

Members, and Plaintiffs' Counsel's joint motion for attorneys' fees and expenses and a service award to Plaintiff UEBT, the Class Representative, out of the Settlement Fund. The Fairness Hearing is scheduled for [date] before The Hon. Anne-Christine Massullo of the Superior Court of California, County of San Francisco, in Department 304, 400 McAllister St., San Francisco, CA 94102. If you are a Class Member and you mail a written objection to Plaintiffs' Counsel, postmarked by [date], and also mail to Plaintiffs' Counsel a notice of your intent to appear, postmarked no later than ten (10) days before the Fairness Hearing, you may appear at the Fairness Hearing, with or without an attorney, to argue your written objection.

- The process by which Class Members can claim a share of the Settlement Fund will occur in two steps.
 - The first step is to complete, sign, and return the enclosed Claim Form to the Claims Administrator according to its instructions. The Claim Form may also be completed and submitted to the Claims Administrator online at www.SutterHealthLawsuit.com. The Claim Form requires Class Members to establish, under penalty of perjury, that they are members of the Class. The completed and signed form must be mailed to the Claims Administrator at the address provided below, postmarked no later than [date], or completed and electronically signed online by [date]. If the Claim Form is timely submitted and establishes class membership, the Class Member will receive a share of the Settlement Fund. The second step will help determine the size of the Class Member's share.
 - The second step will occur after the Effective Date of the Settlement. At that time, a Relevant Payments Notice will be mailed to Class Members who established their class membership with the Claim Form. The Relevant Payments Notice will provide Class Counsel's calculation of the Class Member's total relevant payments to Defendants (from which the Class Member's *pro rata* share of the Settlement Fund will be calculated) based on the claims data produced in the case by Aetna, Anthem Blue Cross, Blue Shield, Cigna, and United Healthcare. Please note that claims data was not produced in the case by any self-funded payers or by their third-party administrators. The Class Member will have the choice either (1) to do nothing, thereby accepting the amount stated in the Relevant Payments Notice, or (2) to claim a different amount that it paid Defendants. If the Class Member claims a different amount, it must complete and sign under penalty of perjury the Dispute Form attached to the Relevant Payments Notice and, by the deadline set by the Court, return the Form with claims data to support the different amount. The Dispute Form will also be available online, and Class Members will have the option to complete, electronically sign, and submit the Form and the supporting claims data online. To preserve their options, Class Members and/or their claims administrator should keep their claims data reflecting their payments to Defendants for general acute care hospital services and ancillary products.

**SET FORTH BELOW ARE CLASS MEMBERS' LEGAL RIGHTS AND
OPTIONS. PLEASE REVIEW THIS CAREFULLY AS YOUR CHOICE WILL
IMPACT YOUR LEGAL RIGHTS**

**CLASS MEMBERS' LEGAL RIGHTS
AND OPTIONS IN THIS CLASS
ACTION LAWSUIT**

PROMPTLY COMPLETE, SIGN, AND RETURN THE CLAIM FORM	A Claim Form is enclosed with this Notice. If you are a Class Member and you wish to claim your share of the Settlement Fund, you will need to complete and sign the Claim Form and mail it to the Claims Administrator, postmarked by [date], or complete, electronically sign, and submit the Form online by [date]. If the Form establishes your membership in the Class, you will be mailed a Relevant Payments Notice after the Effective Date of the Settlement, which will provide you with a calculation of your relevant payments to Defendants and an opportunity to submit a different amount based on other data available to you.
OBJECT TO THE SETTLEMENT	If you are a Class Member, you may object to part or all of the Settlement and/or to Plaintiffs' Counsel's joint motion for fees and expenses and a service award for the Class Representative. To do so, you must mail your objection to Plaintiffs' Counsel, postmarked by [date] stating why you do not like part or all of the Settlement and/or the plan to allocate and distribute the Net Settlement Fund and/or the joint motion. You may both submit an objection and participate in the recovery by submitting a Claim Form if you wish.
IF YOU DO NOTHING	If you are a Class Member and do nothing, <u>you will not share in the Settlement Fund.</u> To receive a share of the Settlement Fund, <u>you must complete, sign and return either the enclosed Claim Form or the online Claim Form according to its instructions.</u> Class Members are releasing the Released Claims regardless of whether they submit the Claim Form.
GET MORE INFORMATION	If you would like to obtain more information about the lawsuit or the Settlement, you can send questions to the Claims Administrator identified in this notice, or review documents at www.SutterHealthLawsuit.com or the Court's online docket at [insert url].

WHAT THIS NOTICE CONTAINS

This notice summarizes the proposed settlement. For the precise terms of the settlement, please see the settlement agreement available at www.SutterHealthLawsuit.com.

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THE SETTLEMENT OR THE CLAIM PROCESS.

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BASIC INFORMATION

1. Why did I get this notice?

You received this notice because according to available records you may be a member of the Class certified by the Court in the lawsuit *UFCW & Employers Benefit Trust, on behalf of itself and all others similarly situated v. Sutter Health, et al.*, Case No. CGC-14-538451, pending in the San Francisco Superior Court. For information on whether you are a member of the Class, see Question 5, below.

UFCW & Employers Benefit Trust (“UEBT”) filed this lawsuit as a proposed class action against Defendants Sutter Health and certain affiliates identified below on April 7, 2014 in the Superior Court of California, County of San Francisco. The California Attorney General filed a nearly identical lawsuit in the same Court on March 29, 2018, and the two cases were consolidated on May 8, 2018. The Honorable Anne-Christine Massullo is the judge overseeing this case.

The Court has preliminarily approved the Settlement and will hold a Fairness Hearing on [insert date] to decide whether the proposed Settlement is fair, reasonable, and provides adequate compensation and other benefits to the members of the Class and whether to finally approve the Settlement.

2. What is this lawsuit about?

UEBT and the California Attorney General (collectively, “Plaintiffs”) alleged that Defendants violated the Cartwright Act (California’s antitrust law) and California’s Unfair Competition Law. In particular, Plaintiffs alleged among other things that Defendants engaged in practices and included provisions in their contracts with the major health insurance companies in California that restricted price competition between Defendants and other general acute care hospitals and other providers in Northern California. Plaintiffs alleged that these practices and contract provisions eliminated or unreasonably restricted Insurers’ ability to exclude some (but not all) Sutter providers from the Insurer’s provider network or to place any Sutter providers in lower tiers of tiered networks. Plaintiffs further alleged that the resulting reduction in price competition permitted Defendants to overcharge self-funded payors for Defendants’ general acute care hospital services and ancillary products. Plaintiffs sought damages on behalf of the Class and an injunction to prohibit Sutter from engaging in the conduct challenged in the lawsuit and to restore competition.

Defendants deny that they did anything wrong and deny that Plaintiffs and the Class are entitled to receive any money or other relief from Defendants.

On August 14, 2017, the Court certified the lawsuit as a class action and authorized Plaintiff UEBT to represent a Class of self-funded payors defined below. On September 29, 2017, the Court modified the class definition. Notice of the certified class, as modified, was mailed on June 11, 2018. On July 10, 2019, the Court granted Plaintiffs’ motion to further modify the class definition. Notice of the modified class definition was mailed on July 18, 2019.

On December 17, 2019, the Plaintiffs entered into a Settlement Agreement with Defendants. The Settlement Agreement provides for payment of \$575 million as a global settlement fund to resolve the Class’s damages claims and the California Attorney General’s disgorgement claim and from which fees and costs may be awarded to all Plaintiffs’ Counsel for their work on these claims and on their claims for injunctive relief. It also provides for an injunction that prohibits and permits certain conduct

related to Defendants' contracting practices with insurance companies. In exchange for this relief, Plaintiffs, including each Class Member, will release all claims asserted, or that could have been asserted, arising from or related to the conduct alleged in the lawsuit against Defendants and related entities and individuals. The Settlement Agreement is available for review at www.SutterHealthLawsuit.com. The Settlement Agreement contains the full text of the release for your review.

THE COURT HAS NOT DECIDED THAT ANY OF THE DEFENDANTS VIOLATED ANY LAWS. THIS NOTICE IS NOT AN EXPRESSION OF ANY OPINION BY THE COURT AS TO THE MERITS OF PLAINTIFFS' CLAIMS OR THE DEFENSES ASSERTED BY THE DEFENDANTS.

3. What is a class action?

In a class action, one or more entities called "class representatives" sue on behalf of other entities with similar claims. In this case, the class representative is UEBT.

The class representative and the entities on whose behalf it sues together constitute the "Class" or "Class Members." Their attorneys are called "Class Counsel."

The companies that have been sued are called the Defendants. In this case, the Defendants are Sutter Health and the following affiliates: Sutter East Bay Hospitals (predecessor of Sutter Bay Hospitals); Sutter West Bay Hospitals (n/k/a Sutter Bay Hospitals); Eden Medical Center (formerly d/b/a of Sutter Medical Center, Castro Valley) (predecessor of Sutter Bay Hospitals); Sutter Central Valley Hospitals (predecessor of Sutter Valley Hospitals); Mills-Peninsula Health Services (predecessor of Sutter Bay Hospitals); Sutter Health Sacramento Sierra Region (n/k/a Sutter Valley Hospitals); Sutter Coast Hospital; Palo Alto Medical Foundation for Healthcare, Research and Education (n/k/a Sutter Bay Medical Foundation and d/b/a Palo Alto Medical Foundation for Health Care, Research and Education); and Sutter Medical Foundation (n/k/a Sutter Valley Medical Foundation).

In a class action lawsuit, the outcome of the case resolves the issues for everyone in the Class. The Court in this case, by order dated August 14, 2017, certified a Class, and then modified the class definition on September 29, 2017. Notice of the certified class, as modified, was mailed on June 11, 2018. The Court further modified the class definition on July 10, 2019 and a second notice was mailed on July 18, 2019. A copy of the Court's orders and the notices may be found at www.SutterHealthLawsuit.com.

4. Why is there a Settlement?

The Court has not decided which side is correct or whether any laws were violated. Instead, Defendants, UEBT individually and on behalf of the Class, and the California Attorney General agreed to settle the case and avoid the cost, risk, and delay of trial and possible appeals.

This Settlement is the product of extensive negotiations between Plaintiffs and Defendants, at times with the assistance of a private mediator, and after lengthy, hard-fought litigation. At the time of Settlement, the parties had completed all pre-trial proceedings and were about to begin trial.

Class Counsel and the California Attorney General's Office negotiated with counsel for Defendants a

Settlement Agreement providing for a payment of \$575 million and an injunction in exchange for a release to resolve the claims the Plaintiffs brought against the Defendants.

WHO CAN PARTICIPATE IN THE SETTLEMENT

To see if you can get money from the Settlement Fund, you first must determine whether you are in the Class.

5. Am I part of the Class?

You are a class member if you meet the following definition:

All self-funded payors that (1) are citizens of California for purposes of 28 U.S.C. § 1332(d) or arms of the State of California and (2) compensated Sutter for general acute care hospital services or ancillary products:

- At any time between January 1, 2003 and July 25, 2016 at prices set by contracts between Sutter and Aetna;
- At any time between January 1, 2003 and December 31, 2016 at prices set by contracts between Sutter and Anthem;
- At any time between January 1, 2003 and June 25, 2016 at prices set by contracts between Sutter and Blue Shield;
- At any time between January 1, 2003 and April 30, 2016 at prices set by contracts between Sutter and Cigna; or
- At any time between January 1, 2003 and June 30, 2016 at prices set by contracts between Sutter and United Healthcare/PacifiCare.

You are a self-funded payor if you are an entity (such as an employer, healthcare benefit trust, union benefit trust or California government entity (e.g., school district)) that funds a health plan for your employees or members. You are a self-funded payor if you offer your employees or members a self-funded health plan, even if you also offer them a fully-insured health plan. You are a self-funded payor regardless of whether your self-funded plan is administered by a health insurance company or a third-party administrator.

You are a citizen of California if (a) you are organized under the laws of California, or (b) you have your principal place of business in California. To be a member of the Class, you must have been a California citizen on the date the case was filed, April 7, 2014. If you were a California citizen on that date, you are a Class Member even if you were not a California citizen after that date.

You are an arm of the State of California if you are a California governmental entity (for example, a city, county, hospital district, school district, fire protection district, water or irrigation district, transit or transportation district, joint powers agency or authority, public university, department within the State, superior court, the Judicial Council of California, or the Major Risk Medical Insurance Program).

You compensated Sutter for general acute care hospital services or ancillary products if you paid Sutter for health care provided to your health plan members or enrollees by a Sutter general acute care

hospital. If you had the contractual obligation to pay Sutter for such services (either directly or indirectly through an insurance company (e.g., Blue Shield), third-party administrator, or other third party), you are considered the one to have compensated Sutter, even if another entity (such as a parent company or affiliate) paid Sutter on your behalf.

You are not a Class Member if you timely opted out of the Class after it was certified by the Court. The Court's deadline to opt out was June 11, 2018.

THE SETTLEMENT'S BENEFITS —WHAT YOU GET

6. What does the Settlement provide?

The Defendants will pay \$575 million into an escrow account within ten days after Final Approval of the Settlement. If the Court approves the Settlement, the money, plus half of the accrued interest (the other half goes to Sutter) and minus the amounts the Court awards for attorneys' fees, expenses, and a Class Representative service award, will be distributed according to a plan of allocation approved by the Court to Class Members who timely establish their Class membership through either the enclosed Claim Form or the online Claim Form.

The \$575 million recovery is 59% of the \$980 million in damages that Plaintiffs would have sought at trial. Plaintiffs were entitled under the Cartwright Act to trebling of any damages awarded by the jury. Therefore, the maximum possible recovery in this case was three times \$980 million, or \$2.94 billion. Normally, however, a settlement fund is compared to single damages in assessing its reasonableness. Of the \$980 million, \$257 million were subject to Sutter's statute of limitations defense, and another \$191 million would not have been supported by testimony from Plaintiffs' damages expert, due to a Court ruling limiting the scope of the expert's testimony. The Settlement releases claims through December 19, 2019, while the damages Plaintiffs sought ended between August 2018 and January 2019, depending on the insurance company involved. Plaintiffs believe there may be additional damages, which they have not quantified, attributable to the released claims between the end of their damages period and December 19, 2019.

Plaintiffs' Counsel collectively have moved for attorneys' fees from the Settlement Fund of \$184 million (32 percent of the Settlement Fund) as well as litigation expenses from the Settlement Fund of [up to \$25] million. In addition, Class Counsel moved for a Class Representative service award from the Settlement Fund of \$250,000 and will move at a later time for reimbursement from the Settlement Fund of settlement-related expenses, most of which will be incurred in the future. Class Counsel estimate that settlement-related expenses will total about \$350,000, plus charges for analysis by Plaintiffs' damages expert of any data submitted by Claiming Class Members as part of the claims process. If the Court were to award the requested attorneys' fees, litigation and settlement expenses, and service award, the Net Settlement Fund available to distribute to Claiming Class Members would be approximately \$365.4 million.

In addition, the Court will enjoin the Defendants from engaging in the alleged contracting practices, and from engaging in similar conduct in the future, as set forth in the Settlement. More specifically, the injunction prohibits and permits certain conduct related to Defendants' contracting practices with insurance companies concerning network participation, steering, tiering, out-of-network pricing, new affiliate pricing, and availability of pricing information. The injunction is for ten years, and Plaintiffs are permitted to ask the Court to grant a three-year extension. The Court will appoint a compliance monitor to ensure Defendants' compliance with the injunction. The full terms of the injunctive relief

are contained in Exhibit B to the Settlement Agreement, which is available at www.SutterHealthLawsuit.com.

In exchange for the \$575 million payment and the injunction, Defendants and related entities and individuals will be released from all claims that were made or could have been made by Class Members arising from or relating to the conduct alleged in the complaint. The full text of the release is included in the Settlement Agreement, available at www.SutterHealthLawsuit.com.

The Settlement will become effective after it has been approved by the Court, after the Court has entered the Final Judgment and Order attached to the Settlement Agreement as Exhibit B, and after completion of any appeal(s) that affirm the Court's approval of the Settlement. Plaintiffs and Defendants each have the right to terminate the Settlement if a term of the Settlement is held unenforceable. If the Settlement Agreement is terminated or is not approved by the Court, or if the approval is appealed and not affirmed on appeal, the lawsuit will proceed as if the Settlement had not been reached.

7. Why is a portion of the Settlement Agreement redacted, and how do Class Members get access to the redacted information?

The Settlement Agreement was filed with the Court on December 19, 2019 as Appendix 1 to Plaintiffs' Memorandum of Points and Authorities in support of their Motion for Preliminary Approval of Settlement. Attached to the Settlement Agreement as Exhibit B is the [Proposed] Final Judgment and Order Pursuant to Stipulation, which sets out the injunction agreed to as part of the Settlement.

The injunction includes caps on the rates that Sutter may charge for out-of-network services and a limit on the aggregate amount Sutter may increase its billed charges each year. The amounts of the rate caps and chargemaster increase limits have been sealed pursuant to an order of the Court.

For purposes of evaluating and/or objecting to the terms of the Settlement, Class Members may seek access to the amounts of the rate caps and the limit on annual chargemaster increases up to the deadline for objections, provided they comply with the following procedure. A Class Member wishing to access such information must complete, sign, and serve on the parties a short declaration. The declaration to be filled out and the Protective Order Regarding Out-Of-Network Rate Caps and Chargemaster Aggregate Annual Increases are available at www.SutterHealthLawsuit.com. In the declaration, the Class Member will state under oath that (a) it requests access to the redacted information, (b) it is a member of the Class, (c) it is or is not a healthcare provider, (d) it agrees to be bound by the protective order entered by the Court on [date], and (e) authorized individuals accessing the redacted information will sign an acknowledgment and agreement to be bound by the protective order.

The Court entered this protective order to ensure that Class Members who receive disclosure of the rate caps and chargemaster increase limit maintain the confidentiality of that information and use it solely for the purpose of evaluating and/or objecting to the Settlement. The protective order is available at www.SutterHealthLawsuit.com. The protective order identifies the classes of individuals at the Class Member who may access the redacted information. Class Members must read the protective order carefully before submitting the declaration.

If the Class Member is a government entity, it is also subject to a further requirement: it may only

access the redacted information via a virtual data room, to protect against further disclosure due to a potential request for public records such as a California Public Records Act request. Instructions for accessing the redacted information via the data site are available at www.SutterHealthLawsuit.com.

The amounts of the caps and the limits on annual chargemaster increases are being provided to Class Members solely for their evaluation of and/or objection to the Settlement. The information will be available up until the deadline for submitting an objection. Objections to the Settlement must be mailed to Plaintiffs' Counsel, postmarked by [date]. (See Question 17 below.) Class Members should complete, sign, and serve on the parties the declaration promptly.

Class Members who wish to refer to the caps and/or the limits in an objection to the Settlement may do so provided they mail to Plaintiffs' Counsel both a copy of the objection that redacts all such references and an unredacted copy. Plaintiffs' Counsel will file any objections with the Court and serve them on Defendants.

8. Can I get unredacted copies of key pleadings filed under seal?

The Court entered a protective order in this case to prevent confidential information from being disclosed to third parties. Pursuant to this order, the parties, with the Court's permission, filed certain pleadings under seal, while also filing a public version that redacted the confidential information.

Class Members who, for the sole purpose of evaluating and/or objecting to the settlement, wish to access the redacted information in certain key filings may request a Disclosure Packet, provided they first sign under penalty of perjury an Acknowledgment and Agreement to be Bound to the Amended Protective Order entered in this case. The Disclosure Packet contains unredacted copies of key briefs, orders and expert reports. After reviewing the Disclosure Packet, again for the sole purpose of evaluating and/or objecting to the settlement, Class Members may request unredacted copies of other specific pleadings filed under seal in a written request, that includes the Acknowledgment and Agreement to be Bound to the Amended Protective Order, sent to the Claims Administrator. The process for requesting and accessing sealed/redacted materials not included in the Disclosure Packet is set forth in Paragraphs 2-4 of the Order Regarding Class Member Acknowledgement and Agreement to be Bound by Amended Protective Order, both of which are available at www.SutterHealthLawsuit.com; the Amended Protective Order is also available at www.SutterHealthLawsuit.com. Class Members must read the Amended Protective Order before submitting the Acknowledgment. In the Acknowledgment, the Class Member will state under oath that it (a) requests the Disclosure Packet, (b) is a member of the Class, and (c) agrees to be bound by the Amended Protective Order entered by the Court on February 22, 2018.

If the Class Member is a government entity, it is also subject to a further requirement: it may only access the Disclosure Packet, and any additional pleadings specifically requested, via a virtual data room, to protect against further disclosure due to a potential request for public records such as a California Public Records Act request. Instructions for accessing these pleadings via the data site are available at www.SutterHealthLawsuit.com.

The Disclosure Packet, and any additional pleadings specifically requested, are being provided to Class Members solely for their evaluation of and/or objection to the Settlement. These pleadings will be available up until the deadline for submitting an objection. Objections to the Settlement must be mailed to Plaintiffs' Counsel, postmarked by [date]. (See Question 17 below.) Class Members should complete, sign, and serve on the parties the Acknowledgment promptly.

Any class member that wishes to refer to Protected Material in an objection to the Settlement may do so, provided that Plaintiffs' Counsel—who will file the objection—comply with Section 12.3 of the Amended Protective Order. Either before or immediately upon filing, Plaintiffs' Counsel will consult with Sutter as to which third parties must be notified of the filing.

9. How much will my payment be?

Class Counsel have proposed to the Court a plan for allocating the Settlement Fund to Class Members who timely submit a valid Claim Form (“Claiming Class Members”). The Settlement Fund will be distributed to Claiming Class Members minus the amounts awarded to Plaintiffs' Counsel as fees and expenses and to Plaintiff UEBT as a service award (the “Net Settlement Fund”). If approved by the Court, the plan of allocation will distribute the Net Settlement Fund to Claiming Class Members *pro rata* based on the amount of their relevant payments to Defendants.

As an illustration, the average amount per class member that would be distributed is approximately \$243,000, on the following assumptions: (1) all Class Members timely submit the Claim Form, (2) Class Counsel have correctly counted 1,484 Class Members, (3) the Court grants the joint motion for attorneys' fees, expenses, and a service award, and (4) settlement administration expenses total \$350,000. Any or all of these assumptions could prove to be incorrect. This illustration estimates an average distribution. A particular Class Member's distribution may be far above or far below the average.

Relevant payments are payments by Claiming Class Members to Defendants for general acute care hospital services and ancillary products between January 1, 2003 and August 25, 2018. January 1, 2003 is the date on which Plaintiffs allege that the Class's damages began, and August 25, 2018 is the most current date for which the parties have claims data from all of the Insurers that produced claims data in the lawsuit.

To calculate Claiming Class Members' *pro rata* shares of the Net Settlement Fund, the relevant payments will be weighted as follows:

- Relevant payments will be weighted based on the Sutter hospital to which Class Members made payments, to account for different prices at different hospitals. Plaintiffs' damages expert estimated coefficients to estimate overcharges (coefficients are used to calculate overcharge percentages), for different groups of Sutter hospitals, and those coefficients (as updated to include more recent OSHPD data that was used to estimate the coefficients) will be used to weight the relevant payments. This will result in claims at Sutter hospitals with larger damages coefficients having greater weight than claims at Sutter hospitals with smaller damages coefficients.
- Relevant payments will be weighted by time period. Plaintiffs' damages expert estimated damages coefficients in two-year increments to account for changes in prices over time, and those coefficients (as updated to include more recent OSHPD data) will be used to weight the relevant payments. This will result in claims in years with larger damages coefficients having greater weight than claims in years with smaller damages coefficients. For example, the damages coefficient calculated for 2007-2008 is 1.59 times the coefficient for claims in 2011-2012, and thus claims in this earlier period will be weighted 1.59 times claims in this later period, not counting the effect of also weighting by Sutter hospital (see prior bullet).

The weighting of claims will be determined by both the weighting by hospital and the weighting by time period, and one factor could add to or subtract from the weight of the other factor. Tables listing the damages coefficients that will be used to weight Class Member claims are available at www.SutterHealthLawsuit.com.

A Claiming Class Member's share of the Net Settlement Fund will be calculated based on how its total relevant payments to Defendants, weighted as described above, compare to the total relevant payments, weighted as described above, of all Claiming Class Members. For example, if a Claiming Class Member's total relevant payments, after weighting, are one percent (1%) of the total relevant payments, after weighting, of all Claiming Class Members, then the Claiming Class Member will receive one percent (1%) of the Net Settlement Fund.

HOW YOU GET A PAYMENT – SUBMITTING A CLAIM FORM

10. How can I get a payment?

To receive a share of the Net Settlement Fund, you must be a member of the Class. If you are a Class Member, your share of the Net Settlement Fund will be calculated according to the plan of allocation described under Question 9.

If you are a Class Member, you must complete, sign and return the enclosed Claim Form, or complete and electronically sign the Claim Form online, by the deadline to receive your share of the Net Settlement Fund. The Claim Form requires Class Members to establish, under penalty of perjury, that they are members of the Class. The completed and signed Claim Form must be mailed to the Claims Administrator at Epiq, [P.O. Box address], postmarked no later than [date], or completed and electronically signed online at www.SutterHealthLawsuit.com no later than [date]. If your Claim Form timely establishes that you are a Class Member, you will receive a share of the Settlement Fund, and the Settlement Administrator will mail a Relevant Payments Notice to you after the Effective Date of the Settlement to help determine the amount of your share.

The Relevant Payments Notice will provide Class Counsel's calculation of the Class Member's total relevant payments to Sutter (from which the Class Member's *pro rata* share of the Settlement Fund will be calculated) based on the claims data produced in the case by Aetna, Anthem Blue Cross, Blue Shield, Cigna, and United Healthcare. Please note that claims data was not produced in this case by any self-funded payers or by their third-party administrators. The Class Member will have the choice either (1) to do nothing and thereby accept the amount stated in the Relevant Payments Notice, or (2) to claim a different amount that it paid Defendants. If the Class Member claims a different amount, it must complete and sign under penalty of perjury the Dispute Form attached to the Relevant Payments Notice and, by the deadline set by the Court, return the Form with claims data (with the required fields and format) to support the different amount. The Dispute Form will also be available online at www.SutterHealthLawsuit.com, and the Class Member will have the option to complete, electronically sign, and submit the Form and supporting claims data online. If the Class Member does not dispute the amount stated in the Relevant Payments Notice, it should not complete and return the Dispute Form. If the Class Member does not timely complete, sign and return the Dispute Form with supporting claims data, the Class Member will be deemed to have accepted the amount stated in the Relevant Payments Notice as its total relevant payments. To preserve their options, Class Members and/or their claims administrator should keep their claims data reflecting their payments to Defendants for general acute care hospital services and ancillary products.

11. When will I get my payment?

The Net Settlement Fund can be distributed to Claiming Class Members only after certain events have occurred:

- The Court must approve the Settlement.
- If the Court's approval is appealed to one or more higher courts, the approval must be affirmed on appeal. An appeal can take two years or more.
- Once the Settlement becomes effective, the Claims Administrator will send the Relevant Payments Notice to Claiming Class Members. Claiming Class Members have the option to submit their own claims data in support of a different amount of relevant payments than appears in the Relevant Payments Notice. Econ One (an economic consulting firm retained by Plaintiffs to estimate the Class's damages) will audit any claims data submitted by Claiming Class Members and will calculate Claiming Class Members' *pro rata* shares according to the plan of allocation. Class Counsel will present the proposed allocation to the Court for approval. Finally, the Claims Administrator will process and mail checks to Claiming Class Members.

It is difficult to predict how long the total process will take. Class Counsel estimate that the total process could take a year or more, and much longer if there is an appeal.

In addition, there could be a second distribution. The Settlement provides for a \$50 million Dispute Fund to be used after the first distribution to resolve any disputes concerning the allocation of the Net Settlement Fund. If the Dispute Fund is not exhausted, the remainder will be distributed to Claiming Class Members in the same percentages as in the first distribution. Similarly, any uncashed checks from the first distribution will be redistributed to the other Claiming Class Members in the same relative shares as in the first distribution.

If a Claiming Class Member's mailing address changes after it submits its Claim Form, it should promptly provide its new address to the Claims Administrator at [P.O. Box] or [email address].

12. What am I giving up to get payment?

In exchange for the payment of \$575 million and the injunction, Class Members are releasing Defendants and related entities and individuals from all claims that were asserted or could have been asserted arising from or relating to the conduct alleged in the complaint. Claims within the scope of the release are released up to December 19, 2019, the date on which the Settlement Agreement was signed. The Released Claims are described fully in the Settlement Agreement available at www.SutterHealthLawsuit.com. Class Members are releasing the Released Claims regardless of whether or not they submit a Claim Form.

THE LAWYERS AND PLAINTIFF REPRESENTING YOU

13. Do I have a lawyer in this case?

The lawyers listed below have been appointed by the Court as Class Counsel. They are experienced in

handling similar cases against other companies. The lawyers are:

Richard L. Grossman
Philip L. Pillsbury Jr.
Pillsbury & Coleman, LLP
100 Green St.
San Francisco, CA 94111
Tel: (415) 433-8000
Lead Counsel

Daniel A. Small
**Cohen Milstein Sellers &
Toll PLLC**
1100 New York Ave. NW,
Ste. 500
Washington, DC 20005
Tel: (202) 408-4600

Christopher C. Wheeler
**Farella Braun + Martel
LLP**
235 Montgomery St., 17th Fl.
San Francisco, CA 94104
Tel: (415) 954-4400

Daniel G. Bird
**Kellogg, Hansen, Todd,
Figel & Frederick,
P.L.L.C.**
1615 M St. NW, Ste. 400
Washington DC, 20036
Tel: (202) 326-7900

Steven L. Stemerman
Sarah Grossman-Swenson
**McCracken, Stemerman &
Holsberry, LLP**
595 Market St., Ste. 800
San Francisco, CA 94105
Tel: (415) 597-7200

14. Should I get my own lawyer?

You do not need to hire your own lawyer because Class Counsel are working on your behalf. However, if you wish to do so, you may retain your own lawyer at your own expense.

15. How will the lawyers be paid?

Plaintiffs' Counsel, which consist of Class Counsel and the California Attorney General's Office, have jointly moved for an award of attorneys' fees from the Settlement Fund of \$184 million (32 percent of the Settlement Fund). Class Counsel's share of this joint request is \$172.5 million. The California Attorney General's Office's share of this joint request in this consolidated case is \$11.5 million.

In the joint motion, Class Counsel and the California Attorney General's Office have moved for reimbursement of their combined litigation expenses from the Settlement Fund of **[up to \$25 million]**.

Class Counsel will move for payment from the Settlement Fund of settlement-related expenses. These expenses include the charges of the Claims Administrator for providing class notice, responding to Class Member inquiries, mailing and processing Claim Forms and Dispute Forms, and distributing the Settlement Fund, and the charges of Econ One in connection with any claims data submitted by Claiming Class Members and to calculate Claiming Class Members' *pro rata* shares of the Net Settlement Fund. Most settlement-related costs will be incurred in the future, and Class Counsel can only estimate their amount at this time. Class Counsel estimate that all settlement-related costs will total approximately \$350,000 plus Econ One's charges in connection with any claims data submitted by Claiming Class Members. Class Counsel expect to move for reimbursement of settlement-related expenses after the Effective Date of the Settlement.

Class Counsel's and the Attorney General's Office's requests for fees, expenses and a service award will be paid only to the extent approved by the Court. Any such payments awarded by the Court will be deducted from the Settlement Fund. You will not have to pay these fees, expenses, or service award out of your own pocket.

The joint motion of Class Counsel and the California Attorney General's Office for an award of attorneys' fees, reimbursement and payment of expenses, and a service award to the Class Representative has been filed with the Court and is available for download and/or viewing on www.SutterHealthLawsuit.com as well as at the office of the Clerk of the Superior Court of California, County of San Francisco, 400 McAllister St, Room 103, San Francisco, CA 94102 during normal business hours. It may also be viewed by accessing the Court's docket in this case at [<https://bitly.com/>].

16. Who is the Plaintiff and why is it seeking a service award?

The plaintiff is UFCW & Employers Benefit Trust ("UEBT"), an employee benefit trust for the United Food and Commercial Workers Union and the employers who hire UFCW workers. UEBT manages and pays for health care benefits for about 75,000 grocery workers, retail employees, and meat packers in California.

UEBT filed this lawsuit as a class action on April 7, 2014. On August 14, 2017, the Court appointed UEBT as the Class Representative to represent the Class.

In class actions, the Court may provide the Class Representative with a "service award" in recognition of the time and effort expended in the case on behalf of the Class. In the joint motion, Class Counsel have moved for a service award of \$250,000 from the Settlement Fund to Plaintiff UEBT for its services as Class Representative.

OBJECTING TO THE SETTLEMENT AND REQUEST FOR ATTORNEYS' FEES, EXPENSES AND A SERVICE AWARD

You can object to – that is, tell the Court that you do not agree with-- part or all of the Settlement and/or the joint motion for attorneys' fees, litigation expenses, estimated settlement administration costs, and a UEBT service award.

17. How do I tell the Court that I do not like part or all of the Settlement and/or the joint petition for fees, expenses, and a service award?

If you are a Class Member, you can object to and/or tell the Court that you do not agree with part or all of the Settlement and/or the plan to allocate and distribute the Net Settlement Fund by submitting an objection. You may submit an objection to object to and/or tell the Court that you do not agree with and/or to deny part or all of Plaintiffs' Counsel's joint motion for attorneys' fees and expenses and a service award to UEBT, the Class Representative. You cannot ask the Court to order a larger Settlement; the Court can only approve or deny the Settlement. If the Court denies approval of the Settlement, no settlement payments will be sent out and the lawsuit will continue against the Defendants. If that is what you want to happen, you must object. If the Court rejects your objection, you will still be bound by the Settlement.

Any objection to all or part of the proposed Settlement or the plan to allocate and distribute the Net Settlement Fund or to the joint motion for attorneys' fees and expenses and a service award to UEBT must be submitted in writing and mailed to Plaintiffs' Counsel, postmarked by [[date](#)]. You may also appear at the Fairness Hearing, with or without your own attorney, to argue your written objection. If you appear through your own attorney, you are responsible for paying that attorney.

If you or your attorney wishes to appear, you must mail a notice of your intent to appear to Plaintiffs' Counsel, postmarked no later than ten (10) days before the hearing. All objections and supporting papers and notices of intent to appear at the Fairness Hearing should (a) identify the case name and number, *UFCW & Employers Benefit Trust, on behalf of itself and all others similarly situated v. Sutter Health, et al.* (Case No. CGC-14-538451), (b) be mailed to Plaintiffs' Counsel, c/o Christopher C. Wheeler, Farella Braun + Martel LLP, 235 Montgomery Street, 17th Floor, San Francisco, CA 94104, and (c) be postmarked on or before [date]. In addition, all objections should (a) clearly identify the part of the Settlement or joint motion for attorneys' fees and expenses and a service award to UEBT to which the objection pertains, and (b) explain the reason(s) for the objection. Plaintiffs will file any and all objections and notices of intent with the Court and serve them on Defendants.

THE COURT'S FAIRNESS HEARING

The Court will hold a Fairness Hearing to decide whether to approve the Settlement and the plan to allocate and distribute the Net Settlement Fund and whether to approve Plaintiffs' Counsel's joint motion for attorneys' fees and expenses and a service award to UEBT.

18. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Fairness Hearing at [date and time], in Department 304, California Superior Court, 400 McAllister St., San Francisco, CA 94102. At this hearing, the Court will consider whether to approve the Settlement and the plan to allocate and distribute the Net Settlement Fund as fair, reasonable and adequate. The Court will also consider whether to approve Plaintiffs' Counsel's joint motion for attorneys' fees and expenses and a service award for UEBT. If there are objections, the Court will consider them. After the hearing, the Court will decide whether to approve the Settlement and/or Plaintiffs' Counsel's joint motion. Counsel do not know how long these decisions will take.

IMPORTANT: The time and date of the hearing may change without additional mailed notice and without publication notice. For updated information on the hearing, visit www.SutterHealthLawsuit.com.

19. Do I have to come to the hearing?

No. Class Counsel will answer questions that the Court may have. But you are welcome to come at your own expense. If you timely submit an objection, you do not have to come to Court to talk about it. So long as you submit your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary. Moreover, attendance is not necessary to receive a *pro rata* share of the Net Settlement Fund.

20. May I speak at the hearing?

If you timely submit a written objection and a notice of your intent to appear (see Question 17 above), you may argue your written objection at the Fairness Hearing, with or without your own attorney. If you do not timely submit a written objection and a notice of intent to appear, you or your attorney may attend the hearing, but you will not be permitted to comment on the settlement. If you appear through your own attorney, you are responsible for paying that attorney.

IF YOU DO NOTHING

21. What happens if I do nothing at all?

If you are a Class Member and do nothing, **you will not share in the Settlement Fund**, even if the Settlement is approved. To receive your share of the Settlement Fund if you are a Class Member, **you must complete, sign and return either the enclosed Claim Form or the online Claim Form according to its instructions**. Class Members are releasing the Released Claims regardless of whether or not they submit the Claim Form.

GETTING MORE INFORMATION

22. How do I get more information?

You may obtain more information by contacting the Claims Administrator at [P.O. box] or at [email address] or by calling [toll-free number]. You can get a copy of the complaint, the Settlement Agreement, and other important information about the lawsuit at www.SutterHealthLawsuit.com or from the Court's docket which can be accessed online at [insert url].

**PLEASE DO NOT WRITE OR CALL THE COURT
OR THE CLERK'S OFFICE FOR INFORMATION.**

APPENDIX 2

SAN FRANCISCO SUPERIOR COURT

NOTICE OF PROPOSED SETTLEMENT

in

***UFCW & Employers Benefit Trust v. Sutter Health, Case No. CGC-14-538451, and
People of the State of California, ex. rel. Xavier Becerra v. Sutter Health, Case No.
CGC-18-565398***

California entities that paid Sutter Health for general acute care hospital services and ancillary products could receive money from a class action settlement.

*A state court authorized this notice. It is not a solicitation from a lawyer.
You are not being sued.*

**CLASS MEMBERS' LEGAL RIGHTS ARE AFFECTED
WHETHER THEY ACT OR DO NOT ACT, SO PLEASE READ
THIS NOTICE CAREFULLY.**

- This is a notice of a proposed settlement of a class action lawsuit. This notice has important information if you are a member of the Class described below. You are receiving this notice because records in the case indicate that you may be a Class Member.
- Defendants have agreed to pay \$575 million (“Settlement Fund”) and to change certain alleged contracting practices with insurance companies to resolve the Class’s damages claims and the California Attorney General’s disgorgement claim against them. Plaintiffs’ Counsel (which include both Class Counsel and the California Attorney General’s Office) collectively have ~~applied to the Court~~ moved for payment from the Settlement Fund of attorneys’ fees of \$184 million (32 percent of ~~the Settlement Fund~~) and litigation expenses of [up to \$25] million, and Class Counsel have ~~applied to the Court~~ moved for payment from the Settlement Fund of a Class Representative service award of \$250,000, and will ~~apply to the Court~~ move for payment from the Settlement Fund of current and future settlement-related expenses, which they estimate will total about \$350,000 plus any charges for potential data analysis. If approved by the Court, the Settlement will fully resolve the class action lawsuit against Defendants.
- If you are a Class Member and you do nothing, ***you will not share in the Settlement Fund***, even if the Settlement is approved. To receive your share of the Settlement Fund if you are a Class Member **and the settlement is approved**, ***you must complete, sign and return either the enclosed Claim Form or the online Claim Form according to its instructions***. **If the Settlement is approved**, Class Members are releasing the Released Claims regardless of whether or not they submit the Claim Form ~~if the Settlement is approved~~.
- The Court has preliminarily approved the Settlement and scheduled a hearing (“Fairness Hearing”) to decide upon final approval of the Settlement, the plan for allocating the Settlement Fund to Class Members, and Plaintiffs’ Counsel’s joint ~~application~~ motion for attorneys’ fees and expenses and a service award to Plaintiff UEBT, the Class Representative, out of the Settlement Fund. The Fairness Hearing is scheduled for [date] before The Hon. Anne-Christine Massullo of the Superior Court of California, County of San Francisco, in Department 304, 400 McAllister St., San Francisco, CA 94102. If **you are a Class Member** and you mail a written objection to Plaintiffs’ Counsel, postmarked by [date], **and also mail to Plaintiffs’ Counsel a notice of your intent to appear, postmarked no later than ten (10) days before the Fairness Hearing**, you may appear at the Fairness Hearing, with or without an attorney, to argue your written objection.
- The process by which Class Members can claim a share of the Settlement Fund will occur in two steps.
 - The first step is to complete, sign, and return the enclosed Claim Form to the Claims Administrator according to its instructions. The Claim Form may also be completed and submitted to the Claims Administrator online at www.SutterHealthLawsuit.com. The Claim Form requires Class Members to establish, under penalty of perjury, that they are members of the Class. The completed and signed form must be mailed to the Claims Administrator at the address provided below, postmarked no later than [date], or completed and electronically signed online by [date]. If the Claim Form is timely submitted and establishes class membership, the Class Member will receive a share of the Settlement Fund. The second step will help determine the size of the Class Member’s share.
 - The second step will occur after the Effective Date of the Settlement. At that time, a Relevant Payments Notice will be mailed to Class Members who established their class membership with the Claim Form. The Relevant Payments Notice will provide Class Counsel’s calculation

of the Class Member's total relevant payments to Defendants (from which the Class Member's *pro rata* share of the Settlement Fund will be calculated) based on the claims data produced in the case by Aetna, Anthem Blue Cross, Blue Shield, Cigna, and United Healthcare. Please note that claims data was not produced in the case by any self-funded payers or by their third-party administrators. The Class Member will have the choice either (1) to do nothing, thereby accepting the amount stated in the Relevant Payments Notice, or (2) to claim a different amount that it paid Defendants. If the Class Member claims a different amount, it must complete and sign under penalty of perjury the Dispute Form attached to the Relevant Payments Notice and, by the deadline set by the Court, return the Form with claims data to support the different amount. The Dispute Form will also be available online, and Class Members will have the option to complete, electronically sign, and submit the Form and the supporting claims data online. To preserve their options, Class Members and/or their claims administrator should keep their claims data reflecting their payments to Defendants for general acute care hospital services and ancillary products.

**SET FORTH BELOW ARE CLASS MEMBERS' LEGAL RIGHTS AND
OPTIONS. PLEASE REVIEW THIS CAREFULLY AS YOUR CHOICE WILL
IMPACT YOUR LEGAL RIGHTS**

**CLASS MEMBERS' LEGAL RIGHTS
AND OPTIONS IN THIS CLASS
ACTION LAWSUIT**

<p>PROMPTLY COMPLETE, SIGN, AND RETURN THE CLAIM FORM</p>	<p>A Claim Form is enclosed with this Notice. If you are a Class Member and you wish to claim your share of the Settlement Fund, you will need to complete and sign the Claim Form and mail it to the Claims Administrator, postmarked by [date], or complete, electronically sign, and submit the Form online by [date]. If the Form establishes your membership in the Class, you will be mailed a Relevant Payments Notice after the Effective Date of the Settlement, which will provide you with a calculation of your relevant payments to Defendants and an opportunity to submit a different amount based on other data available to you.</p>
<p>OBJECT TO THE SETTLEMENT</p>	<p>If you are a Class Member, you may object to part or all of the Settlement and/or to Plaintiffs' Counsel's joint application motion for fees and expenses and a service award for the Class Representative. To do so, you must mail your objection to Plaintiffs' Counsel, postmarked by [date] stating why you do not like part or all of the Settlement and/or the plan to allocate and distribute the Net Settlement Fund and/or the joint application motion. You may both submit an objection and participate in the recovery by submitting a Claim Form if you wish.</p>
<p>IF YOU DO NOTHING</p>	<p>If you are a Class Member and do nothing, <u>you will not share in the Settlement Fund.</u> To receive a share of the Settlement Fund, <u>you must complete, sign and return either the enclosed Claim Form or the online Claim Form according to its instructions.</u> Class Members are releasing the Released Claims regardless of whether they submit the Claim Form.</p>
<p>GET MORE INFORMATION</p>	<p>If you would like to obtain more information about the lawsuit or the Settlement, you can send questions to the Claims Administrator identified in this notice, or review documents at www.SutterHealthLawsuit.com or the Court's online docket at [insert url].</p>

WHAT THIS NOTICE CONTAINS

This notice summarizes the proposed settlement. For the precise terms of the settlement, please see the settlement agreement available at www.SutterHealthLawsuit.com.

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THE SETTLEMENT OR THE CLAIM PROCESS.

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2. What is this lawsuit about?
3. What is a class action?
4. Why is there a Settlement?

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THE SETTLEMENT’S BENEFITS - WHAT YOU GET..... PAGES 9, 10, 11, 12

6. What does the Settlement provide?
7. Why is a portion of the Settlement Agreement redacted, and how do Class Members get access to the redacted information?
8. Can I get unredacted copies of key pleadings filed under seal?
9. How much will my payment be?

HOW YOU GET A PAYMENT—SUBMITTING A CLAIM FORM PAGES 13, 14

10. How can I get a payment?
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THE LAWYERS AND PLAINTIFF REPRESENTING YOU PAGES 15, 16

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14. Should I get my own lawyer?
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ATTORNEYS’ FEES, EXPENSES AND A SERVICE AWARD..... PAGES 16

17. How do I tell the Court that I do not like part or all of the Settlement and/or the joint petition for fees, expenses, and a service award?

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22. How do I get more information?

BASIC INFORMATION

1. Why did I get this notice?

You received this notice because according to available records you may be a member of the Class certified by the Court in the lawsuit *UFCW & Employers Benefit Trust, on behalf of itself and all others similarly situated v. Sutter Health, et al.*, Case No. CGC-14-538451, pending in the San Francisco Superior Court. For information on whether you are a member of the Class, see Question 5, below.

UFCW & Employers Benefit Trust (“UEBT”) filed this lawsuit as a proposed class action against Defendants Sutter Health and certain affiliates identified below on April 7, 2014 in the Superior Court of California, County of San Francisco. The California Attorney General filed a nearly identical lawsuit in the same Court on March 29, 2018, and the two cases were consolidated on May 8, 2018. The Honorable Anne-Christine Massullo is the judge overseeing this case.

The Court has preliminarily approved the Settlement and will hold a Fairness Hearing on [insert date] to decide whether the proposed Settlement is fair, reasonable, and provides adequate compensation and other benefits to the members of the Class and whether to finally approve the Settlement.

2. What is this lawsuit about?

UEBT and the California Attorney General (collectively, “Plaintiffs”) alleged that Defendants violated the Cartwright Act (California’s antitrust law) and California’s Unfair Competition Law. In particular, Plaintiffs alleged among other things that Defendants engaged in practices and included provisions in their contracts with the major health insurance companies in California that restricted price competition between Defendants and other general acute care hospitals and other providers in Northern California. Plaintiffs alleged that these practices and contract provisions eliminated or unreasonably restricted Insurers’ ability to exclude some (but not all) Sutter providers from the Insurer’s provider network or to place any Sutter providers in lower tiers of tiered networks. Plaintiffs further alleged that the resulting reduction in price competition permitted Defendants to overcharge self-funded payors for Defendants’ general acute care hospital services and ancillary products. Plaintiffs sought damages on behalf of the Class and an injunction to prohibit Sutter from engaging in the conduct challenged in the lawsuit and to restore competition.

Defendants deny that they did anything wrong and deny that Plaintiffs and the Class are entitled to receive any money or other relief from Defendants.

On August 14, 2017, the Court certified the lawsuit as a class action and authorized Plaintiff UEBT to represent a Class of self-funded payors defined below. On September 29, 2017, the Court modified the class definition. Notice of the certified class, as modified, was mailed on June 11, 2018. On July 10, 2019, the Court granted Plaintiffs’ motion to further modify the class definition. Notice of the modified class definition was mailed on July 18, 2019.

On December 17, 2019, the Plaintiffs entered into a Settlement Agreement with Defendants. The Settlement Agreement provides for payment of \$575 million as a global settlement fund to resolve the Class’s damages claims and the California Attorney General’s disgorgement claim and from which fees and costs may be awarded to all Plaintiffs’ Counsel for their work on these claims and on their claims for injunctive relief. It also provides for an injunction that prohibits and permits certain conduct

related to Defendants' contracting practices with insurance companies. In exchange for this relief, Plaintiffs, including each Class Member, will release all claims asserted, or that could have been asserted, arising from or related to the conduct alleged in the lawsuit against Defendants and related entities and individuals. The Settlement Agreement is available for review at www.SutterHealthLawsuit.com. The Settlement Agreement contains the full text of the release for your review.

THE COURT HAS NOT DECIDED THAT ANY OF THE DEFENDANTS VIOLATED ANY LAWS. THIS NOTICE IS NOT AN EXPRESSION OF ANY OPINION BY THE COURT AS TO THE MERITS OF PLAINTIFFS' CLAIMS OR THE DEFENSES ASSERTED BY THE DEFENDANTS.

3. What is a class action?

In a class action, one or more entities called "class representatives" sue on behalf of other entities with similar claims. In this case, the class representative is UEBT.

The class representative and the entities on whose behalf it sues together constitute the "Class" or "Class Members." Their attorneys are called "Class Counsel."

The companies that have been sued are called the Defendants. In this case, the Defendants are Sutter Health and the following affiliates: Sutter East Bay Hospitals (predecessor of Sutter Bay Hospitals); Sutter West Bay Hospitals (n/k/a Sutter Bay Hospitals); Eden Medical Center (formerly d/b/a of Sutter Medical Center, Castro Valley) (predecessor of Sutter Bay Hospitals); Sutter Central Valley Hospitals (predecessor of Sutter Valley Hospitals); Mills-Peninsula Health Services (predecessor of Sutter Bay Hospitals); Sutter Health Sacramento Sierra Region (n/k/a Sutter Valley Hospitals); Sutter Coast Hospital; Palo Alto Medical Foundation for Healthcare, Research and Education (n/k/a Sutter Bay Medical Foundation and d/b/a Palo Alto Medical Foundation for Health Care, Research and Education); and Sutter Medical Foundation (n/k/a Sutter Valley Medical Foundation).

In a class action lawsuit, the outcome of the case resolves the issues for everyone in the Class. The Court in this case, by order dated August 14, 2017, certified a Class, and then modified the class definition on September 29, 2017. Notice of the certified class, as modified, was mailed on June 11, 2018. The Court further modified the class definition on July 10, 2019 and a second notice was mailed on July 18, 2019. A copy of the Court's orders and the notices may be found at www.SutterHealthLawsuit.com.

4. Why is there a Settlement?

The Court has not decided which side is correct or whether any laws were violated. Instead, Defendants, UEBT individually and on behalf of the Class, and the California Attorney General agreed to settle the case and avoid the cost, risk, and delay of trial and possible appeals.

This Settlement is the product of extensive negotiations between Plaintiffs and Defendants, at times with the assistance of a private mediator, and after lengthy, hard-fought litigation. At the time of Settlement, the parties had completed all pre-trial proceedings and were about to begin trial.

Class Counsel and the California Attorney General's Office negotiated with counsel for Defendants a

Settlement Agreement providing for a payment of \$575 million and an injunction in exchange for a release to resolve the claims the Plaintiffs brought against the Defendants.

WHO CAN PARTICIPATE IN THE SETTLEMENT

To see if you can get money from the Settlement Fund, you first must determine whether you are in the Class.

5. Am I part of the Class?

You are a class member if you meet the following definition:

All self-funded payors that (1) are citizens of California for purposes of 28 U.S.C. § 1332(d) or arms of the State of California and (2) compensated Sutter for general acute care hospital services or ancillary products:

- At any time between January 1, 2003 and July 25, 2016 at prices set by contracts between Sutter and Aetna;
- At any time between January 1, 2003 and December 31, 2016 at prices set by contracts between Sutter and Anthem;
- At any time between January 1, 2003 and June 25, 2016 at prices set by contracts between Sutter and Blue Shield;
- At any time between January 1, 2003 and April 30, 2016 at prices set by contracts between Sutter and Cigna; or
- At any time between January 1, 2003 and June 30, 2016 at prices set by contracts between Sutter and United Healthcare/PacifiCare.

You are a self-funded payor if you are an entity (such as an employer, healthcare benefit trust, union benefit trust or California government entity (e.g., school district)) that funds a health plan for your employees or members. You are a self-funded payor if you offer your employees or members a self-funded health plan, even if you also offer them a fully-insured health plan. You are a self-funded payor regardless of whether your self-funded plan is administered by a health insurance company or a third-party administrator.

You are a citizen of California if (a) you are organized under the laws of California, or (b) you have your principal place of business in California. To be a member of the Class, you must have been a California citizen on the date the case was filed, April 7, 2014. If you were a California citizen on that date, you are a Class Member even if you were not a California citizen after that date.

You are an arm ~~of~~ of the State of California if you are a California governmental entity (for example, a city, county, hospital district, school district, fire protection district, water or irrigation district, transit or transportation district, joint powers agency or authority, public university, department within the State, superior court, the Judicial Council of California, or the Major Risk Medical Insurance Program).

You compensated Sutter for general acute care hospital services or ancillary products if you paid Sutter for health care provided to your health plan members or enrollees by a Sutter general acute care

hospital. If you had the contractual obligation to pay Sutter for such services (either directly or indirectly through an insurance company (e.g., Blue Shield), third-party administrator, or other third party), you are considered the one to have compensated Sutter, even if another entity (such as a parent company or affiliate) paid Sutter on your behalf.

You are not a Class Member if you timely opted out of the Class after it was certified by the Court. The Court's deadline to opt out was June 11, 2018.

THE SETTLEMENT'S BENEFITS —WHAT YOU GET

6. What does the Settlement provide?

The Defendants will pay \$575 million into an escrow account within ten days after Final Approval of the Settlement. If the Court approves the Settlement, the money, plus half of the accrued interest (the other half goes to Sutter) and minus the amounts the Court awards for attorneys' fees, expenses, and a Class Representative service award, will be distributed according to a plan of allocation approved by the Court to Class Members who timely establish their Class membership through either the enclosed Claim Form or the online Claim Form.

The \$575 million recovery is 59% of the \$980 million in damages that Plaintiffs would have sought at trial. **Plaintiffs were entitled under the Cartwright Act to trebling of any damages awarded by the jury. Therefore, the maximum possible recovery in this case was three times \$980 million, or \$2.94 billion. Normally, however, a settlement fund is compared to single damages in assessing its reasonableness.** Of the \$980 million, \$257 million were subject to Sutter's statute of limitations defense, and another \$191 million would not have been supported by testimony from Plaintiffs' damages expert, due to a Court ruling limiting the scope of the expert's testimony. **The Settlement releases claims through December 19, 2019, while the damages Plaintiffs sought ended between August 2018 and January 2019, depending on the insurance company involved. Plaintiffs believe there may be additional damages, which they have not quantified, attributable to the released claims between the end of their damages period and December 19, 2019.**

Plaintiffs' Counsel collectively have ~~applied to the Court~~ moved for attorneys' fees from the Settlement Fund of **\$184 million** (32 percent of the Settlement Fund) as well as litigation expenses from the Settlement Fund of **[up to \$25]** million. In addition, Class Counsel ~~applied to the Court~~ moved for a Class Representative service award from the Settlement Fund of \$250,000 and will ~~apply to the Court~~ move at a later time for reimbursement from the Settlement Fund of settlement-related expenses, most of which will be incurred in the future. Class Counsel estimate that settlement-related expenses will total about \$350,000, plus charges for analysis by Plaintiffs' damages expert of any data submitted by Claiming Class Members as part of the claims process. **If the Court were to award the requested attorneys' fees, litigation and settlement expenses, and service award, the Net Settlement Fund available to distribute to Claiming Class Members would be approximately \$365.4 million.**

In addition, the Court will enjoin the Defendants from engaging in the alleged contracting practices, and from engaging in similar conduct in the future, as set forth in the Settlement. More specifically, the injunction prohibits and permits certain conduct related to Defendants' contracting practices with insurance companies concerning network participation, steering, tiering, out-of-network pricing, new affiliate pricing, and availability of pricing information. The injunction is for ten years, and Plaintiffs are permitted to ask the Court to grant a three-year extension. The Court will appoint a compliance monitor to ensure Defendants' compliance with the injunction. The full terms of the injunctive relief

are contained in Exhibit B to the Settlement Agreement, which is available at www.SutterHealthLawsuit.com.

In exchange for the \$575 million payment and the injunction, Defendants and related entities and individuals will be released from all claims that were made or could have been made by Class Members arising from or relating to the conduct alleged in the complaint. The full text of the release is included in the Settlement Agreement, available at www.SutterHealthLawsuit.com.

The Settlement will become effective after it has been approved by the Court, after the Court has entered the Final Judgment and Order attached to the Settlement Agreement as Exhibit B, and after completion of any appeal(s) that affirm the Court's approval of the Settlement. Plaintiffs and Defendants each have the right to terminate the Settlement if a term of the Settlement is held unenforceable. If the Settlement Agreement is terminated or is not approved by the Court, or if the approval is appealed and not affirmed on appeal, the lawsuit will proceed as if the Settlement had not been reached.

7. Why is a portion of the Settlement Agreement redacted, and how do Class Members get access to the redacted information?

The Settlement Agreement was filed with the Court on December 19, 2019 as Appendix 1 to Plaintiffs' Memorandum of Points and Authorities in support of their Motion for Preliminary Approval of Settlement. Attached to the Settlement Agreement as Exhibit B is the [Proposed] Final Judgment and Order Pursuant to Stipulation, which sets out the injunction agreed to as part of the Settlement.

The injunction includes caps on the rates that Sutter may charge for out-of-network services and a limit on the aggregate amount Sutter may increase its billed charges each year. The amounts of the rate caps and chargemaster increase limits have been sealed pursuant to an order of the Court.

For purposes of evaluating and/or objecting to the terms of the Settlement, Class Members may seek access to the amounts of the rate caps and the limit on annual chargemaster increases up to the deadline for objections, provided they comply with the following procedure. A Class Member wishing to access such information must complete, sign, and serve on the parties a short declaration. The declaration to be filled out and the Protective Order Regarding Out-Of-Network Rate Caps and Chargemaster Aggregate Annual Increases are available at www.SutterHealthLawsuit.com. In the declaration, the Class Member will state under oath that (a) it requests access to the redacted information, (b) it is a member of the Class, (c) it is or is not a healthcare provider, (d) it agrees to be bound by the protective order entered by the Court on [date], and (e) authorized individuals accessing the redacted information will sign an acknowledgment and agreement to be bound by the protective order.

The Court entered this protective order to ensure that Class Members who receive disclosure of the rate caps and chargemaster increase limit maintain the confidentiality of that information and use it solely for the purpose of evaluating and/or objecting to the Settlement. The protective order is available at www.SutterHealthLawsuit.com. The protective order identifies the classes of individuals at the Class Member who may access the redacted information. Class Members must read the protective order carefully before submitting the declaration.

If the Class Member is a government entity, it is also subject to a further requirement: it may only

access the redacted information via a virtual data room, to protect against further disclosure due to a potential request for public records such as a California Public Records Act request. Instructions for accessing the redacted information via the data site are available at www.SutterHealthLawsuit.com.

The amounts of the caps and the limits on annual chargemaster increases are being provided to Class Members solely for their evaluation of and/or objection to the Settlement. The information will be available up until the deadline for submitting an objection. Objections to the Settlement must be mailed to Plaintiffs' Counsel, postmarked by [date]. (See Question 17 below.) Class Members should complete, sign, and serve on the parties the declaration promptly.

Class Members who wish to refer to the caps and/or the limits in an objection to the Settlement may do so provided they mail to Plaintiffs' Counsel both a copy of the objection that redacts all such references and an unredacted copy. Plaintiffs' Counsel will file any objections with the Court and serve them on Defendants.

8. Can I get unredacted copies of key pleadings filed under seal?

The Court entered a protective order in this case to prevent confidential information from being disclosed to third parties. Pursuant to this order, the parties, with the Court's permission, filed certain pleadings under seal, while also filing a public version that redacted the confidential information.

Class Members who, for the sole purpose of evaluating and/or objecting to the settlement, wish to access the redacted information in certain key filings may request a Disclosure Packet, provided they first sign under penalty of perjury an Acknowledgment and Agreement to be Bound to the Amended Protective Order entered in this case. The Disclosure Packet contains unredacted copies of key briefs, orders and expert reports. After reviewing the Disclosure Packet, again for the sole purpose of evaluating and/or objecting to the settlement, Class Members may request unredacted copies of other specific pleadings filed under seal in a written request, that includes the Acknowledgment and Agreement to be Bound to the Amended Protective Order, sent to the Claims Administrator. The process for requesting and accessing sealed/redacted materials not included in the Disclosure Packet is set forth in Paragraphs 2-4 of the Order Regarding Class Member Acknowledgement and Agreement to be Bound by Amended Protective Order, both of which are available at www.SutterHealthLawsuit.com; the Amended Protective Order is also available at www.SutterHealthLawsuit.com. Class Members must read the Amended Protective Order before submitting the Acknowledgment. In the Acknowledgment, the Class Member will state under oath that it (a) requests the Disclosure Packet, (b) is a member of the Class, and (c) agrees to be bound by the Amended Protective Order entered by the Court on February 22, 2018.

If the Class Member is a government entity, it is also subject to a further requirement: it may only access the Disclosure Packet, and any additional pleadings specifically requested, via a virtual data room, to protect against further disclosure due to a potential request for public records such as a California Public Records Act request. Instructions for accessing these pleadings via the data site are available at www.SutterHealthLawsuit.com.

The Disclosure Packet, and any additional pleadings specifically requested, are being provided to Class Members solely for their evaluation of and/or objection to the Settlement. These pleadings will be available up until the deadline for submitting an objection. Objections to the Settlement must be mailed to Plaintiffs' Counsel, postmarked by [date]. (See Question 17 below.) Class Members should complete, sign, and serve on the parties the Acknowledgment promptly.

Any class member that wishes to refer to Protected Material in an objection to the Settlement may do so, provided that Plaintiffs' Counsel—who will file the objection—comply with Section 12.3 of the Amended Protective Order. Either before or immediately upon filing, Plaintiffs' Counsel will consult with Sutter as to which third parties must be notified of the filing.

9. How much will my payment be?

Class Counsel have proposed to the Court a plan for allocating the Settlement Fund to Class Members who timely submit a valid Claim Form (“Claiming Class Members”). The Settlement Fund will be distributed to Claiming Class Members minus the amounts awarded to Plaintiffs' Counsel as fees and expenses and to Plaintiff UEBT as a service award (the “Net Settlement Fund”). If approved by the Court, the plan of allocation will distribute the Net Settlement Fund to Claiming Class Members *pro rata* based on the amount of their relevant payments to Defendants.

As an illustration, the average amount per class member that would be distributed is approximately \$243,000, on the following assumptions: (1) all Class Members timely submit the Claim Form, (2) Class Counsel have correctly counted 1,484 Class Members, (3) the Court grants the joint ~~petition~~ motion for attorneys' fees, expenses, and a service award, and (4) settlement administration expenses total \$350,000. Any or all of these assumptions could prove to be incorrect. **This illustration estimates an average distribution. A particular Class Member's distribution may be far above or far below the average.**

Relevant payments are payments by Claiming Class Members to Defendants for general acute care hospital services and ancillary products between January 1, 2003 and August 25, 2018. January 1, 2003 is the date on which Plaintiffs allege that the Class's damages began, and August 25, 2018 is the most current date for which the parties have claims data from all of the Insurers that produced claims data in the lawsuit.

To calculate Claiming Class Members' *pro rata* shares of the Net Settlement Fund, the relevant payments will be weighted as follows:

- Relevant payments will be weighted based on the Sutter hospital to which Class Members made payments, to account for different prices at different hospitals. Plaintiffs' damages expert estimated coefficients to estimate overcharges (coefficients are used to calculate overcharge percentages), for different groups of Sutter hospitals, and those coefficients (as updated to include more recent OSHPD data that was used to estimate the coefficients) will be used to weight the relevant payments. This will result in claims at Sutter hospitals with larger damages coefficients having greater weight than claims at Sutter hospitals with smaller damages coefficients.
- Relevant payments will be weighted by time period. Plaintiffs' damages expert estimated damages coefficients in two-year increments to account for changes in prices over time, and those coefficients (as updated to include more recent OSHPD data) will be used to weight the relevant payments. This will result in claims in years with larger damages coefficients having greater weight than claims in years with smaller damages coefficients. For example, the damages coefficient calculated for 2007-2008 is 1.59 times the coefficient for claims in 2011-2012, and thus claims in this earlier period will be weighted 1.59 times claims in this later period, not counting the effect of also weighting by Sutter hospital (see prior bullet).

The weighting of claims will be determined by both the weighting by hospital and the weighting by time period, and one factor could add to or subtract from the weight of the other factor. **Tables listing the damages coefficients that will be used to weight Class Member claims are available at www.SutterHealthLawsuit.com.**

A Claiming Class Member's share of the Net Settlement Fund will be calculated based on how its total relevant payments to Defendants, weighted as described above, compare to the total relevant payments, weighted as described above, of all Claiming Class Members. For example, if a Claiming Class Member's total relevant payments, after weighting, are one percent (1%) of the total relevant payments, after weighting, of all Claiming Class Members, then the Claiming Class Member will receive one percent (1%) of the Net Settlement Fund.

HOW YOU GET A PAYMENT – SUBMITTING A CLAIM FORM

10. How can I get a payment?

To receive a share of the Net Settlement Fund, you must be a member of the Class. If you are a Class Member, your share of the Net Settlement Fund will be calculated according to the plan of allocation described under Question 9.

If you are a Class Member, you must complete, sign and return the enclosed Claim Form, or complete and electronically sign the Claim Form online, by the deadline to receive your share of the Net Settlement Fund. The Claim Form requires Class Members to establish, under penalty of perjury, that they are members of the Class. The completed and signed Claim Form must be mailed to the Claims Administrator at Epiq, [P.O. Box address], postmarked no later than [date], or completed and electronically signed online at www.SutterHealthLawsuit.com no later than [date]. If your Claim Form timely establishes that you are a Class Member, you will receive a share of the Settlement Fund, and the Settlement Administrator will mail a Relevant Payments Notice to you after the Effective Date of the Settlement to help determine the amount of your share.

The Relevant Payments Notice will provide Class Counsel's calculation of the Class Member's total relevant payments to Sutter (from which the Class Member's *pro rata* share of the Settlement Fund will be calculated) based on the claims data produced in the case by Aetna, Anthem Blue Cross, Blue Shield, Cigna, and United Healthcare. Please note that claims data was not produced in this case by any self-funded payers or by their third-party administrators. The Class Member will have the choice either (1) to do nothing and thereby accept the amount stated in the Relevant Payments Notice, or (2) to claim a different amount that it paid Defendants. If the Class Member claims a different amount, it must complete and sign under penalty of perjury the Dispute Form attached to the Relevant Payments Notice and, by the deadline set by the Court, return the Form with claims data (with the required fields and format) to support the different amount. The Dispute Form will also be available online at www.SutterHealthLawsuit.com, and the Class Member will have the option to complete, electronically sign, and submit the Form and supporting claims data online. If the Class Member does not dispute the amount stated in the Relevant Payments Notice, it should not complete and return the Dispute Form. If the Class Member does not timely complete, sign and return the Dispute Form with supporting claims data, the Class Member will be deemed to have accepted the amount stated in the Relevant Payments Notice as its total relevant payments. To preserve their options, Class Members and/or their claims administrator should keep their claims data reflecting their payments to Defendants for general acute care hospital services and ancillary products.

11. When will I get my payment?

The Net Settlement Fund can be distributed to Claiming Class Members only after certain events have occurred:

- The Court must approve the Settlement.
- If the Court's approval is appealed to one or more higher courts, the approval must be affirmed on appeal. An appeal can take two years or more.
- Once the Settlement becomes effective, the Claims Administrator will send the Relevant Payments Notice to Claiming Class Members. Claiming Class Members have the option to submit their own claims data in support of a different amount of relevant payments than appears in the Relevant Payments Notice. Econ One (an economic consulting firm retained by Plaintiffs to estimate the Class's damages) will audit any claims data submitted by Claiming Class Members and will calculate Claiming Class Members' *pro rata* shares according to the plan of allocation. Class Counsel will present the proposed allocation to the Court for approval. Finally, the Claims Administrator will process and mail checks to Claiming Class Members.

It is difficult to predict how long the total process will take. Class Counsel estimate that the total process could take a year or more, and much longer if there is an appeal.

In addition, there could be a second distribution. The Settlement provides for a \$50 million Dispute Fund to be used after the first distribution to resolve any disputes concerning the allocation of the Net Settlement Fund. If the Dispute Fund is not exhausted, the remainder will be distributed to Claiming Class Members in the same percentages as in the first distribution. Similarly, any uncashed checks from the first distribution will be redistributed to the other Claiming Class Members in the same relative shares as in the first distribution.

If a Claiming Class Member's mailing address changes after it submits its Claim Form, it should promptly provide its new address to the Claims Administrator at [P.O. Box] or [email address].

12. What am I giving up to get payment?

In exchange for the payment of \$575 million and the injunction, Class Members are releasing Defendants and related entities and individuals from all claims that were asserted or could have been asserted arising from or relating to the conduct alleged in the complaint. Claims within the scope of the release are released up to December 19, 2019, the date on which the Settlement Agreement was signed. The Released Claims are described fully in the Settlement Agreement available at www.SutterHealthLawsuit.com. Class Members are releasing the Released Claims regardless of whether or not they submit a Claim Form.

THE LAWYERS AND PLAINTIFF REPRESENTING YOU

13. Do I have a lawyer in this case?

The lawyers listed below have been appointed by the Court as Class Counsel. They are experienced in

handling similar cases against other companies. The lawyers are:

Richard L. Grossman
Philip L. Pillsbury Jr.
Pillsbury & Coleman, LLP
100 Green St.
San Francisco, CA 94111
Tel: (415) 433-8000
Lead Counsel

Daniel A. Small
**Cohen Milstein Sellers &
Toll PLLC**
1100 New York Ave. NW,
Ste. 500
Washington, DC 20005
Tel: (202) 408-4600

Christopher C. Wheeler
**Farella Braun + Martel
LLP**
235 Montgomery St., 17th Fl.
San Francisco, CA 94104
Tel: (415) 954-4400

Daniel G. Bird
**Kellogg, Hansen, Todd,
Figel & Frederick,
P.L.L.C.**
1615 M St. NW, Ste. 400
Washington DC, 20036
Tel: (202) 326-7900

Steven L. Stemerman
Sarah Grossman-Swenson
**McCracken, Stemerman &
Holsberry, LLP**
595 Market St., Ste. 800
San Francisco, CA 94105
Tel: (415) 597-7200

14. Should I get my own lawyer?

You do not need to hire your own lawyer because Class Counsel are working on your behalf. However, if you wish to do so, you may retain your own lawyer at your own expense.

15. How will the lawyers be paid?

Plaintiffs' Counsel, which consist of Class Counsel and the California Attorney General's Office, ~~will have~~ jointly ~~apply to the Court moved~~ for an award of attorneys' fees from the Settlement Fund of \$184 million ~~up to~~ (32 percent of the Settlement Fund). Class Counsel's share of this joint request ~~will not exceed~~ \$172.5 million. The California Attorney General's Office's share of this joint request in this consolidated case ~~will not exceed~~ \$11.5 million.

In the joint ~~application motion~~, Class Counsel and the California Attorney General's Office ~~will have apply to the Court moved~~ for reimbursement of their combined litigation expenses from the Settlement Fund ~~not to exceed~~ of [up to \$25 million].

Class Counsel will ~~apply to the Court move~~ for payment from the Settlement Fund of settlement-related expenses. These expenses include the charges of the Claims Administrator for providing class notice, responding to Class Member inquiries, mailing and processing Claim Forms and Dispute Forms, and distributing the Settlement Fund, and the charges of Econ One in connection with any claims data submitted by Claiming Class Members and to calculate Claiming Class Members' *pro rata* shares of the Net Settlement Fund. Most settlement-related costs will be incurred in the future, and Class Counsel can only estimate their amount at this time. Class Counsel estimate that all settlement-related costs will total approximately \$350,000 plus Econ One's charges in connection with any claims data submitted by Claiming Class Members. Class Counsel expect to ~~apply move~~ for reimbursement of settlement-related expenses after the Effective Date of the Settlement.

Class Counsel's and the Attorney General's Office's requests for fees, expenses and a service award will be paid only to the extent approved by the Court. Any such payments awarded by the Court will be deducted from the Settlement Fund. You will not have to pay these fees, expenses, or service award

out of your own pocket.

The joint ~~application~~motion of Class Counsel and the California Attorney General's Office for an award of attorneys' fees, reimbursement and payment of expenses, and a service award to the Class Representative ~~will behas been~~ filed with the Court and ~~madeis~~ available for download and/or viewing ~~on or before [date]~~ on www.SutterHealthLawsuit.com as well as at the office of the Clerk of the Superior Court of California, County of San Francisco, 400 McAllister St, Room 103, San Francisco, CA 94102 during normal business hours. It may also be viewed by accessing the Court's docket in this case at <https://bitly.com/>).

16. Who is the Plaintiff and why is it seeking a service award?

The plaintiff is UFCW & Employers Benefit Trust ("UEBT"), an employee benefit trust for the United Food and Commercial Workers Union and the employers who hire UFCW workers. UEBT manages and pays for health care benefits for about 75,000 grocery workers, retail employees, and meat packers in California.

UEBT filed this lawsuit as a class action on April 7, 2014. On August 14, 2017, the Court appointed UEBT as the Class Representative to represent the Class.

In class actions, the Court may provide the Class Representative with a "service award" in recognition of the time and effort expended in the case on behalf of the Class. In the joint ~~application~~motion, Class Counsel have ~~applied to the Court~~moved for a service award of \$250,000 from the Settlement Fund to Plaintiff UEBT for its services as Class Representative.

OBJECTING TO THE SETTLEMENT AND REQUEST FOR ATTORNEYS' FEES, EXPENSES AND A SERVICE AWARD

You can object to – that is, tell the Court that you do not agree with-- part or all of the Settlement and/or the joint ~~application~~motion for attorneys' fees, litigation expenses, estimated settlement administration costs, and a UEBT service award.

17. How do I tell the Court that I do not like part or all of the Settlement and/or the joint petition for fees, expenses, and a service award?

If you are a Class Member, you can object to and/or tell the Court that you do not agree with part or all of the Settlement and/or the plan to allocate and distribute the Net Settlement Fund by submitting an objection. You may submit an objection to object to and/or tell the Court that you do not agree with and/or to deny part or all of Plaintiffs' Counsel's joint ~~application~~motion for attorneys' fees and expenses and a service award to UEBT, the Class Representative. You cannot ask the Court to order a larger Settlement; the Court can only approve or deny the Settlement. If the Court denies approval of the Settlement, no settlement payments will be sent out and the lawsuit will continue against the Defendants. If that is what you want to happen, you must object. If the Court rejects your objection, you will still be bound by the Settlement.

Any objection to all or part of the proposed Settlement or the plan to allocate and distribute the Net Settlement Fund or to the joint ~~application~~motion for attorneys' fees and expenses and a service award to UEBT must be submitted in writing and mailed to Plaintiffs' Counsel, postmarked by [\[date\]](#). You may also appear at the Fairness Hearing, with or without your own attorney, to argue your written

objection. If you appear through your own attorney, you are responsible for paying that attorney.

If you or your attorney wishes to appear, you must mail a notice of your intent to appear to Plaintiffs' Counsel, postmarked no later than ten (10) days before the hearing. All objections and supporting papers and notices of intent to appear at the Fairness Hearing should (a) identify the case name and number, *UFCW & Employers Benefit Trust, on behalf of itself and all others similarly situated v. Sutter Health, et al.* (Case No. CGC-14-538451), (b) be mailed to Plaintiffs' Counsel, c/o Christopher C. Wheeler, Farella Braun + Martel LLP, 235 Montgomery Street, 17th Floor, San Francisco, CA 94104, and (c) be postmarked on or before [date]. In addition, all objections should (a) clearly identify the part of the Settlement or joint **applicationmotion** for attorneys' fees and expenses and a service award to UEBT to which the objection pertains, and (b) explain the reason(s) for the objection. Plaintiffs will file any and all objections and notices of intent with the Court and serve them on Defendants.

THE COURT'S FAIRNESS HEARING

The Court will hold a Fairness Hearing to decide whether to approve the Settlement and the plan to allocate and distribute the Net Settlement Fund and whether to approve Plaintiffs' Counsel's joint **applicationmotion** for attorneys' fees and expenses and a service award to UEBT.

18. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Fairness Hearing at [date and time], in Department 304, California Superior Court, 400 McAllister St., San Francisco, CA 94102. At this hearing, the Court will consider whether to approve the Settlement and the plan to allocate and distribute the Net Settlement Fund as fair, reasonable and adequate. The Court will also consider whether to approve Plaintiffs' Counsel's joint **applicationmotion** for attorneys' fees and expenses and a service award for UEBT. If there are objections, the Court will consider them. After the hearing, the Court will decide whether to approve the Settlement and/or Plaintiffs' Counsel's joint **applicationmotion**. Counsel do not know how long these decisions will take.

IMPORTANT: The time and date of the hearing may change without additional mailed notice and without publication notice. For updated information on the hearing, visit www.SutterHealthLawsuit.com.

19. Do I have to come to the hearing?

No. Class Counsel will answer questions that the Court may have. But you are welcome to come at your own expense. If you timely submit an objection, you do not have to come to Court to talk about it. So long as you submit your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary. Moreover, attendance is not necessary to receive a *pro rata* share of the Net Settlement Fund.

20. May I speak at the hearing?

If you timely submit a written objection and a notice of your intent to appear (see Question 17 above), you may argue your written objection at the Fairness Hearing, with or without your own attorney. If you do not timely submit a written objection and a notice of intent to appear, you or your attorney may

attend the hearing, but you will not be permitted to comment on the settlement. If you appear through your own attorney, you are responsible for paying that attorney.

IF YOU DO NOTHING

21. What happens if I do nothing at all?

If you are a Class Member and do nothing, ***you will not share in the Settlement Fund***, even if the Settlement is approved. To receive your share of the Settlement Fund if you are a Class Member, ***you must complete, sign and return either the enclosed Claim Form or the online Claim Form according to its instructions***. Class Members are releasing the Released Claims regardless of whether or not they submit the Claim Form.

GETTING MORE INFORMATION

22. How do I get more information?

You may obtain more information by contacting the Claims Administrator at [P.O. box] or at [email address] or by calling [toll-free number]. You can get a copy of the complaint, the Settlement Agreement, and other important information about the lawsuit at www.SutterHealthLawsuit.com or from the Court's docket **which can be accessed online at [insert url]**.

**PLEASE DO NOT WRITE OR CALL THE COURT
OR THE CLERK'S OFFICE FOR INFORMATION.**

APPENDIX 3

UFCW & Employers Benefit Trust v. Sutter Health
c/o Administrator
P.O. Box 6389
Portland, OR 97228-6389
Forwarding Service Requested



<<control_no>> <<nme_idno>>



**Must be
Postmarked
No Later Than**

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<<name_addr_2>>
<<name_addr_3>>
<<name_addr_4>>
<<name_addr_5>>
<<city>>, <<state>> <<zip_5>><<zip_4>>

Claim Number:

***UFCW & Employers Benefit Trust, on behalf of itself and all others
similarly situated v. Sutter Health, et al.***
San Francisco Superior Court
Case No. CGC-14-538451

PROOF OF CLAIM AND RELEASE

PART I - INTRODUCTION

1. This Proof of Claim and Release ("Claim Form") has been mailed to you because you may be a member of the Class in a lawsuit against Sutter Health and certain affiliates ("Defendants").
2. This Claim Form was mailed to you with a Notice of Proposed Settlement that provides information about the Settlement of this lawsuit and the rights of Class Members to object to the Settlement or to claim a share of the Settlement Fund or to do both. You should read the Notice before completing this Claim Form.
3. The purpose of this Claim Form is to determine which entities are entitled to claim a share of the Settlement Fund. Only members of the Class certified in the lawsuit are entitled to a share of the Settlement Fund. This Claim Form requires Class Members to provide the information needed to establish their membership in the Class.

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Important - This form should be completed **IN CAPITAL LETTERS** using **BLACK** or **DARK BLUE** ballpoint/fountain pen. Characters and marks used should be similar in the style to the following:

A B C D E F G H I J K L M N O P Q R S T U V W X Y Z 1 2 3 4 5 6 7 0



PART II - GENERAL INSTRUCTIONS

1. If you are a Class Member and wish to claim your share of the Settlement Fund, you must complete this Claim Form according to the instructions herein, sign the form under penalty of perjury, and mail the form to the Claims Administrator at [name and address], postmarked no later than [date]. The same Claim Form is available online at www.SutterHealthLawsuit.com, and Class Members have the option of completing and electronically signing the Claim Form under penalty of perjury online no later than [date]. Class Members who fail to timely complete, sign and submit the Claim Form may be barred from receiving any money from the Settlement Fund.
2. Please keep a copy of your completed and signed Claim Form for your records. If you wish to have confirmation that the Claims Administrator received your mailed Claim Form, you should send it via certified mail, return receipt requested.
3. If you have any questions about the Claim Form or how to complete and return it, you should contact the Claims Administrator at [mail address] or [email address] or [toll-free number].
4. If you complete, sign and timely submit this Claim Form, and it establishes your membership in the Class, you will be a Claiming Class Member and you will be entitled to a share of the Settlement Fund if the Court approves the settlement.
5. The Claims Administrator will later mail a Notice of Relevant Payments to Claiming Class Members if and when the Court approves the Settlement and the Settlement becomes effective. It could take months, or years if there is an appeal, for the Settlement to become effective.
6. The Notice of Relevant Payments will provide each Claiming Class Member with Class Counsel's calculation of the Claiming Class Member's total relevant payments to Defendants based on the health plan claims data produced in the lawsuit. This amount will then be used to calculate each Claiming Class Member's *pro rata* share of the Net Settlement Fund under the Plan of Allocation.
7. However, Claiming Class Members will be able to dispute Class Counsel's calculation of their total relevant payments by completing and signing under penalty of perjury a Dispute Form that will be mailed to Claiming Class Members with the Notice of Relevant Payments. The Dispute Form will also be available online at www.SutterHealthLawsuit.com, and Claiming Class Members will have the option to complete and electronically sign the Dispute Form under penalty of perjury online and submit online the supporting claims data with the specified fields in the required form. If a Claiming Class Member does not dispute the amount of its total relevant payments stated in the Relevant Payments Notice, it should **not** complete and return the Dispute Form. If a Claiming Class Member does not timely complete, sign and return the Dispute Form and supporting claims data with the specified fields in the required form, it will be deemed to have accepted the amount stated in the Relevant Payments Notice as its total relevant payments.
8. To preserve their options, Class Members and/or their health plan and/or their third-party administrator should keep their claims data reflecting their payments to Defendants for general acute care hospital services.
9. If the Settlement is approved by the Court and becomes effective, all Class Members will be bound by the Settlement Agreement and the Final Judgment and Order entered in this lawsuit regardless of whether they submit this Claim Form. However, if you are a Class Member and wish to receive your share of the Settlement Fund, you **must** complete, sign and return this Claim Form according to its instructions, postmarked no later than [date], or complete and electronically sign the online Claim Form no later than [date].



PART III - SPECIFIC INSTRUCTIONS

Please answer the following questions under penalty of perjury.

1. What is the precise name and address of the entity completing this form (the "Claimant")?

Entity Name:

--	--	--	--

--	--	--	--

Street Address:

--	--	--	--

--	--	--	--

City:

State:

Zip:

--	--	--	--

2. Is the Claimant a government entity (state, county or local) of the State of California? (If "yes", skip Questions 3 and 4 and proceed to Question 5.)

Yes No

3. Was the Claimant organized under the laws of the State of California on April 7, 2014?

Yes No

4. Was the Claimant's principal place of business in California on April 7, 2014?

Yes No

5. Is the Claimant an employer, a healthcare benefit trust, or a union benefit trust? (If "no" skip the remaining questions, and go to the next section of this Form.)

Yes No

6. Has the Claimant self-funded a health plan for its employees or members? (If "no" skip the remaining questions, and go to the next section of this Form.)

Yes No

7. Has the Claimant paid Sutter Health for services provided by a Sutter general acute care hospital to members of the Claimant's self-funded health plan? (If "no" skip the remaining questions, and go to the next section of this Form.)

In answering this question, note that if the Claimant had the contractual obligation to pay Sutter for such services (either directly or indirectly through an insurance company, a third-party administrator, or other third party), the Claimant is considered the one to have paid Sutter, even if another entity (such as a parent company or affiliate) paid Sutter on the Claimant's behalf.

Yes No

8. If your answer to Question 7 is "yes," did the Claimant make any such payments to Sutter on or after January 1, 2003? (If your answer is "no," skip Question 9 and go to the next section of the form.)

Yes No



PART III - SPECIFIC INSTRUCTIONS (CONTINUED)

9. If your answer to Question 8 is "yes," identify which of the following insurance companies provided the network that was used by the Claimant's self-funded health plan during the time period of such payments to Sutter, and whether any such payments were made during the following time periods.

<u>Health Insurance Company</u>	<u>Were any such payments made to Sutter during:</u>		
<input type="checkbox"/> Aetna	January 1, 2003 – July 25, 2016	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Anthem	January 1, 2003 – December 31, 2016	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Blue Shield	January 1, 2003 – June 25, 2016	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Cigna	January 1, 2003 – April 30, 2016	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> United Healthcare	January 1, 2003 – June 30, 2016	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Other	N/A		

PART IV - CERTIFICATION UNDER PENALTY OF PERJURY

You declare, under penalty of perjury under the laws of the State of California that the foregoing information provided by the undersigned is true and correct:

Date: [] / [] / [] at [] City: [] State: []

Sign your name here:

[Signature line]

Type/Print your name here:

[Name line]

Type/Print your company name here. Please include all related entities:

[Company name line]

Capacity of person signing, e.g., President, Partner:

[Capacity line]

I affirm that I have authority to sign on behalf of the claimant.

Signor's Email Address (Email address is not required, but if you provide it you authorize the Claims Administrator to use it in providing you with information relevant to this claim.):

[Email address line]

Signor's Telephone Number:

[Telephone number line]

**PART V - RELEASE**

Whether or not Class Members submit this Claim Form, they are subject to the following release provisions in the Settlement Agreement upon the Effective Date:

“Upon the Effective Date, UEBT, each Class Member, and the People of the State of California (the “Releasers”) shall release, forever discharge and covenant not to sue the Defendants, their past or present parents, subsidiaries, divisions, affiliates, stockholders, officers, directors, insurers, employees, agents, attorneys, and any of their legal representatives (and the predecessors, heirs, executors, administrators, successors, purchasers, and assigns of each of the foregoing) (the “Released Parties”) from all claims, whether federal or state, known or unknown, asserted or unasserted, regardless of legal theory, arising from or related to the facts, activities or circumstances alleged in the Consolidated Action, or any purported anticompetitive effect resulting from the alleged conduct. Claims within the scope of this release shall be released up to the date on which the Settlement is signed by all parties. Claims released pursuant to this paragraph are the “Released Claims.” For the avoidance of doubt, this Agreement shall not be construed to release claims to recover damages in the form of premium overcharges as of October 15, 2019 sought in Sidibe, et al. v. Sutter Health, Case No3:12-cv-4854-LB, pending in the Northern District of California (“Sidibe Action”).

“Each Releaser expressly agrees that, upon the Effective Date, he, she, or it waives and forever releases with respect to the Released Claims any and all provisions, rights and benefits conferred by either (a) § 1542 of the California Civil Code, which reads:

Section 1542. General release; extent. A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that, if known by him or her would have materially affected his or her settlement with the debtor or released party.
or (b) any law of any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to § 1542 of the California Civil Code.

“Upon the Effective Date, Class Members shall be bound by the release of the Released Claims set forth in this Section V.”

**REMINDER CHECKLIST**

1. Please sign the Signature Section of the Proof of Claim and Release form.
2. If this Proof of Claim and Release form is being made on behalf of Joint Claimants, then both must sign.
3. Keep a copy of your Proof of Claim and Release form for your records.
4. If you move, please send your new address to the Claims Administrator at the address below or at info@sutterhealthlawsuit.com.
5. Do not use highlighter on the Proof of Claim and Release form or supporting documentation.

***THIS PROOF OF CLAIM MUST BE POSTMARKED NO LATER THAN
_____, 20__ AND MUST BE MAILED TO:***

UFCW & Employers Benefit Trust v. Sutter Health
c/o Administrator
P.O. Box 6389
Portland, OR 97228-6389

APPENDIX 4

UFCW & Employers Benefit Trust v. Sutter Health
c/o Administrator
P.O. Box 9349 6389
~~Dublin, OH 43017-4249~~ Portland, OR 97228-6389
Forwarding Service Requested



<<control_no>> <<nme_idno>>



**Must be
Postmarked
No Later Than**

<<name_addr_1>>
<<name_addr_2>>
<<name_addr_3>>
<<name_addr_4>>
<<name_addr_5>>
<<city>>, <<state>> <<zip_5>><<zip_4>>

Claim Number:

***UFCW & Employers Benefit Trust, on behalf of itself and all others
similarly situated v. Sutter Health, et al.***
San Francisco Superior Court
Case No. CGC-14-538451

PROOF OF CLAIM AND RELEASE

PART I - INTRODUCTION

1. This Proof of Claim and Release ("Claim Form") has been mailed to you because you may be a member of the Class in a lawsuit against Sutter Health and certain affiliates ("Defendants").
2. This Claim Form was mailed to you with a Notice of Proposed Settlement that provides information about the Settlement of this lawsuit and the rights of Class Members to object to the Settlement or to claim a share of the Settlement Fund or to do both. You should read the Notice before completing this Claim Form.
3. The purpose of this Claim Form is to determine which entities are entitled to claim a share of the Settlement Fund. Only members of the Class certified in the lawsuit are entitled to a share of the Settlement Fund. This Claim Form requires Class Members to provide the information ~~under penalty of perjury~~ needed to establish their membership in the Class.

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Important - This form should be completed IN CAPITAL LETTERS using BLACK or DARK BLUE ballpoint/fountain pen. Characters and marks used should be similar in the style to the following:

A B C D E F G H I J K L M N O P Q R S T U V W X Y Z 1 2 3 4 5 6 7 0



PART II - GENERAL INSTRUCTIONS

1. If you are a Class Member and wish to claim your share of the Settlement Fund, you must complete this Claim Form according to the instructions herein, sign the form under penalty of perjury, and mail the form to the Claims Administrator at [name and address], postmarked no later than [date]. The same Claim Form is available online at www.SutterHealthLawsuit.com, and Class Members have the option of completing and electronically signing the Claim Form under penalty of perjury online no later than [date]. Class Members who fail to timely complete, sign and submit the Claim Form may be barred from receiving any money from the Settlement Fund.
2. Please keep a copy of your completed and signed Claim Form for your records. If you wish to have confirmation that the Claims Administrator received your mailed Claim Form, you should send it via certified mail, return receipt requested.
3. If you have any questions about the Claim Form or how to complete and return it, you should contact the Claims Administrator at [mail address] or [email address] or [toll-free number].
4. If you complete, sign and timely submit this Claim Form, and it establishes your membership in the Class, you will be a Claiming Class Member and ~~you will receive a share of the Settlement Fund.~~ [you will be entitled to a share of the Settlement Fund if the Court approves the settlement.](#)
5. The Claims Administrator will later mail a Notice of Relevant Payments to Claiming Class Members if and when the Court approves the Settlement and the Settlement becomes effective. It could take months, or years if there is an appeal, for the Settlement to become effective.
6. The Notice of Relevant Payments will provide each Claiming Class Member with Class Counsel's calculation of the Claiming Class Member's total relevant payments to Defendants based on the health plan claims data produced in the lawsuit. This amount will then be used to calculate each Claiming Class Member's *pro rata* share of the Net Settlement Fund under the Plan of Allocation.
7. However, Claiming Class Members will be able to dispute Class Counsel's calculation of their total relevant payments by completing and signing under penalty of perjury a Dispute Form that will be mailed to Claiming Class Members with the Notice of Relevant Payments. The Dispute Form will also be available online at www.SutterHealthLawsuit.com, and Claiming Class Members will have the option to complete and electronically sign the Dispute Form under penalty of perjury online and submit online the supporting claims data with the specified fields in the required form. If a Claiming Class Member does not dispute the amount of its total relevant payments stated in the Relevant Payments Notice, it should **not** complete and return the Dispute Form. If a Claiming Class Member does not timely complete, sign and return the Dispute Form and supporting claims data with the specified fields in the required form, it will be deemed to have accepted the amount stated in the Relevant Payments Notice as its total relevant payments.
8. To preserve their options, Class Members and/or their health plan and/or their third-party administrator should keep their claims data reflecting their payments to Defendants for general acute care hospital services.
9. If the Settlement is approved by the Court and becomes effective, all Class Members will be bound by the Settlement Agreement and the Final Judgment and Order entered in this lawsuit regardless of whether they submit this Claim Form. However, if you are a Class Member and wish to receive your share of the Settlement Fund, you **must** complete, sign and return this Claim Form according to its instructions, postmarked no later than [date], or complete and electronically sign the online Claim Form no later than [date].



PART III - SPECIFIC INSTRUCTIONS

Please answer the following questions under penalty of perjury.

1. What is the precise name and address of the entity completing this form (the "Claimant")?

Entity Name:

Street Address:

City:

State: Zip:

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2. Is the Claimant a government entity (state, county or local) of the State of California? (If "yes", skip Questions 3 and 4 and proceed to Question 5.)

Yes No

3. Was the Claimant organized under the laws of the State of California on April 7, 2014?

Yes No

4. Was the Claimant's principal place of business in California on April 7, 2014?

Yes No

5. Is the Claimant an employer, a healthcare benefit trust, or a union benefit trust? (If "no" skip the remaining questions, and go to the next section of this Form.)

Yes No

6. Has the Claimant self-funded a health plan for its employees or members? (If "no" skip the remaining questions, and go to the next section of this Form.)

Yes No

7. Has the Claimant paid Sutter Health for services provided by a Sutter general acute care hospital to members of the Claimant's self-funded health plan? (If "no" skip the remaining questions, and go to the next section of this Form.)

In answering this question, note that if the Claimant had the contractual obligation to pay Sutter for such services (either directly or indirectly through an insurance company, a third-party administrator, or other third party), the Claimant is considered the one to have paid Sutter, even if another entity (such as a parent company or affiliate) paid Sutter on the Claimant's behalf.

Yes No

8. If your answer to Question 7 is "yes," did the Claimant make any such payments to Sutter on or after January 1, 2003? (If your answer is "no," skip Question 9 and go to the next section of the form.)

Yes No



PART III - SPECIFIC INSTRUCTIONS (CONTINUED)

9. If your answer to Question 8 is "yes," identify which of the following insurance companies provided the network that was used by the Claimant's self-funded health plan during the time period of such payments to Sutter, and whether any such payments were made during the following time periods.

<u>Health Insurance Company</u>	<u>Were any such payments made to Sutter during:</u>		
<input type="checkbox"/> Aetna	January 1, 2003 – July 25, 2016	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Anthem	January 1, 2003 – December 31, 2016	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Blue Shield	January 1, 2003 – June 25, 2016	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Cigna	January 1, 2003 – April 30, 2016	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> United Healthcare	January 1, 2003 – June 30, 2016	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Other	N/A		

PART IV - CERTIFICATION UNDER PENALTY OF PERJURY

You declare, under penalty of perjury under the laws of the State of California that the foregoing information provided by the undersigned is true and correct:

Date: [] / [] / [] at [] City: [] State: []

Sign your name here:

[Signature line]

Type/Print your name here:

[Name line]

Type/Print your company name here. Please include all related entities:

[Company name line]

Capacity of person signing, e.g., President, Partner:

[Capacity line]

I affirm that I have authority to sign on behalf of the claimant.

Signor's Email Address (Email address is not required, but if you provide it you authorize the Claims Administrator to use it in providing you with information relevant to this claim.):

[Email address line]

Signor's Telephone Number:

[Telephone number line]

**PART V - RELEASE**

Whether or not Class Members submit this Claim Form, they are subject to the following release provisions in the Settlement Agreement upon the Effective Date:

“Upon the Effective Date, UEBT, each Class Member, and the People of the State of California (the “Releasers”) shall release, forever discharge and covenant not to sue the Defendants, their past or present parents, subsidiaries, divisions, affiliates, stockholders, officers, directors, insurers, employees, agents, attorneys, and any of their legal representatives (and the predecessors, heirs, executors, administrators, successors, purchasers, and assigns of each of the foregoing) (the “Released Parties”) from all claims, whether federal or state, known or unknown, asserted or unasserted, regardless of legal theory, arising from or related to the facts, activities or circumstances alleged in the Consolidated Action, or any purported anticompetitive effect resulting from the alleged conduct. Claims within the scope of this release shall be released up to the date on which the Settlement is signed by all parties. Claims released pursuant to this paragraph are the “Released Claims.” For the avoidance of doubt, this Agreement shall not be construed to release claims to recover damages in the form of premium overcharges as of October 15, 2019 sought in Sidibe, et al. v. Sutter Health, Case No3:12-cv-4854-LB, pending in the Northern District of California (“Sidibe Action”).

“Each Releaser expressly agrees that, upon the Effective Date, he, she, or it waives and forever releases with respect to the Released Claims any and all provisions, rights and benefits conferred by either (a) § 1542 of the California Civil Code, which reads:

Section 1542. General release; extent. A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that, if known by him or her would have materially affected his or her settlement with the debtor or released party.
or (b) any law of any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to § 1542 of the California Civil Code.

“Upon the Effective Date, Class Members shall be bound by the release of the Released Claims set forth in this Section V.”

**REMINDER CHECKLIST**

1. Please sign the Signature Section of the Proof of Claim and Release form.
2. If this Proof of Claim and Release form is being made on behalf of Joint Claimants, then both must sign.
3. Keep a copy of your Proof of Claim and Release form for your records.
4. If you move, please send your new address to the Claims Administrator at the address below: [or at info@sutterhealthlawsuit.com](mailto:info@sutterhealthlawsuit.com).
5. Do not use highlighter on the Proof of Claim and Release form or supporting documentation.

***THIS PROOF OF CLAIM MUST BE POSTMARKED NO LATER THAN
_____, 20__ AND MUST BE MAILED TO:***

UFCW & Employers Benefit Trust v. Sutter Health
c/o Administrator

P.O. Box ~~9349~~ [6389](https://www.google.com/maps/place/6389)
~~Dublin, OH 43017-4249~~ [Portland, OR 97228-6389](https://www.google.com/maps/place/Portland,+OR+97228-6389)

APPENDIX 5

PLAN OF ALLOCATION: WEIGHTING OF CLASS MEMBER CLAIMS
Estimated Damages Coefficients by Sutter Hospital Group

Group	Hospitals	Damages Coefficient
1	Sutter Medical Center - Sacramento	0.130
2	Memorial Medical Center - Modesto	0.205
3	California Pac Med Ctr-St Lukes Campus California Pacific Medical Center	0.053
4	Mills-Peninsula Medical Center	0.081
5	Alta Bates Summit Medical Center - Alta Bates Campus Alta Bates Summit Medical Center - Summit Hawthorne	0.072
6	Sutter Auburn Faith Hospital Sutter Davis Hospital Sutter Roseville Medical Center	0.173
7	Eden Medical Center Novato Community Hospital San Leandro Hospital Sutter Delta Medical Center Sutter Medical Center Of Santa Rosa Sutter Solano Medical Center Sutter Warrack Hospital	0.081
8	Sutter Amador Hospital Sutter Coast Hospital Sutter Lakeside Hospital	-0.052
9	Marin General Hospital	0.0370
10	Sutter Tracy Community Hospital	0.107
11	Memorial Hospital Los Banos Mercy Medical Center - Merced	0.157

Sources: OSHPD Annual Financial Data, OSHPD Pivot Data, OSHPD Case Mix Index Data, OSHPD HHI and Patient Share Data, OSHPD Quality Data, CMS Hospital Compare Data, CMS Provider of Service Current Files.

PLAN OF ALLOCATION: WEIGHTING OF CLASS MEMBER CLAIMS

Estimated Damages Coefficients by Time Period

Years	Damages Coefficient
2003-2004	0.073
2005-2006	0.092
2007-2008	0.078
2009-2010	0.082
2011-2012	0.049
2013-2014	0.038
2015-2016	0.096
2017	0.123

Sources: OSHPD Annual Financial Data, OSHPD Pivot Data, OSHPD Case Mix Index Data, OSHPD HHI and Patient Share Data, OSHPD Quality Data, CMS Hospital Compare Data, CMS Provider of Services Current Files.

1 **PROOF OF SERVICE**

2 **UFCW & Employers Benefit Trust vs. Sutter Health et al.**
3 **Case No. CGC-14-538451**

4 **STATE OF CALIFORNIA, COUNTY OF SAN FRANCISCO**

5 At the time of service, I was over 18 years of age and not a party to this action. I am
6 employed in the County of San Francisco, State of California. My business address is 235
7 Montgomery Street, 17th Floor, San Francisco, CA 94104.

8 On August 13, 2020, I served true copies of the following document(s) described as:

9 **SUPPLEMENTAL SUBMISSION IN CONNECTION WITH PLAINTIFFS'
10 MOTION FOR PRELIMINARY APPROVAL OF SETTLEMENT**

11 on the interested parties in this action as follows:

12 **BY E-MAIL OR ELECTRONIC TRANSMISSION:** Based on a court order or an
13 agreement of the parties to accept service by e-mail or electronic transmission, I caused the
14 document(s) to be sent from e-mail address smiller@fbm.com to the persons at the e-mail
15 addresses listed below. I did not receive, within a reasonable time after the transmission, any
16 electronic message or other indication that the transmission was unsuccessful.

17 sutterservice@jonesday.com; Sutterredgraveteam@redgravellp.com;
18 SUTTKVP@keker.com; sutterservice@bzbm.com; AG_AntitrustService@doj.ca.gov;
19 UEBT@cohenmilstein.com; SERVICEUEBT@lists.kellogghansen.com;
20 UEBT@msh.law; uebt@pillsburycoleman.com; UEBTservice@fbm.com;

21 **BY ELECTRONIC SERVICE:** I electronically served the document(s) described above
22 via File & ServeXpress, on the recipients designated on the Transaction Receipt located on the
23 File & ServeXpress website (<https://secure.fileandservexpress.com>) pursuant to the Court Order
24 establishing the case website and authorizing service of documents.

25 I declare under penalty of perjury under the laws of the State of California that the
26 foregoing is true and correct.

27 Executed on August 13, 2020, at Petaluma, California.

28 

Stephen J. Miller