

FILED
San Francisco County Superior Court



MAR 29 2018

CLERK OF THE COURT

BY: [Signature] Deputy Clerk

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN FRANCISCO

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

Case No. CGC 14-538451

Plaintiffs,

~~PROPOSED~~ ORDER RE CLASS NOTICE

vs.

Sutter Health, et al.,

Defendants.

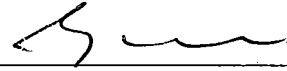
The parties are hereby ordered to provide notice to the class within 14 days of the date of this order. Notice shall be provided by publication and by first-class mail. The Court hereby approves the form of the publication notice attached as Exhibit A and the mailed notice attached as Exhibit B.

The publication notice shall be published according to the publication plan set forth in Plaintiffs' Amended Rule 3.766 Notice, except that the publication notice shall be published in *HREOnline* instead of in *Benefits Magazine*. The mailed notice shall be mailed via first-class mail to all self-funded payors listed in the Network Vendors' paid claims data at the address(es) listed therein and at any other addresses the parties have identified as reasonably likely to reach a classmember. The class notice administrator shall use the National Address Database to attempt to locate addresses for the intended recipient of any mailed notices that are returned as undeliverable.

After considering all of the available evidence and argument, the Court has determined that the procedure herein ordered constitutes the best notice practicable under the circumstances.

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Dated: March 29, 2018



Curtis E.A. Karnow
Judge of the Superior Court

Exhibit A

California Entities That Compensated Sutter Health for Their Members' Health Care

Could Be Included in a Class Action Lawsuit

You could be affected by class-action lawsuit that includes all self-funded payors (an entity, such as an employer or healthcare benefits trust, that provides health benefits to employees with its own funds) that are citizens of California or arms of the State of California that were contractually bound to compensate Sutter Health and several of its affiliates ("Sutter") for general acute care hospital services or ancillary products provided at any time from January 1, 2003 to the present at prices set by contracts between Sutter and Aetna, Anthem, Blue Shield, Cigna, PacifiCare or United Healthcare.

The Court has approved the lawsuit as a class action on behalf of a "class," or group of entities, that could include you. The Court has not determined whether Sutter did anything wrong. There are no benefits available now, and there is no guarantee that there will be. However, your legal rights may be affected.

Basic Information

This lawsuit alleges that Sutter included provisions in its provider agreements with the major health insurance companies in California that have had the effect of restricting price competition between Sutter and other general acute care hospitals in Northern California. The Plaintiff seeks to recover damages on behalf of the class and to prohibit Sutter from continuing to engage in the alleged anticompetitive practices.

Your Rights and Options

Class Members have a right to opt out, if they do not wish to be part of this lawsuit. The deadline to opt out is [Month 00, 201X]. If you are a Class Member and do not take affirmative steps to opt out, you will give up your right to sue on these claims separately. Instructions for opting out can be found at www.XXXXX.com. If you believe you are a class member you are encouraged (but not required) to contact Class Counsel to ensure your damages are included in the relief requested. You can do so by email xxxxClass@xxxxx.com or by mail at UFCW & Employers Benefit Trust v. Sutter Health, P.O. Box XXXX, City, CA 00000.

The Lawyers Representing The Class

The Court has appointed five firms to represent Plaintiff and all Class Members as "Class Counsel". You don't have to pay Class Counsel or anyone else to participate. Instead, if they get money or benefits for the Class, they may ask for attorneys' fees and costs. Any fees and costs would be deducted from any money obtained or paid separately by Sutter. You may hire your own lawyer to appear in Court for you at your own expense.

This notice is a summary, to get more information:

Visit: [website]

Exhibit B

California Entities That Compensated Sutter Health for Their Members' Health Care

Could Be Included in a Class Action Lawsuit

A court authorized this Notice. This is not a solicitation by a lawyer. You are not being sued.

- You are receiving this Notice because you may be included in a class action lawsuit that impacts your rights and options. Your legal rights are affected whether or not you take action.
- A court has certified the lawsuit as a class action. The class is defined as: All self-funded payors that are citizens of California for purposes of 28 U.S.C. § 1332(d) or arms of the State of California and that compensated Sutter for general acute care hospital services or ancillary products at any time from January 1, 2003 to the present at prices set by contracts between Sutter and Aetna, Anthem, Blue Shield, Cigna, Pacificare or United Healthcare.
- You are a self-funded payor that compensated Sutter if you are an entity (such as an employer or healthcare benefits trust) that was contractually bound to pay for the health care expenses of your members or employees under your health plan incurred at a Sutter general acute care hospital. You are not a self-funded payor if someone else, such as an insurance company, is the one contractually bound to pay for the health care expenses of your members or employees under your health plan, even if you pay for the insurance. Further, you are not a self-funded payor if you are an individual. Records of Aetna, Anthem, Blue Shield, Cigna, Pacificare or United Healthcare show you may have been contractually bound to pay for general acute care hospital services or ancillary products provided to members of your health plan by Sutter between January 1, 2003 and the present.
- 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. For purposes of class membership, you are considered a citizen of California if you were a California citizen on April 7, 2014, regardless of whether you remained a California citizen after that date. If you are a California governmental entity (including, but not limited to, a city, a county, a hospital district, a school district, a fire protection district, a water or irrigation district, a transit or transportation district, a joint powers agency or authority, a public university, a department within the State, a superior court, the Judicial Council of California, or the Major Risk Medical Insurance Program) and are also a self-funded payor that compensated Sutter, you are included in the class, whether or not you are a California citizen.
- If you believe you are a member of the Class, you are encouraged (but not required) to contact Class Counsel to ensure your damages are included in Plaintiff's damages calculations. You can do so by email XXXXClass@XXXXX.COM or by mail at UFCW & Employers Benefit Trust v. Sutter Health, P.O. Box XXXX, City, CA 00000.
- The Court has not determined whether Sutter did anything wrong. There are no benefits available now, and there is no guarantee that there will be. However, your legal rights may be affected. If you are a Class Member, you have a choice to make.

This Notice explains your rights if you are a Class Member and how you may exclude yourself from the Class.

CLASSMEMBERS' LEGAL RIGHTS AND OPTIONS

QUESTIONS? EMAIL XXXXCLASS@XXXXX.COM OR VISIT WWW.XXXXCLASS.COM

<p>DO NOTHING</p>	<p>Stay in this lawsuit and await the outcome. Possibly share in benefits, if any become available. Give up your right to sue on these claims separately.</p> <p>If you do nothing, you will remain part of the Class and keep the possibility of getting money or other benefits that may come from a trial or settlement. But you will not be able to sue, or continue to sue, Sutter as part of any other lawsuit for the same legal claims that Plaintiff has asserted in this lawsuit (or claims closely related to them).</p>
<p>EXCLUDE YOURSELF FROM THE CLASS</p>	<p>Exclude yourself from the Class. You will not get any benefits from this lawsuit, but you will keep your right to sue on these claims separately.</p> <p>If you ask to be excluded from the Class and money or other benefits are later awarded, you will not receive any money or benefits. But you will keep any rights to individually sue Sutter in another proceeding about the claims described in this Notice.</p> <p>To ask to be excluded from the Class, you must do so no later than _____, 2018.</p>

BASIC INFORMATION

1. Why was this Notice issued?

This Notice is to inform you that this lawsuit has been “certified” as a Class Action. This means that the lawsuit meets the requirements for class actions and may proceed to trial. If you are included, you may have legal rights and options before the Court decides whether the claims being made against Sutter are correct. This Notice explains those legal rights and options.

The Honorable Curtis E.A. Karnow of the Superior Court of California, County of San Francisco is overseeing this case. The case is known as *UFCW & Employers Benefit Trust v. Sutter Health*, San Francisco Superior Court Case No. CGC 14-538451. The entity that sued is called the Plaintiff, and the entity it sued is called the Defendant. The Plaintiff in this case is UFCW & Employers Benefit Trust and the Defendant is Sutter Health and several of its affiliates (“Sutter”).

2. What is the lawsuit about?

This lawsuit was filed on April 7, 2014, and is pending in the Superior Court of California, County of San Francisco. The Plaintiff alleges that Sutter violated California’s antitrust law, the Cartwright Act, and California’s Unfair Competition Law. In particular, Plaintiff alleges that Sutter included provisions in its provider agreements with the major health insurance companies in California that have had the effect of restricting price competition between Sutter and other general acute care hospitals in Northern California. Plaintiff further alleges that this reduction in price competition has permitted Sutter to overcharge self-funded payors and others for its general acute care hospital services and ancillary products. Plaintiff seeks to recover damages on behalf of the class and to prohibit Sutter from continuing to engage in the alleged anticompetitive practices.

Sutter denies that it did anything wrong and denies that Plaintiff and the Class are entitled to receive any money or other relief from Sutter. This lawsuit is ongoing, and the Court has not yet decided who will win or lose this case.

On August 14, 2017, the Court authorized Plaintiff to represent a Class of self-funded payors. On September 29, 2017, the Court modified the class definition to the one described in this Notice.

QUESTIONS? EMAIL XXXXCLASS@XXXXX.COM OR VISIT WWW.XXXXCLASS.COM

Your options as a Class Member and the deadlines to exercise them are explained in this Notice.

3. Who is included in the Class?

All self-funded payors that were citizens of California for purposes of 28 U.S.C. § 1332(d) on April 7, 2014 or that are arms of the State of California and that compensated Sutter for general acute care hospital services or ancillary products provided to the members of their health plans at any time from January 1, 2003 to the present at prices set by contracts between Sutter and Aetna, Anthem, Blue Shield, Cigna, Pacificare or United Healthcare are members of the Class.

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. For purposes of class membership, you are considered a citizen of California if you were a California citizen on April 7, 2014, regardless of whether you remained a California citizen after that date. If you are a California governmental entity (including, but not limited to, a city, a county, a hospital district, a school district, a fire protection district, a water or irrigation district, a transit or transportation district, a joint powers agency or authority, a public university, a department within the State, a superior court, the Judicial Council of California, or the Major Risk Medical Insurance Program) and are also a self-funded payor that compensated Sutter, you are included in the class, whether or not you are a California citizen.

You are a self-funded payor that compensated Sutter if you are an entity (such as an employer or healthcare benefits trust) that was contractually bound to pay for the health care expenses of your members or employees incurred at a Sutter general acute care hospital under your health plan. You are not a self-funded payor if someone else, such as an insurance company, is the one contractually bound to pay for the health care expenses of your members or employees under your health plan, even if you pay for the insurance. Further, you are not a self-funded payor if you are an individual. Records of Aetna, Anthem, Blue Shield, Cigna, Pacificare or United Healthcare show you may have been contractually bound to pay for general acute care hospital services or ancillary products provided to members of your health plan by Sutter between January 1, 2003 and the present.

If you have questions about whether you are a class member or you have any other questions, you may email xxxxClass@xxxxx.com or mail your questions to UFCW & Employers Benefit Trust v. Sutter Health, P.O. Box XXXX, City, CA 00000.

4. What is a class action?

In a class action, one or more persons or entities called "class representatives" sue on behalf of a group of people or entities who have similar claims. All of these persons or entities are called a "class" or "class members." In a class action, the Court resolves the issues for all class members, except for those who exclude themselves from the class. In this lawsuit, the Class Representative is UFCW & Employers Benefit Trust.

YOUR RIGHTS AND OPTIONS

If you are a member of the Class, you have a choice whether to remain a member of the Class and be represented by the Class Representatives and by Class Counsel or to exclude yourself. Either choice will have its consequences, which you should understand before making your decision.

5. What happens if I do nothing?

If you meet the definition to be a class member, you do not have to do anything now if you want to keep the possibility of getting money or other benefits from this lawsuit. By doing nothing, you remain part of

QUESTIONS? EMAIL XXXXCLASS@XXXXX.COM OR VISIT WWW.XXXXCLASS.COM

the Class and may be entitled to receive a share of any money or other benefits awarded to the Class after trial or through a settlement.

Regardless of whether the Class wins or loses at trial, you will not be able to sue, or continue to sue, Sutter as part of any other lawsuit for the same legal claims that Plaintiff has asserted on behalf of the Class in this lawsuit. You will also be legally bound by any and all orders the Court issues and judgments the Court makes regarding the claims in this class action.

6. What happens if I exclude myself from the Class?

If you exclude yourself from the Class, you won't get any money or other benefits from this lawsuit even if the Class wins at trial or settles the case. However, you may be able to sue Sutter in a separate action for the same claims asserted in this lawsuit. If you exclude yourself, you will not be legally bound by any orders or judgments the Court makes in this lawsuit. If you bring your own lawsuit against Sutter after you exclude yourself, you will have to hire and pay your own lawyer for that lawsuit, and you will have to prove your claims. If you do exclude yourself, you should talk to your own lawyer soon, because your claims may be subject to a time limit (known as a statute of limitations).

7. How do I exclude myself from the Class?

To exclude yourself from the Class, you (the Class Member) must send a letter or fill out a form at www.xxxxClass.com that includes:

- The Class Member's name and address, the name, title and telephone number of the individual sending the letter for the Class Member, and
- A statement substantially to the effect of: "I, [Name of Individual], am authorized to send this letter on behalf of [Name of Class Member]. [Name of Class Member] voluntarily chooses not to participate in the certified class action against Sutter, and hereby waives any rights it may have to share in any money or other benefits obtained from Sutter Health in the future in the lawsuit entitled *UFCW & Employers Benefit Trust v. Sutter Health, et al.*, SFSC Case No. CGC 14-538451."

The individual authorized to exclude the Class Member must complete the form at www.xxxxClass.com or sign the written statement on behalf of the Class Member and mail it to the following address, postmarked no later than _____, 2018 to:

UFCW & Employers Benefit Trust v. Sutter Health
[P.O. Box]
[City, State Zip]

THE LAWYERS REPRESENTING YOU

8. Do I have a lawyer in this case?

The Court appointed the following lawyers to represent Plaintiff and all Class Members in this lawsuit ("Class Counsel"):

Richard L. Grossman	Kit A. Pierson	John L. Cooper
Philip L. Pillsbury Jr.	Daniel A. Small	Roderick M. Thompson
Pillsbury & Coleman, LLP	Laura Alexander	Christopher C. Wheeler
600 Montgomery St., 31st Fl.	Cohen Milstein Sellers & Toll PLLC	Farella Braun + Martel LLP

QUESTIONS? EMAIL XXXXCLASS@XXXXX.COM OR VISIT WWW.XXXXCLASS.COM

San Francisco, CA 94111
Tel: (415) 433-8000
Lead Counsel

1100 New York Ave. NW, Ste. 500
Washington, DC 20005
Tel: (202) 408-4600

235 Montgomery St., 17th Fl.
San Francisco, CA 94104
Tel: (415) 954-4400

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

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

Email: [email]

9. Should I get my own lawyer?

If you choose to remain in the Class, you do not need to hire your own lawyer because Class Counsel are working on your behalf in this lawsuit. If you want your own lawyer to represent you at court hearings in this lawsuit, you must pay for that lawyer, except to the extent that arms of the State of California may be represented by the Attorney General free of charge.

10. How will the lawyers be paid?

If Class Counsel are successful and obtain money or other benefits for the Class, they may ask the Court for fees and expenses. If the Court grants Class Counsel's request, the fees and expenses will either be deducted from any money obtained for the Class or paid separately by Sutter. If Class Counsel do not obtain money or other benefits for the Class, they will not receive any attorneys' fees or any reimbursement of their expenses.

THE TRIAL

11. How and when will the Court decide the claims in this case?

If the case is not resolved by a settlement or by motion, Class Counsel will have to prove the Class's claims in this lawsuit at a trial. There is no guarantee that the Class will win or that the Class will get any money. The Court has set a trial date of June 24, 2019 to take place at Superior Court of California, County of San Francisco, 400 McAllister St., San Francisco, CA 94102. This date may be continued without further notice to the Class.

12. Do I have to come to the trial?

You do not need to attend the trial unless you are subpoenaed as a witness. Class Counsel will present the case for the Class Members, and Sutter will present its defenses. You are welcome to come at your own expense. If you wish to participate in the trial, you should contact Class Counsel.

13. Will I get money after the trial?

If the Class obtains money or other benefits as a result of the trial or a settlement, you will be notified about how to share in the money or other benefits, if you have not excluded yourself from this class action. We do not know how long this will take. Please let Class Counsel know if your contact information changes.

QUESTIONS? EMAIL XXXXCLASS@XXXXX.COM OR VISIT WWW.XXXXCLASS.COM

GETTING MORE INFORMATION

14. How do I get more information?

You may obtain more information by contacting Class Counsel at the phone numbers or email address above. You can get a copy of the complaint and other important information about the lawsuit at www.xxx.com.

Please Do Not Contact the Court or Sutter's Counsel About This Notice.

QUESTIONS? EMAIL XXXXCLASS@XXXXX.COM OR VISIT WWW.XXXXCLASS.COM