

[Sutter Case Watch] Court Approval of Final Settlement Concludes State Antitrust Action Against Sutter Health

See case page: [UFCW & Employers Benefit Trust v. Sutter Health](#)

On August 27, nearly two years after the parties reached a proposed settlement agreement, Judge Anne-Christine Massullo of the San Francisco Superior gave the [final approval](#) to the settlement of the high profile antitrust case against Sutter Health. The final settlement was stalled several times along the way, first due to the coronavirus pandemic, then the court's rejection of the compliance monitor, and most recently disputes over attorney fees, which was the subject of the preliminary approval hearing on July 22.

In the final approval order, the court approved terms of the [preliminary settlement agreement](#) originally filed in December 2019, as [amended on March 10, 2021](#), along with a separate [order on Plaintiffs' attorney fees](#). In summary, the final judgment orders the following terms:

- \$575 million in damages to compensate self-funded employers and union trusts and pay for attorney fees, specifically:
 - \$600,000 for settlement administration;
 - \$152.3 million (26.5%) in fees + \$13 million in expenses for class counsel;
 - \$11.5 million in fees + \$11.5 million in expenses for the AG's office;
- Injunctions against anticompetitive contract terms, including:
 - all-or-nothing contracts;
 - anti-steering and anti-tiering provisions;
 - price secrecy or gag clauses;
- Limit to annual increases on out-of-network charges;
- Compliance monitor for 10 years by Dionne Lomax of Affiliated Monitors in

Boston.

See detailed analysis of the [settlement terms](#) and additional info on the case from the Source's [Sutter Case Watch Series](#).

Notably, the final order stated this settlement and release of claims is to be construed separately from the pending federal lawsuit arising from the same facts, namely [Sidibe v. Sutter Health](#), which we are following closely on the Source Blog.