UFCW & EMPLOYERS BENEFIT TRUST, et al.,

Plaintiffs,

v.

Defendants.

PEOPLE OF THE STATE OF CALIFORNIA, ex rel. XAVIER BECERRA,

Plaintiff,

v.

SUTTER HEALTH,

Defendant.

FINAL APPROVAL ORDER

- 1 -

Having read and considered the Joint Motion for Final Approval of Settlement ("Motion") of Plaintiff People of the State of California, Plaintiff UFCW & Employers Benefit Trust, and the Plaintiff Class (collectively, "Plaintiffs"), all the papers on file in this matter, and having considered the oral argument presented to the Court on July 22, 2021, IT IS HEREBY ORDERED as follows:

- 1. The Court has jurisdiction over the subject matter of this litigation, Plaintiffs, and Defendants.
- 2. The notice of the Settlement provided to the Class constitutes due, adequate and sufficient notice and the best notice practicable under the circumstances, and meets the requirements of due process, the laws of the State of California, and Rule 3.769(f) of the California Rules of Court.
- 3. The contingent objection of Schell & Kampeter, Inc., d/b/a/ Diamond Pet Foods is overruled.¹ Diamond Pet Foods objects if, and only if, it is not a class member. The reason for this is that Diamond Pet Foods wishes to participate in the settlement. If Diamond Pet Foods is not a class member, then it lacks standing to object. (See *In re TracFone Unlimited Service Plan Litigation* (N.D. Cal. 2015) 112 F.Supp.3d 993, 1008.) If Diamond Pet Foods is a class member, then it does not object at all.
- 4. The Settlement Agreement is approved.² The Settlement Agreement and its terms are fair, adequate and reasonable, including within the meaning of Rule 3.769(g) of the California Rules of Court. The Court directs consummation of the Settlement Agreement pursuant to its terms and this order.
- 5. The Proposed Final Judgment and Order, as modified by the Addendum, is separately entered and is hereinafter referred to as the "Final Judgment."
- 6. Upon the Effective Date as defined in the Settlement Agreement, Plaintiffs³ release all Released Claims against the Released Parties, as provided for by Section V of the Settlement Agreement, which

¹ Diamond Pet Foods' contingent objection was the only potential objection to final approval. Plaintiff UEBT objected to the fee request, but did not object to final approval. Because the Class had notice and an opportunity to opt out after class certification, the Class was not given a second opportunity to opt out following preliminary approval.

² "Settlement Agreement" means the Settlement Agreement attached as Appendix 1 to the December 19, 2019 Motion for Preliminary Approval of Settlement, including the Proposed Final Judgment and Order Pursuant to Stipulation attached as Exhibit B to the Settlement Agreement, as modified by the Addendum to the Settlement Agreement attached to the Amended Order Granting Plaintiff's Renewed Motion for Preliminary Approval of Settlement as Exhibit 3. "Addendum" means the Addendum to the Settlement Approval of Settlement as Exhibit 3.

Approval of Settlement as Exhibit 3.

3 As defined above, "Plaintiffs" includes the Class. The Class does not include the potential class members who timely exercised their right to opt out.

defines the released claims to encompass: "[A]ll 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')."

- 7. The following method for allocating and distributing the Settlement Fund is approved.
- a. Plaintiffs' will allocate the net settlement fund proportionally based on individual class members' payments to Sutter for general acute care hospital services and ancillary products between January 1, 2003 and August 25, 2018 ("relevant payments"), weighted to account for differences in estimated overcharges. Relevant payments will be weighted by time period using the damages coefficients calculated by Plaintiffs' damages expert in two-year increments. Relevant payments will be weighted based on the Sutter hospitals to which the payments were made using the damages coefficients calculated by Plaintiffs' damages expert for eleven groups of Sutter hospitals. The coefficients will be consistent with the coefficients disseminated as part of the notice process.
- b. Class Members wishing to share in the settlement fund were required to submit a claim form by May 28, 2021. Late claims may be considered, subject to Court approval. After the Effective Date, Class Members that have established class membership with a timely, or otherwise accepted, claim will be mailed a Notice of Relevant Payments. The notice will provide Class Counsel's calculation of the claiming class member's total relevant payments based on the claims data produced in this case. Claiming class members will have the opportunity to accept the relevant payments calculation or dispute that amount, via mail or online, by submitting a Dispute Form. Once each claiming class member's total relevant payments have been determined and weighted, Class Counsel, with the assistance of their damages expert, will calculate each claiming class member's proportional share of the net settlement fund. The Claims Administrator will mail checks to Class Members.

d. The Court will hold a status conference, to be set at a later date, regarding settlement administration following the issuance of the second checks. At that time, the Court will address the disposition of unclaimed funds remaining after the second round of checks.

8. The Relevant Payments Notice and the Dispute Form, attached as Exhibits 1 and 2 to the Memorandum in Support of Joint Motion for Final Approval of Settlement, which was filed on April 29, 2021, are approved, subject to the minor revisions required by the following footnote. Any Class Member wishing to submit a Dispute Form shall complete it according to its instructions, and mail it to the Claims Administrator or complete the Dispute Form online at www.SutterHealthLawsuit.com. The claims data submitted with any Dispute Form shall include the fields, parameters, and format specified in the Dispute Form instructions.

c. The Settlement Agreement 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, together with any funds associated with uncashed checks from the first distribution, will be distributed to claiming class members who cashed their checks from the first distribution. The second distribution will use the same relative shares as the first distribution, except to the extent those shares must be modified to account for the exclusion of claiming class members that failed to cash their checks from the first distribution.

⁴ First, the last paragraph of the "Introduction" section on the Relevant Payments Notice must be revised to be consistent with paragraph 7(c), above. Second, the document attached as Exhibit A to the Relevant Payments Notice will instead be attached as Exhibit A to the Dispute Form. Third, the word "it" shall be inserted between "use" and "to" in the "signer's email address" section of the Dispute Form.

9. The following schedule shall apply regarding the Class Member claims process:

Event	Deadline
Mailing of Relevant Payments Notice and Dispute	Postmarked with 10 days of Effective Date (as
Form to Claiming Class Members	defined in Section II(F) of Settlement Agreement)
Deadline to Submit Completed Dispute Form with	Postmarked or submitted electronically within 45
Data	days of the mailing of Relevant Payments Notice
	and Dispute Form
Status Conference on Status of Claims Process	Approximately 30 days after deadline to submit
	Dispute Forms

- 10. The Huntington National Bank shall serve as the Escrow Agent. Upon receiving the deposit of the Settlement Fund pursuant to Paragraph III(A)(1) of the Settlement Agreement, the Escrow Agent shall place the funds in an interest-bearing account.
- 11. As set forth in the Court's Order re Plaintiffs' Counsel's Joint Motion for Attorneys' Fees, Costs, and Service Award, the Court provisionally awards \$600,000 for the costs of settlement administration. This amount shall remain in the common fund, and shall not be distributed, until further order of the Court pursuant to a post-judgment motion for reimbursement of settlement administration expenses. A hearing on that motion will be set at the next status conference on the status of the claims process.
- 12. Notice of final judgment shall be provided to the Class by posting this Order, the order on the fee motion, and the final judgment on the settlement website for a period of not less than 60 days from the date judgment is entered.
- 13. Pursuant to California Code of Civil Procedure 664.6 and California Rule of Court 3.769(h), the Court reserves exclusive and continuing jurisdiction over the Final Judgment, the Settlement including the Settlement Fund (as defined in Section III of the Settlement Agreement), and the administration,

consummation and interpretation of the Settlement Agreement. IT IS SO ORDERED. Dated: August 27-2021 Anne-Christine Massullo Judge of the Superior Court

CERTIFICATE OF ELECTRONIC SERVICE

(CCP 1010.6(6) & CRC 2.251)

I, Ericka Larnauti, a Deputy Clerk of the Superior Court of the County of San Francisco, certify that I am not a party to the within action.

On August 27, 2021, I electronically served the attached document via File & ServeXpress on the recipients designated on the Transaction Receipt located on the File & ServeXpress website.

Dated: August 27, 2021

T. Michael Yuen, Clerk

Bv:

Ericka Larnauti, Deputy Clerk