

CIVIL DISTRICT COURT FOR THE PARISH OF ORLEANS

STATE OF LOUISIANA

NO. 2016-01000

**DIVISION: N
Sect.: 08**

**CHARLES BROWN and JOHN D. WOZNIAK, individually and on behalf of, A CLASS
OF PERSONS SIMILARLY SITUATED**

VERSUS

**VAN METER EMERGENCY PHYSICIANS, A PROFESSIONAL MEDICAL
CORPORATION D/B/A VAN METER EMERGENCY PHYSICIANS, INC., APMC**

FILED: _____

DEPUTY CLERK

SETTLEMENT AGREEMENT

This Settlement Agreement is made and entered into pursuant to Louisiana Code of Civil Procedure Article 591(b)(4) and contains the terms of settlement of all claims by and among:
NAMED PLAINTIFFS: John D. Wozniak and Charles Brown, individually and on behalf of the Class (as defined herein);

DEFENDANTS: HCFS HEALTH CARE FINANCIAL SERVICES, INC. n/k/a HCFS HEALTH CARE FINANCIAL SERVICES, L.L.C.; VAN METER EMERGENCY PHYSICIANS, A PROFESSIONAL MEDICAL CORPORATION D/B/A VAN METER EMERGENCY PHYSICIANS, INC., APMC; ACS PRIMARY CARE PHYSICIANS-LOUISIANA, A PROFESSIONAL CORPORATION; and HOSPITAL MEDICINE ASSOCIATES, LLC

(hereafter sometimes referred to collectively as the "Parties").

The Parties, by and through their counsel, enter into this Settlement Agreement, providing for settlement of all claims herein described, pursuant to the terms and conditions set forth below.

It is a condition to the Settlement (as defined herein) that the Settlement be approved by the Civil

District Court, Orleans Parish, Louisiana (the “Court”).

WHEREAS:

A. Named Plaintiffs filed a putative class action entitled *Charles Brown and John D. Wozniak, et al. v. Van Meter Emergency Physicians, APMC, et al.*, No. 2016-1000 N-8, Civil District Court, Orleans Parish, Louisiana (the “Action”) against Defendants alleging that Defendants charged Class Members and attempted to collect from Class Members amounts which exceeded the Class Members’ liability, when Defendants allegedly should have charged the Class Members’ health insurers for those medical expenses;

B. Named Plaintiffs asserted that Defendants violated their Provider Agreements with the various health insurers and Louisiana law by charging Class Members for health insured medical expenses at hospitals with emergency departments staffed by Defendants, by filing liens against tortfeasors and/or third-party liability insurers, and by failing to charge medical expenses to the Named Plaintiffs’ health insurers;

C. Defendants maintain that they followed common professional billing and charging parties and that they sought to recover from the proper payor;

D. The Parties to this Settlement Agreement conducted a thorough examination and investigation of the facts and law relating to the matters as set forth in the Action and have litigated the matter for over four (4) years, have conducted extensive discovery, including the deposition of the Named Plaintiffs and a corporate representative of HCFS Health Care Financial Services, L.L.C. ;

E. Ultimately, the Parties initiated formal settlement discussions and attempted to resolve their dispute amicably. The negotiations occurred over a lengthy period of time and

included numerous, informal discussions and a mediation conference;

F. Defendants in the Action deny any wrongdoing whatsoever, and this Stipulation shall in no event be constructed or deemed to be evidence of an admission or concession on the part of any Defendants with respect to any claim of any fault or liability or wrongdoing or damage whatsoever, or any infirmity in the defenses that the Defendants have asserted or would assert.

G. The Parties to this Settlement Agreement recognize that the Action has been filed by the Named Plaintiffs and defended by the Defendants in good faith, that the Action is being voluntarily settled upon advice of counsel, and that the terms of the Settlement are fair, reasonable, and adequate. This Settlement Agreement shall not be construed or deemed to be a concession by Named Plaintiffs or any Class Member of any infirmity in the claims asserted in the Action or any other action.

H. Based upon their investigation and pretrial discovery as set forth above, Named Plaintiffs and their counsel have concluded that the terms and conditions of this Settlement Agreement are fair, reasonable, and adequate to Named Plaintiffs and the Class, and are in their best interests, and Named Plaintiffs have agreed to settle the claims raised in the Action pursuant to the terms and provisions of this Settlement Agreement, after considering (a) the substantial benefits that the members of the Class will receive from settlement of the Action, (b) the uncertain outcome and attendant risks and costs of litigation, (c) the delays inherent in litigation, and (d) the desirability of permitting the Settlement of this litigation to be consummated as provided by the terms of this Settlement Agreement.

TERMS OF SETTLEMENT

NOW THEREFORE, without any admission or concession on the part of Named

Plaintiffs or any lack of merit of the Action whatsoever, and without any admission or concession of any liability of wrongdoing or lack of merit in the defenses whatsoever by Defendants, it is hereby stipulated and agreed, by and between the Parties to this Settlement Agreement, through their respective counsel, subject to approval of the Court, in consideration of the benefits flowing to the parties hereto from the Settlement herein set forth, that all settled claims, as against the Released Parties (as defined herein) shall be settled, released and dismissed with full prejudice, upon and subject to the following terms and conditions:

I.

DEFINITIONS

As used in this Settlement Agreement, the following terms shall have the defined meanings set forth below. Where appropriate, terms used in the singular shall be deemed to include the plural and vice versa.

A. "Action" means the above-captioned lawsuit entitled *Charles Brown and John D. Wozniak, et al. v. Van Meter Emergency Physicians, APMC, et al.*, No. 2016-1000 N-8, Civil District Court, Orleans Parish, Louisiana.

B. "Administrative Expenses" means the expenses incurred in the administration of this Settlement, including, without limitation, all expenses or costs associated with providing notice to the Class, locating Class Members, determining the eligibility of any person to be a Class Member, obtaining information regarding each Class Member, and administering, calculating, and distributing the Net Settlement Fund. Administrative Expenses also include all reasonable third-party fees and expenses incurred by the Claims Administrator and "Court Appointed Disbursing Agent" or "CADA" in administering the terms of this Settlement

Agreement.

C. “Attorneys’ Fees and Expenses” means the amounts approved by the Court for payment to Class Counsel (as defined *infra* at Paragraph F), including attorneys’ fees, costs, litigation expenses, fees and expenses of experts, as well as any interest earned on monies allocable to such attorneys’ fees, costs, and expenses.

D. “Class” or "Class Member(s)" or "member(s) of the Class" shall mean and refer to those persons, for the purposes of this Settlement only, included in the definition below:

All persons who received “covered healthcare services” as defined by La. R.S. 22:1872(8) provided by the Defendants at any of the facilities in the State of Louisiana, all as set forth in the Settlement Agreement, for whom or which **HCFS HEALTH CARE FINANCIAL SERVICES, INC. n/k/a HCFS HEALTH CARE FINANCIAL SERVICES, L.L.C.** provided billing services, and at the time of such covered health care services had “health insurance coverage,” as defined by La. R.S. 22:1872(18), issued by a “health insurance issuer,” as defined by La. R.S. 22:1872(19), and from whom Defendants attempted to recover, directly and/or through any third party, any amount in excess of the of the “contracted reimbursement rate,” as defined by La. R.S. 22:1872(7), and/or any amount which was the “health insurance issuer liability,” as defined by La. R.S. 22:1872(20)(a) - (d), and/or who paid Defendants or any such third party in any manner, including but not limited to liability insurance proceeds and/or from proceeds of a settlement or judgment, an amount in excess of the “contracted reimbursement rate” and/or any amount which was the “health insurance issuer liability” either directly and/or through their attorney and/or through a liability insurance carrier and/or any other third party, and/or any third party in violation of La. R. S. 22:1872, *et.seq.*.

The class is composed of the following Sub-Classes:

"Sub-Class 1" or "Attempt to Recover Sub-Class" shall mean persons who received covered health care services from Defendants, and who had health insurance coverage, and from whom Defendants attempted to recover (1) any amount owed by the health insurer or "health insurance issuer liability", or (2) any amount in excess of the "contracted reimbursement rate" from January 1, 2006 through the date the Preliminary Approval Order is entered.

"Sub-Class 2" or " Payor Sub-Class " shall mean persons who received covered health care services from Defendants, and who had health insurance coverage, and who paid Defendants (1) any amount owed by the health insurer or "health insurance issuer liability" or (2) any amount in excess of the "contracted reimbursement rate" either directly and/or through their attorney and/or through a liability insurance carrier and/or any third party from January 1, 2006 through the date the Preliminary Approval Order is entered.

Excluded from the foregoing are any persons whose claims were previously (i) settled and released, (ii) dismissed by court order with prejudice, or (iii) persons who previously opted out of the Class.

E. "Claims Administrator" means the qualified third party selected by the Parties and approved by the Court in the Preliminary Approval Order to administer the settlement, including implementing the Notice. The Parties agree to recommend that the Court appoint Bernard Charbonnet Jr. as Claims Administrator.

F. "Class Counsel" and/or "Counsel for Plaintiffs" means Sidney D. Torres, III, Roberta L. Burns, Beau F. Camel of the Law Offices of Sidney D. Torres, III, APLC and Timothy R. Richardson of the Richardson Law Group.

G. "Class Period means January 1, 2006 through the date the Preliminary Approval Order (as defined below) is signed by the Court.

H. "Court" means the Civil District Court, Parish of New Orleans, Louisiana.

I. "Court Appointed Disbursing Agent" or "CADA" shall mean and refer to the accounting firm to be appointed by the Court, after consideration of the recommendations of the Parties. The Parties agree to recommend that the Court appoint the accounting firm of Bourgeois Bennett, CPAs & Consultants to serve as the CADA. The Released Parties shall have no liability for any act or omission of the CADA.

J. "Defendants" mean HCFS HEALTH CARE FINANCIAL SERVICES, INC. n/k/a HCFS HEALTH CARE FINANCIAL SERVICES, L.L.C.; VAN METER EMERGENCY PHYSICIANS, A PROFESSIONAL MEDICAL CORPORATION D/B/A VAN METER EMERGENCY PHYSICIANS, INC., APMC; ACS PRIMARY CARE PHYSICIANS-LOUISIANA, A PROFESSIONAL CORPORATION; and HOSPITAL MEDICINE ASSOCIATES, LLC, which provided services at the following facilities during the relevant time period: Bogalusa ED LA, Christus St. Patrick ED, Christus St. Patrick Hospitalist, East Jefferson Hospitalist, Iberia ED LA, Iberia Hospitalist LA; Lakeview ED; Lakeview Tulane Med Cntr ED LA, Lallie Kemp ED LA, Ochsner ED LA, Ochsner Iberville ED LA, Ochsner Hosp; Ochsner Hospitalist LA, Ochsner Hospital Med LA, Our Lady of the Angels ED LA, Promise LTAC HM LA, Rapides ED LA, Rapides Hosp Med LA, Rapides ICU LA, Rapides ICU HM LA, Slidell ED LA, Tulane ED LA, Tulane Lakeside ED, and University ED LA.

K. "Defense Counsel" means Joshua K. Trahan of the Preis PLC law firm.

L. "Effective Date" means the date ten business days after the date on which the

Settlement and Final Judgment have become “Final” in that all of the following conditions have been satisfied: (1) the Final Judgment approving the settlement in its entirety has been entered, dismissing with prejudice the action against Defendants; and, (2)(a) if an appeal is not sought from the Final Judgment, the expiration of the time for the filing of any appeal; or, (2)(b) if an appeal is sought from the Final Judgment, the date on which approval of this Agreement and the Final Judgment has been affirmed in its entirety by the Court of last resort to which such appeal has been taken and such affirmance has become no longer subject to further appeal or review.

M. “Fairness Hearing” means the final hearing scheduled by the Court, after proper Notice to determine whether to approve this Settlement Agreement.

N. “Final Judgment,” “Final Order and Judgment,” or “Judgment” means the judgment approving this Settlement that is materially the same as the document attached as Exhibit E, which is incorporated by reference.

O. “Gross Settlement Fund” means (1) the amount of the Settlement Payment; and (2) any interest on or other income or gains earned while such amount is held by the Settlement Fund Deposit Holder.

P. “Named Plaintiffs” means Charles Brown and John D. Wozniak.

Q. “Net Settlement Fund” means the remaining funds which exists after all costs, expenses, Named Plaintiff incentive awards, attorney fees and costs, and reserves, if any, established in furtherance of this Settlement Agreement have been deducted from the Gross Settlement Fund.

R. “Notice” means the Court-approved form of notice of this Settlement Agreement to the Class substantially in the form of Exhibits C(1) and C(2) attached and incorporated by

reference.

S. “Notice Plan” means the plan, described in part V below, for disseminating Notice to the Settlement Class.

T. “Parties” mean Plaintiffs and Defendants.

U. “Plaintiffs” means the Named Plaintiff and all members of the Class.

V. “Plan of Allocation” means the plan or formula of allocation of the Settlement Fund prepared by the Claims Administrator whereby the Net Settlement Fund shall be distributed to the Class Members. Defendants shall have no responsibility for, and no liability with respect to, the Plan of Allocation or any distributions made pursuant thereto.

W. “Preliminary Approval Order” or “Order of Preliminary Approval of Proposed Settlement” means the order of the Court granting preliminary approval of this Settlement Agreement authorizing the Notice and setting a date for the Fairness Hearing that is materially the same as the document attached as Exhibit D, which is incorporated by reference.

X. “Released Claims” means and includes any and all claims, rights, demands, actions, causes of action, allegations, or suits of whatever kind or nature, whether *ex contractu* (arising under contract) or *ex delicto* (arising under alleged wrongdoing), debts, liens, contracts, liabilities, agreements, interest, costs, expenses, or losses (including actual, consequential, statutory and/or punitive or exemplary damages or penalties) arising from or in any way related to any acts that have been alleged or that could have been alleged in this Action by any Class Member, whether at law, in equity, or under any statute or regulation arising from or in any way related to any conduct of Defendants related to the debt(s) of any Class Member occurring during the Class Period; provided however, that the Released Claims do not include any claims for

enforcement of this Settlement Agreement and/or the Final Judgment.

Y. “Released Parties” or “Released Party” means Defendants and their related officers, directors, attorneys, employees, insurers, agent, parent, subsidiaries, or successors.

Z. “Settlement” means the settlement of the Action contemplated by this Settlement Agreement.

AA. “Settlement Agreement” means this Settlement Agreement and the exhibits attached and incorporated into the Settlement Agreement for reference.

BB. “Settlement Amount” or “Settlement Payment” means ONE MILLION NINE HUNDRED TWENTY-FIVE THOUSAND DOLLARS AND NO CENTS (\$1,925,000.00) that Defendants shall pay into the Settlement Fund Account pursuant to the terms of this Settlement Agreement. Of that amount, the Parties agree that THREE HUNDRED EIGHTY-FIVE THOUSAND DOLLARS AND NO CENTS (\$385,000.00) shall be set aside for Administrative Expenses as a benefit to the Class, or if funds remain to otherwise benefit the Class, shall be paid into an account as directed by the Court through the Claims Administrator.

CC. “Settlement Fund Deposit Holder” means a federally-insured financial institution proposed by Plaintiffs’ Counsel and acceptable to Defense Counsel, The Parties agree to recommend that the Court approve Gulf Coast Bank & Trust Company as the Settlement Fund Deposit Holder.

DD. “Settling Parties” includes all Class Members and Defendants and their related parties.

II.

REQUIRED EVENTS

Promptly after the execution of this Settlement Agreement by all of the undersigned:

A. Class Counsel and Defense Counsel shall notify the Court that Plaintiffs and Defendants have reached a settlement.

B. Class Counsel and Defense Counsel shall take all necessary steps to obtain approval of the Settlement Agreement and having done so, shall take all necessary steps consistent with this Settlement Agreement to obtain judicial approval of the Settlement and the dismissal with prejudice of the Action.

C. Class Counsel shall submit the Settlement Agreement to the Court for Preliminary Approval and shall move this Court to:

1. Preliminarily approve the terms of this Settlement Agreement as sufficiently fair and reasonable to warrant sending notice to the Settlement Class preliminarily certified for settlement purposes;

2. Determine or approve the Notice to be given to the Class Members advising them of the Settlement and of the Fairness Hearing and finding that the Notice Plan: is reasonable and the best practicable notice under the circumstances; is reasonably calculated to apprise Class Members of the pendency of the Action and of their right to object to the Proposed Settlement; constitutes due, adequate, and sufficient notice to all persons entitled to receive notice; and meets the requirements of Louisiana law and requirements of due process under the Louisiana and United States Constitutions;

3. Require that any Class Member who does not submit a timely, written request for exclusion in accordance Notice will be bound by all proceedings, orders, and

judgments in the Action; and

4. Require that each Class Member who has objections to the proposed settlement file an objection with the Court in accordance with section VII., *infra*;

5. Approve the Claims Administrator and Court Appointed Disbursing Agent;

6. Direct the Claims Administrator to:

a. devise a plan for establishing appropriate reserves to be deducted from the settlement funds in order to establish the amount available from the settlement funds for distribution to Class Members;

b. establish appropriate criteria for evaluation of claims of Class Members;

c. review and evaluate claims of Class Members;

d. establish proposed allocations for each Class Member in accordance with these criteria and evaluations;

e. prepare the Allocation Plan for distribution of the proposed allocations;

f. submit to the Court a report(s) on the above, along with recommendations for the Court's consideration in proceeding with the allocation and distribution process following the Effective Date;

g. engage such staff, deputies, and experts as reasonably necessary and conduct such hearings as may be necessary and appropriate to carry out this assignment, the Class Member disbursement, the distribution of class counsel fees, and other responsibilities

necessitated to effectuate this Settlement; and

h. perform such other acts and functions as may be necessary or appropriate to fulfill the duties and responsibilities as set forth herein, assist the Court in further settlement negotiations, or as the Court may direct.

7. Direct the Court Appointed Disbursing Agent to:

a. be responsible for maintaining records pertaining to receipts and disbursements; maintaining an accounting of all claims, fees, costs, and expenses and the computerized generation and preparation of all data regarding evaluation of claims; maintaining an accounting of the eventual disbursement of the Settlement funds; and the administration of the Settlement Fund account, with the Settlement Fund Deposit Holder, subject in all respects to the further orders and direction of the Court;

b. apply for a taxpayer identification number to establish a Qualified Settlement Fund as defined by 26 U.S. Code § 468B and the regulations promulgated thereunder for the Class Action Settlement;

c. to establish a bank account (or accounts) with Settlement Fund Deposit Holder, said account(s) operated to meet requirements of a qualified settlement fund, to the extent permitted by applicable law, be treated for tax purposes as a qualified settlement fund as defined by 26 U.S. Code § 468B and the regulations promulgated thereunder. Except as otherwise provided in the Settlement Agreement, the Settlement Fund account shall be maintained and managed with interest under the supervision and orders of the Court.

8. Schedule a Fairness Hearing to review objections to this Settlement and to consider the fairness, reasonableness, and adequacy of this Settlement and the application for an

award of attorneys' fees and reimbursement of litigation costs and expenses, and to consider whether the Court should issue a Final Judgment approving this Settlement Agreement.

D. Class Counsel and Defense Counsel will cooperate to undertake all reasonable actions in order to accomplish the above. In the event that the Court fails to grant Preliminary Approval or fails to issue a Final Judgment, Class Counsel and Defense Counsel agree to use all reasonable efforts, consistent with the Settlement Agreement to cure any defect identified by the Court.

III.

SETTLEMENT TERMS

A. Retention of Jurisdiction.

Following the Effective Date, the Court shall retain jurisdiction over the Parties to this Settlement Agreement solely for purposes of addressing settlement administration matters and the enforcement of the terms of the Settlement Agreement.

B. Settlement Consideration.

1. In consideration for the release and discharge provided herein, Defendants shall pay the Settlement Amount into the Settlement Fund Account.

2. The Settlement Amount shall be paid as follows:

a. Thirty (30) days after entry of the Court's Preliminary Approval Order of the settlement, the entire settlement amount shall be deposited into the Settlement Fund Account. All funds held by the Settlement Fund Deposit Holder shall be deemed to be in the custody of the Court until such time as the funds shall be distributed to Class Members or otherwise disbursed pursuant to this Settlement Agreement and/or further order of the Court.

b. The Class will be responsible for the costs as well as expenses associated with the settlement, administration, settlement approval, class action settlement and/or notice related expenditures, the Claims Administrator, and the Court Appointed Disbursing Agent.

3. The Parties agree that, at such time as the Effective Date has occurred, the Claims Administrator may proceed to allocate and distribute the Class Settlement Fund to the members of the Payor Sub-Class according to the terms of this Settlement Agreement.

4. The members of "Sub-Class 1" or "Attempt to Recover Sub-Class" shall not be charged for the Medical Services provided by Defendants over the course of the Class Period. Defendants agree that they will take no further action to collect amounts billed to members of the Attempt To Recover Sub-Class for medical services provided during the the Class Period. If a member of the Attempt To Recover Sub-Class believes that Defendants have caused a negative credit reference to be placed in such member's file at a national credit reporting agency on account of such member's failure to timely pay Defendants for amounts billed for medical services provided during the the Class Period, such member shall provide Defendants with a description of the negative credit reference and the name and address of the credit reporting agency in whose records the negative credit reference is alleged to appear. Such information shall be provided within the time limits set by the Court for the filing of claims by members of the Payor Sub-Class. Where such information is timely provided, Defendants shall use their bests efforts to cause such negative credit reference to be removed from such member's credit report. Members of the Attempt To Recover Sub-Class will receive the benefits set forth above without the necessity of filing a formal claim, except that a member of the Attempt To

Recover Sub-Class must timely provide the information set forth above if such member wishes to have a negative credit reference removed from his or her credit file.

5. In the event the Settlement Agreement does not receive Final Approval from the Court, or does not become Final for some other reason, all of the funds in the Settlement Fund Account not previously spent or otherwise depleted through invoices for services or expenses incurred in connection with the administration of the Settlement, shall be returned to Defendants including interest earned thereon.

C. Settlement Fund Investments and Taxes,

1. The Gross Settlement Fund shall be used to pay (a) the Notice expenses; (b) administrative expenses referred to in Section V(J) hereof; (c) the attorney's fee and expense award; (d) any Named Plaintiffs' incentive award; (e) the expenses for the Claims Administrator and Court Appointed Disbursing Agent; and (f) Settlement Fund Account Fees. The balance of the Gross Settlement Fund (inclusive of interest earned) after payment described in clauses (a)-(f) of this paragraph and after the payment of any Taxes (as defined herein) shall be the Net Settlement Fund. No distributions shall be made from the Net Settlement Fund except in compliance with this Settlement Agreement and approved by the Court.

2. The Parties agree that the Gross Settlement Fund shall be treated as a Qualified Settlement Fund from the earliest date possible, and agree to any relation-back election required to treat the Gross Settlement Fund as a Qualified Settlement Fund from the earliest date possible.

3. All Taxes owed by the Fund shall be paid out of the Gross Settlement Fund, shall be considered to be a cost of administration of the Settlement, and shall be timely

paid by the Court Appointed Disbursing Agent without prior Order of the Court. The Court Appointed Disbursing Agent shall, to the extent required by law, be obligated to withhold from any distributions to Class Members and funds necessary to pay Taxes including the establishment of adequate reserves for Taxes owed by the fund as well as any amount that may be required to be withheld under 26 U.S. Code § 468B or otherwise under applicable law in respect of such distributions.

4. Released Parties and their respective counsel have made no representation or warranty with respect to the tax treatment by any Named Plaintiffs or Class Member or any payment of transfer made pursuant to this Settlement Agreement or derived from or made pursuant to the Settlement Fund.

5. Each Class Member shall be solely responsible for the federal, state, and local tax consequences to him, her, or it of payment from Net Settlement Fund. No Related Party shall have any liability to any Class Member or other person if a taxing authority determines that taxes are owed on such payment to such Class Member.

6. Released Parties and their respective counsel shall not have any responsibility for or liability whatsoever with respect to: (i) any act, omission, or determination of Class Counsel, the Settlement Fund Deposit Holder or the Claims Administrator, the Court Appointed Disbursing Agent or any of their respective designees or Deposit Holders, in connection with the administration of the Settlement or otherwise, (ii) the management, investment or distribution of the Gross Settlement Fund; (iii) the Plan of Allocation; (iv) the determination, administration, calculation, or payment of any claims asserted against the Gross Settlement Fund; (v) any losses suffered by, or fluctuations in the value of, the Gross Settlement

Fund; or (vi) the payment of withholding of any Taxes, expenses and/or costs incurred in connection with the taxation of the Gross Settlement Fund or the filing of any returns.

IV.

PLAN OF ALLOCATION

A. Within thirty (30) days of Preliminary Approval Order being signed, the Claims Administrator shall:

1. devise a plan for establishing appropriate reserves to be deducted from the settlement funds in order to establish the amount available from the settlement funds for distribution to Class Members;

2. establish appropriate criteria for evaluation of claims of Class Members;

3. establish proposed allocations for each Class Member in accordance with these criteria and evaluations;

4. prepare the Allocation Plan for distribution of the proposed allocations;

5. submit to the Court a report of the above, along with recommendations for the Court's consideration in proceeding with the allocation and distribution process following the Effective Date.

B. Defendants will have no involvement in the formulation of the Plan of Allocation.

C. All Claims Administrator Expenses will be paid out of the Gross Settlement Fund.

V.

NOTIFICATION TO CLASS MEMBERS

A. Class Counsel proposes Bernard Charbonnet Jr. to be the Claims Administrator. The Claims Administrator shall be responsible for disseminating the Notice to the Class.

Defendants will have no involvement in the selection of the Claims Administrator.

B. The mailing or publication of the Notice shall not occur until the Court enters the Preliminary Approval Order.

C. Unless otherwise agreed by the Parties, within ten (10) days after the Preliminary Approval Order is entered, Defendants shall provide the Claims Administrator with the name, last known address, social security number, and amounts charged to and collected from each Class Member in a searchable database or other format agreed to by the parties. The Defendants shall provide the Claims Administrator with separate such lists for the Payor Sub-Class membership and the Attempt to Recover Sub-Class membership.

D. The Claims Administrator (and any person retained by the Claims Administrator) shall sign a confidentiality agreement form agreed to by Class Counsel and Defense Counsel, which shall provide that the names, addresses, and other information about specific Class Members provided either by Defendants, Class Counsel or by individual Class Members shall all be treated as confidential and shall be used by the Claims Administrator only as required by this Settlement Agreement.

E. Within fifteen (15) days after receipt of the name, last known address, and social security number of each Class Member, the Claims Administrator shall be responsible for, without limitation: (1) arranging for and disseminating the Notice to the Class Members; and (2) the creation of an Internet site dedicated to informing Class Members about the status and terms of the Settlement Agreement.

F. The Notice will be approved as to form and content by the Court and be substantially in the form attached as Exhibits C(1) and C(2), unless otherwise modified by

agreement of the Parties and approved by the Court. The Claims Administrator will review Defendants' address data, check it for valid addresses, eliminate duplications, and use all reasonable and practicable methods to notify all Class Members.

G. If any Notices mailed to any Payor Sub-Class Member is returned as undeliverable, the Claims Administrator will promptly log each Notice that is returned as undeliverable and shall promptly provide copies of the log to Class Counsel. If the mailing is returned to the Claims Administrator with a forwarding address, the Claims Administrator will forward the mailing to that address. Upon request, the Claims Administrator shall provide Class Counsel such reasonable access to the notice process as they may need to monitor compliance with the Notice Plan.

H. The Claims Administrator shall also provide a copy of the Notice to anyone who requests the Notice.

I. The Claims Administrator shall provide affidavits to the Court, with a copy of Class Counsel and Defense Counsel, attesting to the measures undertaken to provide notice to Class Members prior to the Fairness Hearing.

J. All Notice and Claims Administration Expenses will be paid out of the Gross Settlement Fund.

VI.

CLAIMS ADMINISTRATION

A. Pursuant to the Plan of Allocation, the Claims Administrator will initiate making settlement payments to Class Members eligible to receive such payments within thirty (30) days after the Effective Date. The endorsement block on the settlement payment checks will require

positive identification by the addressee in order to cash or otherwise negotiate the checks.

B. If the Class Member cannot be located and verified or if a settlement check is not negotiated within one hundred eighty (180) days of its issuance, the funds owed to that Class Member shall be considered "available funds." All settlement checks will expire and be of no value upon the expiration of one hundred eighty (180) days from issuance.

C. In the event a class member objects to the amount of his or her Settlement Payment, the Claims Administrator, and counsel for the Parties shall be so notified, A class member need not object to the Settlement Agreement in order to object to the amount of his or her Settlement Payment, provided that he or she submits a written objection to the amount of his or her Settlement Payment, explaining the basis for the objection and providing any documentation supporting his or her objection that is post-marked within thirty (30) days of the date of his or her settlement check. Unless a Class Member postmarks an objection to his or her Settlement Payment within thirty (30) days of the date of the settlement check, any objection he or she may have shall be waived and all Settlement Payments will be final.

D. If the disputed claim cannot be resolved within sixty (60) days, the dispute shall be submitted to the Court whose decision shall be binding on the parties and not subject to appeal or other review process.

E. A Class Member who cashes or otherwise negotiates any settlement payment received under the Settlement Agreement is deemed to have waived his or her rights to pursue further relief against Defendants based on any of the Released Claims.

F. No person shall have any claim against Defendants, and/or its respective Counsel, the Named Plaintiffs, the Class, Class Counsel, the Claims Administrator, the CADA, or any

employees, representatives, agents, and independent contractors of the law firms or parties who may furnish services in connection with the Settlement Agreement for anything done or omitted in connection with the Settlement Agreement and/or Claims Administration Process under it except for their own willful misconduct. This provision does not affect or limit in any way the right of review by the Claims Administrator of any disputed payments, to the extent provided above. Neither Defendants, nor Plaintiffs nor any of the Parties' counsel shall be liable for any act or omission of the Claims Administrator.

G. If this Settlement Agreement is not approved or for any reason the Effective Date does not occur, no payments or distributions of any kind shall be made pursuant to this Settlement Agreement, except as otherwise provided under this Agreement.

H. All proceedings with respect to administration, processing, and determination of claims described in this Settlement Agreement, including disputed questions of law and fact with respect to the validity of claims, shall be subject to the jurisdiction of the Court.

I. If any sums remain in the Class Settlement Fund Account following the payment of costs and expenses related to the settlement of the Class Action; all costs, fees, and expenses for Class Counsel and Named Plaintiffs' incentive awards; and, valid, timely claims of Class Members, all such sums shall be disposed of in accordance with further orders of the court, including but not limited to the creation of a "cy pres" fund. Under no circumstances will any of the settlement funds revert to the defendants.

VII.

OBJECTIONS BY CLASS MEMBERS

A member of the Class who objects to the approval of the Settlement Agreement and the

Settlement set forth therein and/or to entry of Final Order and Judgment with respect thereto, and who timely and properly files the appropriate documentation of such objection as outlined in the Class Notice, and as described below, may appear at the fairness hearing and show cause why the Settlement Agreement and the Settlement set forth therein should not be approved as fair, reasonable, and adequate. Objections to the Settlement shall be heard and considered by the Court only if the objector properly files and provides, on or before a date to be fixed by the Court, a concise written statement describing the specific reason(s) for his, her or its objections, which must include: (i) the name, address, and telephone number of the objector and, if applicable, the name, address, and telephone number of the attorney representing such objector, (ii) a statement that the objector is a member of the Class, (iii) the objection, including any supporting materials, evidence, papers, or briefs that the objector wishes the Court to consider, and (iv) the name, address and phone number of any witnesses to be presented at the fairness hearing, together with a statement as to the matters on which they will testify and a summary of the proposed testimony. The objection and all supporting documents must be filed in the Court record with the Clerk of Court for Orleans Parish Civil District Court by the deadline outlined in the Court's Preliminary Approval Order and in the Class Notice, and a copy of the objection and all supporting documents must also be mailed, postage prepaid and properly addressed to the Court's chambers and the Claims Administrator as listed in the class notice, and postmarked by that same deadline, the burden of proof of the actual delivery of the objection to same shall rest on the objector. Any person filing an objection or his, her or its attorney, hired at the objector's own expense, may appear and speak at the fairness hearing if a notice of intent to appear is also included with his, her or its objection. Except for good cause shown, no person or

entity shall be heard and no paper or brief submitted by any objector shall be received or considered by the Court unless such person or entity has filed and mailed to the addresses, as provided below, the concise written statement of objections, together with copies of any supporting materials, papers, or briefs. Except for good cause shown, if a witness is not identified in the concise written statement of objections, such witness shall not be permitted to object or appear at the fairness hearing. Except for good cause shown, any Class Member who does not file a written objection within the time and in the manner described above shall be (i) deemed to have waived and forfeited any objections to the Settlement Agreement and the Settlement set forth therein, (ii) forever foreclosed from raising any objection to the Settlement Agreement and the Settlement set forth therein and to any final judgments that may be entered with respect thereto, and (iii) bound by all of the terms of the Settlement Agreement and the Settlement set forth therein and by all proceedings, orders, and judgments by the Court with respect thereto (whether favorable or not).

Objections must be served by mail to:

Court's chambers at:

Honorable Ethel S. Julien
Division "N" - Section 8
421 Loyola Avenue, Room 312
New Orleans, LA 70112
Phone: (504)407-0330
Fax: (504) 304-1694
Email: julien@orleanscdc.com

Claims Administrator at:

Bernard L. Charbonnet, Jr.
Law Office of Bernard L. Charbonnet, Jr.
365 Canal Street,
Suite 1100

New Orleans, LA 70130

VIII.

RELEASES, DISMISSAL OF ACTION, AND JURISDICTION OF COURT

A. It is hereby agreed that upon the Effective Date, Class Members and their heirs, executors, estates, predecessors, successors, assigns, agents and representatives shall be deemed to have jointly and severally released and forever discharged the Released Parties from any and all Released Claims including unknown and unknown Claims, and shall be fully and forever barred and enjoined from instituting or prosecuting in any court or tribunal, either directly or indirectly, individually or representatively, any and all Released Claims against any of the Released Parties.

B. Notwithstanding the above, the Court shall retain jurisdiction over the Parties to the Settlement Agreement with respect to the future performance of the terms of the Settlement Agreement. In the event that any applications for relief are made, such applications will be made to the Court.

C. Upon the Effective Date (i) The Settlement Agreement shall be the exclusive remedy for any and all of the released Claims of Class Members; and (ii) the Released Parties shall not be subject to liability or expense of any kind to any Class Members, who shall be permanently barred and enjoined from initiating, asserting, or prosecuting against the Released Parties in any federal or state court or tribunal with regard to any and all Released Claims.

IX.

DISAPPROVAL OR TERMINATION OF SETTLEMENT AGREEMENT

If the proposed Settlement Agreement shall fail for any reason other than a breach by one

of the parties:

1. This Settlement Agreement and the Proposed Settlement shall have no further force or effect, and all proceedings that have taken place with regard to this Settlement Agreement and the Proposed Settlement shall be without prejudice to the rights and contentions of the Parties and any of the putative Class Members;

2. This Settlement Agreement, all of its provisions (including, without limitation, any provisions regarding class certification) and all negotiations, statements, and proceedings relating to them shall be without prejudice to the rights of any of the Parties each of whom shall be restored to their respective positions existing immediately before settlement negotiations and the execution of this Settlement Agreement;

3. This Settlement Agreement, any provision of this Settlement Agreement (including without limitation the provisions regarding class certification), and the fact of this Settlement Agreement having been made, shall not be admissible or entered into evidence for any purpose whatsoever;

4. In the event that the current settlement shall fail in its entirety, any judgment or order entered after the date of this Settlement Agreement will be vacated and will be without any force or effect; and,

5. The Parties agree that they will not thereafter argue or raise a claim or defense, including, but not limited to, waiver, estoppel and other similar or related theories, that the Settlement Agreement and related pleadings and filings, any provision of this Settlement Agreement (including without limitation the provisions regarding class certification) the fact of this Settlement agreement having been made, and any settlement negotiations preclude

Defendants from opposing certification or the claims in the Action or any other proceeding.

X.

SETTLEMENT NOT EVIDENCE AGAINST PARTIES

A. In the event the Settlement Agreement is terminated according to its terms, (i) all negotiations, proceedings, documents prepared and statements made in connection herewith shall be without prejudice to the Parties, shall not be deemed or construed to be an admission by any Party of any act, matter or proposition and shall not be used in any manner or for any purpose in any subsequent proceeding in the Litigation or in any other action or proceeding; (ii) other than as expressly preserved by this Agreement in the event of its termination, this Agreement shall have no further force and effect with respect to any Party and shall not be used in the Litigation or any other proceeding for any purpose; and (iii) any Party may elect to move the Court pursuant to the provisions of this paragraph, and none of the nonmoving Parties (or their counsel) shall oppose any such motion.

B. Defendants and the related parties deny any and all charges alleged in the Action and deny all wrongdoing whatsoever. Whether or not the Settlement Agreement is finally approved, neither the Settlement Agreement, nor any document, statement, proceeding or conduct related to this Settlement Agreement, nor any reports or accounts thereof, shall in any event be disclosed or referred to for any purpose, or offered or received in evidence, in any further proceeding in the Action, or any other civil, criminal or administrative action or proceeding against Defendants or any of the related parties except for purposes of settling this action pursuant to this Settlement Agreement. The limitations set forth in this paragraph do not apply to use and/or disclosure by Defendants or any of the related parties against members of the

Classes or third parties for purposes of supporting a defense or counterclaim of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction or any other theory or claim of issue preclusion or similar defense or counterclaim.

XI.

ATTORNEYS' FEES AND EXPENSES

A. Class Counsel's entitlement to an award of attorney's fees, costs, and expenses will be determined by the Court. Class counsel will file a motion with the Court requesting a fee equal to but not more than forty (40) percent of the total benefit obtained for the benefit of the Class inclusive of the Gross Settlement Amount plus the total amount of relief in the form of amounts forgiven by Defendants for those members of the "Attempt to Recover Sub-Class," plus costs and expenses.

B. Defendants agree not to object to the attorneys' fees and cost payments described in paragraphs XI(A) if the Court awards those amounts to Class Counsel. Defendants also agree not to object to Class counsel's motion to seek incentive awards in the amount of \$2500.00 each to be awarded to the two Named Plaintiffs.

C. Defendants shall have no liability or other responsibility for the allocation of such attorneys' fees among and between Class Counsel or [and] any other counsel for Plaintiffs. In the event that any dispute arises relating to the allocation of such fees, then each and all Class Counsel and Named Plaintiffs agree, by their signatures below, to hold Defendants harmless from any and all liabilities, costs, and expenses.

XII.

REPRESENTATIONS, WARRANTIES, AND COVENANTS

A. Class Counsel who are signatories hereof represent and warrant that they have the authority, on behalf of the Class, to deliver and perform this Settlement Agreement and to consummate the transactions contemplated hereby, Class Counsel further warrant and represent that they have authority to seek the dismissal with prejudice of each of the Related Actions, as contemplated above. This Settlement Agreement has been duly and validly executed and delivered by Class Counsel and Plaintiffs and constitutes their legal valid and binding obligation.

B. Defendants represent and warrant that they have authority to execute, deliver, and perform this Settlement Agreement and to consummate the transactions contemplated hereby. The execution, delivery, and performance by Defendants of this Settlement Agreement and the consummation by it of the actions contemplated hereby have been duly authorized by all necessary corporate action on the part of Defendants. This Settlement Agreement has been duly and validly executed and delivered by Defendants and constitutes their legal, valid and binding obligations.

XIII.

THE PARTIES' RIGHTS TO APPEAL

A. The parties waive any and all right to appeal the final judgment if approved by the Court as written herein. This agreement not to appeal does not negate an objector's right to an appeal if they so desire.

B. Therefore if no objectors are in a position to file an appeal after the Fairness Hearing, the judgment shall be deemed "Final" immediately upon signing of the Final Judgment. If any objectors are in a position to appeal, the judgment shall be deemed final at the running of any applicable suspensive appeal deadlines.

XIV.

CONFIDENTIAL DISCOVERY MATERIALS

A. Within thirty (30) days after final conclusion of all aspects of this litigation, Confidential Information (as defined in the Stipulated Protective Order previously entered into by the Parties) and all copies of same (other than exhibits of record), including copies provided to non-parties, experts or consultants by counsel, shall be permanently and completely deleted or erased so that the Confidential Information no longer is readily retrievable.

XV.

MISCELLANEOUS PROVISIONS

A. Neither this Settlement Agreement, approved or not approved, nor any exhibit, document or instrument delivered hereunder, nor any statement, transaction or proceeding in connection with the negotiation, execution or implementation of this Settlement Agreement is intended to be or shall be construed as or deemed to be evidence of any admission or concession by Defendants of any liability or wrongdoing or of the truth of any allegations in any complaint, and none of them shall be admissible in evidence for any such purpose in this or any other proceeding.

B. To the extent permitted by law, this Settlement Agreement may be pleaded as a full and complete defense to, and may be used as the basis for an injunction against, any action, suit or other proceeding which may be instituted, prosecuted or attempted in breach of this Settlement Agreement.

C. This Settlement Agreement, including all appendices and exhibits attached hereto, may not be modified or amended except in writing signed by all Parties and approved by the

Court. Amendments and modifications to this Settlement Agreement may be made with consent of all Parties without further notice to the Class Members unless otherwise ordered by the Court.

D. This Settlement Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. The Settlement Agreement shall be deemed to have been executed upon the last date of execution by all the undersigned Parties and/or counsel.

E. This Agreement shall be governed by and construed in accordance with the substantive laws of the State of Louisiana, without giving effect to any of its conflict of laws provisions.

F. Any dispute as to the interpretation, construction, or operation of this Settlement Agreement will be submitted to the Claims Administrator for resolution, and his decision on these matters will be binding, final, and not subject to appeal or other review process.

G. Except as specifically provided in this Settlement Agreement, each Party shall bear its own costs and attorneys' fees including taxable court costs.

H. Integrated Agreement.

1. All of the Exhibits of this Settlement Agreement are material and integral parts hereof, and are fully incorporated herein by reference.

2. This Settlement Agreement and the Exhibits hereto constitute the entire fully integrated agreement among the Settling Parties and cancel and supersede all prior written and unwritten agreements and understandings pertaining to the Settlement of the Action. The Parties each covenant and warrant that they have not relied upon any promise, representation or undertaking not set forth in writing herein to enter into this Settlement Agreement.

I. If any provision, paragraph, section, article, or other portion of this Settlement Agreement is found to be void, all of the remaining portions of this Settlement Agreement shall remain in effect and be binding upon mutual agreement of the Parties.

J. The Parties reserve the right, subject to the Court's approval, to make any reasonable extensions of that time that might be necessary to carry out any of the provisions of this Settlement Agreement.

K. Any notice request or instruction or other document to be given by any Party to this Settlement Agreement (other than class notification) shall be in writing and delivered personally or sent by registered or certified mail, postage prepaid:

To Defendants through their representative:

JOSHUA K. TRAHAN, Bar No. 30766
PREIS PLC
102 Versailles Boulevard, Suite 400
Post Office Drawer 94-C
Lafayette, Louisiana 70509
Telephone: (337) 237-6062
Facsimile: (337) 237-9129
Email: jtrahan@preisplc.com

To the Class, through their representatives:

SIDNEY D. TORRES, III, Bar No. 12869
ROBERTA L. BURNS, Bar No. 14945
BEAU F. CAMEL, Bar No. 30231
Law Offices of Sidney D. Torres, III, APLC
8301 W. Judge Perez Dr., Suite 303
Chalmette, LA 70043
Ph: (504) 271-8422
Fax: (504) 271-1961
Email: storres@torres-law.com
Email: rburns@torres-law.com
Email: bcamel@torres-law.com
CO-COUNSEL FOR CHARLES BROWN AND JOHN D. WOZNIAK,

INDIVIDUALLY AND ON BEHALF OF, A CLASS OF PERSONS SIMILARLY
SITUATED (PLAINTIFFS)

TIMOTHY R. RICHARDSON, Bar No. 27625

Richardson Law Group

422 E. Lockwood Street, 2nd Floor

Covington, LA 70433

Ph: (985) 898-0483

Email: tim@rlgroup-law.com

CO-COUNSEL FOR CHARLES BROWN AND JOHN D. WOZNIAK,
INDIVIDUALLY AND ON BEHALF OF, A CLASS OF PERSONS SIMILARLY
SITUATED (PLAINTIFFS)

L. The determination of the terms of and the drafting of this Settlement Agreement, including its exhibits, has been by mutual agreement after negotiation, with consideration by and participation of all Parties and their counsel. Because this Agreement was drafted with the participation of all Parties and their counsel, the presumption that ambiguities shall be construed against the drafter does not apply. Each of the parties was represented by competent and effective counsel throughout the course of settlement negotiations and in the drafting and execution of this agreement, and there was no disparity in bargaining power among the Parties to this Agreement.

M. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of this action and have arrived at this Settlement Agreement in arm's-length negotiations, taking into account all relevant factors, present and potential.

N. If Class Counsel and/or Named Plaintiffs receive media requests about any settlement communications, negotiations, or discussions, Class Counsel and/or Named Plaintiffs shall either refer such media inquiries to the public record of the Action or respond through a press release mutually agreed upon by the Parties.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, the Parties' respective counsel, on behalf of their clients, has executed this Settlement Agreement as of the dates(s) indicated on the lines below:

PREIS PLC

JOSHUA K. TRAHAN, Bar No. 30766
PREIS PLC
102 Versailles Boulevard, Suite 400
Post Office Drawer 94-C
Lafayette, Louisiana 70509
Telephone: (337) 237-6062
Facsimile: (337) 237-9129
Email: jtrahan@preisplc.com

COUNSEL FOR DEFENDANTS, VAN METER
EMERGENCY PHYSICIANS, A PROFESSIONAL
MEDICAL CORPORATION, HOSPITAL MEDICAL
ASSOCIATES, LLC, ACS PRIMARY CARE
PHYSICIANS-LOUISIANA, APC, AND HCFS
HEALTH CARE AND FINANCIAL SERVICES, INC.

Date: _____

SIDNEY D. TORRES, III, Bar No. 12869
ROBERTA L. BURNS, Bar No. 14945
BEAU F. CAMEL, Bar No. 30231
Law Offices of Sidney D. Torres, III, APLC
8301 W. Judge Perez Dr., Suite 303
Chalmette, LA 70043
Ph: (504) 271-8422
Fax: (504) 271-1961
Email: storres@torres-law.com
Email: rburns@torres-law.com
Email: bcamel@torres-law.com

CO-COUNSEL FOR CHARLES BROWN AND JOHN D. WOZNIAK, INDIVIDUALLY

AND ON BEHALF OF, A CLASS OF PERSONS SIMILARLY SITUATED (PLAINTIFFS)

Date: _____

TIMOTHY R. RICHARDSON, Bar No. 27625

Richardson Law Group

422 E. Lockwood Street, 2nd Floor

Covington, LA 70433

Ph: (985) 898-0483

Email: tim@rlgroup-law.com

CO-COUNSEL FOR CHARLES BROWN AND JOHN D. WOZNIAK, INDIVIDUALLY
AND ON BEHALF OF, A CLASS OF PERSONS SIMILARLY SITUATED (PLAINTIFFS)

Date: _____

LIST OF EXHIBITS

Exhibit A	Joint Motion for Preliminary Approval of Proposed Settlement
Exhibit B	Notice Plan
Exhibit C	(1) Detailed Class Settlement Notice (to be mailed to Class Members) (2) Summary Class Settlement Notice (for newspaper publication) (3) Detailed Proof of Claim (form to be used for filing Detailed Claim) (4) Simple Proof of Claim (form to be used for filing Simplified Claim)
Exhibit D	Order of Preliminary Approval
Exhibit E	Final Order and Judgment