

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF ALASKA

SOUTH PENINSULA HOSPITAL v. XEROX STATE HEALTHCARE, LLC (N/K/A CONDUENT STATE HEALTHCARE, LLC), No. 3:15-CV-00177-JMK (D. ALASKA)

A federal court authorized this notice. This is not a solicitation from a lawyer.

If You Were an Alaska Medicaid Authorized Billing Provider During The Period From October 1, 2013 To December 31, 2016, Your Rights May Be Affected by a Class Action Settlement

- You may be eligible for a cash payment if you were an Alaska Medicaid authorized billing provider that submitted a Medicaid claim via or to be processed by the State of Alaska's Medicaid Management Information System ("Health Enterprise") during the period from October 1, 2013 through and including December 31, 2016. For the avoidance of doubt, this includes claims for Medicaid reimbursable services arising on or before December 31, 2016, even if such claims for payment were submitted for payment via or to be processed by Health Enterprise after December 31, 2016.
- This lawsuit is brought by Plaintiff South Peninsula Hospital alleging that Xerox State Healthcare, LLC, n/k/a Conduent State Healthcare, LLC ("Conduent") failed to properly design, develop, and implement Health Enterprise for rollout on October 1, 2013 (the Health Enterprise "Go-Live" date), and made misrepresentations to the State of Alaska about Health Enterprise's operational readiness in violation of the Alaska Unfair Trade Practices and Consumer Protection Act, A.S. § 45.50.471.
- The lawsuit alleges that because of this conduct, Alaska Medicaid authorized billing providers suffered economic harm. Conduent denies these claims but has agreed to the Settlement.
- Settlement Class Members may submit claims for cash payments. If you are a Settlement Class Member and submit a valid and timely claim, you will recover a minimum of \$300 but may recover more based on the plan of allocation described in detail below.
- You can make a claim online at the Settlement Website, www.HealthProviderSettlement.com, or you can submit your claim by email to info@HealthProviderSettlement.com or by U.S. mail to Health Provider Class Action, c/o Settlement Administrator, 1650 Arch Street, Suite 2210, Philadelphia, PA 19103. **The deadline to submit a Claim for a cash payment is February 10, 2021.**
- The Settlement has been preliminarily approved by the Court. This Notice provides information about the Settlement and your options as a Settlement Class Member. Please read this Notice carefully because it affects your legal rights. A federal court authorized the sending of this Notice to you. This is not a solicitation.

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SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS		DEADLINE
SUBMIT A CLAIM	The only way for you to get a payment from the Settlement for economic harm related to untimely reimbursed Medicaid claims that were submitted via or to be processed by Health Enterprise during the period from October 1, 2013 through and including December 31, 2016 (or after December 31, 2016, for claims that arose on or before December 31, 2016).	February 10, 2021
EXCLUDE YOURSELF	Get no payment. This option allows you to retain any rights you otherwise may have related to this case. If you opt out, you will not be bound by the terms of the Settlement, but you will also not be entitled to submit a claim for benefits from the Settlement.	January 26, 2021
COMMENT ON OR OBJECT TO THE SETTLEMENT AND/OR ATTEND A HEARING	You can write to the Court about why you like or do not like the Settlement, and you may also choose to attend with or without your own attorney the Final Approval Hearing on February 24, 2021 , at which time the Court will decide whether to grant final approval of the Settlement.	January 26, 2021
DO NOTHING	Get no payment. Give up rights.	No Deadline

- **Please note that payments will be made only if the Court grants final approval and the Settlement becomes effective.** The date and time of the Final Approval Hearing is subject to modification by the Court, so check www.HealthProviderSettlement.com for updates.

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BASIC INFORMATION

1. Why did I get this Notice of Proposed Class Action Settlement?

You received this Notice because you are likely a “Settlement Class Member” meaning that you were an Alaska Medicaid authorized billing provider who: submitted a valid Medicaid claim via or to be processed by Health Enterprise during the period from October 1, 2013 through and including December 31, 2016. For the avoidance of doubt, this includes claims for Medicaid reimbursable services arising on or before December 31, 2016, even if such claims for payment were submitted for payment via or to be processed by Health Enterprise after December 31, 2016.

You may be eligible to receive a cash payment if you submit a Claim Form to the Settlement Administrator in the manner described below.

The United States District Court for the District of Alaska, the federal court overseeing the Litigation, authorized this Notice to inform you about the Settlement and your options before it decides whether to grant final approval of the Settlement. Further information about the Settlement can be found at www.HealthProviderSettlement.com.

The Plaintiff in this lawsuit is South Peninsula Hospital. The company it sued, Xerox State Healthcare, LLC, n/k/a Conduent State Healthcare, LLC, is the Defendant.

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2. What is this lawsuit about?

Plaintiff South Peninsula Hospital alleges that Alaska Medicaid authorized billing providers suffered economic harm due to the late reimbursement of Medicaid reimbursable services and costs spent in following up on those late reimbursements, because of the conduct of Conduent in designing, developing, and implementing Health Enterprise as a Medicaid claims processing system on the Go-Live date, and because of Conduent making misrepresentations to the State of Alaska about Health Enterprise's readiness to operate properly, in violation of the Alaska Unfair Trade Practice and Consumer Protection Act, Alaska Stat. § 45.50.471. Conduent vigorously denies Plaintiff's claims in their entirety. Both parties have agreed to this Settlement and the terms of the Settlement are summarized in this Notice. You can read the Settlement Agreement in full at www.HealthProviderSettlement.com.

3. What is a class action?

In a class action, the Plaintiff acts as the "class representative" and files a lawsuit individually and on behalf of other people who have similar claims. This group of people is called the "class" and the people in the class are the "class members." One court resolves the contested issues in the lawsuit for all class members, except for people who exclude themselves from the class. In this case, the presiding judge is the Honorable Judge Joshua M. Kindred of the United States District Court for the District of Alaska (the federal court in Anchorage, Alaska).

4. Why is there a Settlement?

The Court did not decide in favor of Plaintiff South Peninsula Hospital or Conduent. Over nearly five years, the Parties took significant discovery, retained experts, engaged in motion practice, and participated in mediation overseen by an experienced mediator. The Settlement avoids the costs and risks of continued litigation and a trial and provides certain compensation for Settlement Class Members without the delay and uncertainty of trial. Plaintiff South Peninsula Hospital and its counsel believe the Settlement is in the best interests of the Settlement Class Members.

WHO IS IN THE SETTLEMENT

5. Who is in the Settlement?

You are a Settlement Class Member if you are an Alaska Medicaid authorized billing provider that actually submitted a Medicaid claim via or to be processed by Health Enterprise during the period from October 1, 2013 through and including December 31, 2016. For the avoidance of doubt, this includes claims for Medicaid reimbursable services arising on or before December 31, 2016, even if such claims for payment were submitted for payment via or to be processed by Health Enterprise after December 31, 2016.

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Settlement Class Members are eligible for payment by attesting in the attached Claim Form that they are a Settlement Class Member that suffered economic harm related to untimely Medicaid reimbursements, including loss of the time use of money and/or consequential damages related to time and costs spent to follow up on the late reimbursements.

6. What should I do if I am still not sure whether I am included as a Settlement Class Member?

If you received this Notice by direct mail, then Conduent's records indicate that you are a Settlement Class Member. If you are not sure whether you are included in the Settlement Class, you can ask for free help by emailing the Settlement Administrator at info@HealthProviderSettlement.com or calling the Settlement Administrator at (855) 201-9818 for more information.

THE SETTLEMENT BENEFITS

7. What benefits does the Settlement provide?

Under the Settlement, Conduent agreed to create a Settlement Fund of Six Million and Seven Hundred Fifty Thousand Dollars (**\$6,750,000**) from which to pay, subject to the Court's approval: (a) any attorneys' fees and expenses to Class Counsel; (b) any service award to Plaintiff South Peninsula Hospital as the class representative; and (c) any notice and administration costs. The Settlement Fund after deductions for these items is referred to as the Net Settlement Fund which will be used to make cash payments to Settlement Class Members who submit Claim Forms. To receive a payment, you must submit a Claim Form on or before **February 10, 2021**. To submit a Claim, you must use the Claim Form provided with this Notice. You can also get a Claim Form at www.HealthProviderSettlement.com.

8. Who can get money from the Settlement, and how much?

If you are a Settlement Class Member that attests under oath in a timely and validly submitted Claim Form that you suffered economic harm related to one or more untimely Medicaid reimbursements for claims submitted from October 1, 2013 through and including December 31, 2016 (or after December 31, 2016, for claims that arose on or before December 31, 2016), including loss of the time use of money and consequential damages related to time and costs spent by you to follow up on the untimely reimbursement(s), you will receive cash compensation based on the following formula:

Authorized Claimants shall receive a *pro rata* payment from the Net Settlement Fund in proportion to the total amount of their respective Class Period Reimbursements as compared with the other Authorized Claimants; however, Authorized Claimants shall not receive less than \$300.

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Authorized Claimants are Settlement Class Members who do not request exclusion from the Settlement by timely opting out, and who timely submit a valid Claim Form to the Settlement Administrator, and that are approved by the Settlement Administrator.

Class Period Reimbursements are the total Medicaid billing reimbursements received by a Settlement Class Member for claims submitted via or to be processed by Health Enterprise during the period from October 1, 2013 through December 31, 2016, including claims arising on or before December 31, 2016, if such claims for payment were submitted for payment via or to be processed by Health Enterprise after December 31, 2016.

In short, payments to Authorized Claimants will be made from the Net Settlement Fund *pro rata* (that is, proportionately) based on the total Medicaid billing reimbursements they each received during the relevant time period.

For information on how to submit a claim, please refer to Question 10 below and the Settlement Website, www.HealthProviderSettlement.com.

9. What claims am I releasing if I stay in the Settlement Class?

Unless you exclude yourself from the Settlement (*see* Question 16), you cannot sue, continue to sue, or be part of any other lawsuit against Conduent concerning or relating in any way to Medicaid claims submitted via or to be processed by Health Enterprise for reimbursement by the State of Alaska during the time period from October 1, 2013 through December 31, 2016 (or even after December 31, 2016, for claims that arose on or before December 31, 2016). The “Release of Claims” section in the Settlement Agreement describes the legal claims that you release if you remain in the Settlement Class. Importantly, the Released Claims do not include a release of Conduent related to any Medicaid claims you submitted that were either reduced, denied, or recouped and that were, are or may in the future be subject to appeal by you pursuant to the State of Alaska’s Medicaid administrative appeals process. The Settlement Agreement and the terms of the “Release of Claims” can be found at www.HealthProviderSettlement.com.

HOW TO GET A PAYMENT—MAKING A CLAIM

10. How do I submit a claim and get a cash payment?

To be eligible to receive a cash payment from this Settlement you must complete and submit a valid and timely Claim. There are three (3) ways to do so. Your Claim Form may be submitted:

(a) online at www.HealthProviderSettlement.com by following the instructions on submitting a Claim;

(b) by email to the Settlement Administrator using the email address info@HealthProviderSettlement.com; or

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(c) by U.S. mail to the Settlement Administrator using the address: Health Provider Class Action, c/o Settlement Administrator, 1650 Arch Street, Suite 2210, Philadelphia, PA 19103.

You can contact the Settlement Administrator to request a Claim Form by telephone at (855) 201-9818, email at info@HealthProviderSettlement.com, or U.S. mail at Health Provider Class Action, c/o Settlement Administrator, 1650 Arch Street, Suite 2210, Philadelphia, PA 19103

You are encouraged to complete and submit your Claim as soon as possible if you believe you are entitled to a payment under the Settlement.

11. What is the deadline for submitting a claim?

Claims must be submitted electronically or postmarked no later than **February 10, 2021**.

12. When will I get my payment?

The Court will hold a Final Approval Hearing on February 24, 2021, to decide whether to approve the Settlement. Updates about when payments will be made will be posted at www.HealthProviderSettlement.com.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in the case?

Yes. The Court appointed the attorneys below to represent you and the Settlement Class. These attorneys are called Class Counsel. You will not be charged for their services.

Shanon J. Carson
Peter R. Kahana
Lane L. Vines
Yecheil M. Twersky
Berger Montague PC
1818 Market Street, Suite 3600
Philadelphia, PA 19103
Telephone: (215) 875-3000
Email: HealthProviderSettlement@bm.net

14. Should I get my own lawyer?

You do not need to hire your own lawyer because Class Counsel works for you. If you want your own lawyer, you may hire one but you are responsible for paying that lawyer.

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15. How will the lawyers be paid?

Class Counsel, who have not been paid for their services in this Litigation since it began almost five years ago, will seek the Court's approval of up to one-third of the Settlement Fund (\$2,250,000) in attorneys' fees and up to \$1,100,000 as reimbursement for litigation costs that they have already advanced in pursuing the Litigation, to be paid from the Settlement Fund. The fees will compensate Class Counsel for investigating the facts, prosecuting the Litigation, and negotiating and administering the Settlement. Class Counsel will also ask the Court to approve a service award payment of up to \$25,000 for the Class Representative South Peninsula Hospital to be paid from the Settlement Fund.

When Class Counsel's motion for award of attorneys' fees, expenses and service award is filed with the Court, it will be posted on the Settlement Website at www.HealthProviderSettlement.com.

EXCLUDING YOURSELF FROM THE SETTLEMENT

16. How do I opt out of the Settlement?

If you do not want to receive any benefits from the Settlement, and you want to keep your rights, if any, relating to the legal issues in this case, then you must take steps to exclude yourself from the Settlement Class. This is called "opting out" of the Settlement Class. The deadline for requesting exclusion from the Settlement is **January 26, 2021**. To opt out, you must mail a letter to the Settlement Administrator at Class Action Opt-Out, Health Provider Class Action, P.O. Box 58220, Philadelphia, PA 19102 that includes the following:

- Your printed name, address, telephone number, and email address;
- A statement that "I wish to exclude myself from the Settlement Class in the Health Provider Class Action Settlement" (or substantially similar clear and unambiguous language); and
- Your actual written signature.

If you opt out of the Settlement, you will not have any rights as a Settlement Class Member under the Settlement; you will not receive any payment under the Settlement; you will not be bound by any further orders or judgments in the Litigation; and you will keep the rights, if any, you have with respect to this matter.

COMMENTING ON OR OBJECTING TO THE SETTLEMENT

17. How do I tell the Court if I object to the Settlement (or like the Settlement)?

If you are a Settlement Class Member and do not opt out of the Settlement, you can comment on the Settlement or submit an objection. You cannot ask the Court to order a larger or different settlement; the Court can only approve or deny the Settlement that is before the Court. If the Court

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denies final approval of the Settlement, there will be no payments and the case will continue. If you want to object to the Settlement, you must do so in writing.

To object, you must timely mail a statement to the Settlement Administrator stating that you object to the Settlement in *South Peninsula Hospital v. Xerox State Healthcare, LLC, n/k/a Conduent State Healthcare, LLC*, No. 3:15-cv-00177-JMK (D. Alaska), and your objection must include:

- Your printed name, address, telephone number, and email address;
- Accompanying evidence demonstrating that you are a Settlement Class Member;
- A detailed statement stating the objection(s) and the specific aspect(s) of the Settlement being challenged; the specific reason(s), if any, for each such objection, and including any evidence and legal authority in support of the objection(s);
- Any other supporting papers, materials, or briefs that the Settlement Class Member wishes the Court to consider when reviewing the objection;
- A statement of whether you and/or your lawyer intend to appear at the Final Approval Hearing; and
- Your written signature.

To be valid, you must mail your objection by U.S. Mail and it must be postmarked no later than **January 26, 2021** to Health Provider Class Action, c/o Settlement Administrator, 1650 Arch Street, Suite 2210, Philadelphia, PA 19103.

18. What is the difference between objecting and excluding?

Objecting is telling the Court that you do not like something about the Settlement. You can object to the Settlement only if you do not exclude yourself from the Settlement. Excluding yourself from the Settlement is opting out and telling the Court that you do not want to be part of the Settlement. If you opt out of the Settlement, you cannot object to it because it no longer affects you. You cannot both opt out and object to the Settlement. Any statement or submission purporting or appearing to be both an objection and opt-out shall be treated as a request for exclusion.

THE COURT'S FINAL APPROVAL HEARING

19. When is the Court's Final Approval Hearing?

The Court will hold a Final Approval Hearing at 9:00 a.m. on **February 24, 2021**, at the James M. Fitzgerald U.S. Courthouse and Federal Building at 222 West 7th Avenue, in virtual Courtroom 1, Anchorage, AK 99513. At the Final Approval Hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will also consider Class Counsel's motion for attorneys' fees, expenses, and service award.

Due to COVID-19, the Court may hold the Final Approval Hearing telephonically or via videoconference. Also, the Court may reschedule the Final Approval Hearing or change any of the deadlines described in this Notice. Be sure to check the Settlement Website, www.HealthProviderSettlement.com, for any changes. You can also access the case docket via the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.akd.uscourts.gov>.

20. Do I have to come to the Final Approval Hearing?

No. Class Counsel will answer any questions the Court may have. You may attend at your own expense if you wish. If you send an objection, you do not have to come to the Final Approval Hearing to talk about it. If you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

IF YOU DO NOTHING

21. What happens if I do nothing at all?

If you do nothing, you will receive no money from this Settlement, and you will give up your legal remedies for the conduct alleged in this case.

GETTING MORE INFORMATION

22. Are more details about the Settlement available?

Yes. This Notice summarizes the proposed Settlement Agreement which you can view at www.HealthProviderSettlement.com or by accessing the docket through the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.akd.uscourts.gov>, or, subject to COVID-19 closures, by visiting the office of the Clerk of the Court for the United States District Court for the District of Alaska, James M. Fitzgerald U.S. Courthouse and Federal Building at 222 West 7th Avenue, Room 229, Box/Suite #4, Anchorage, AK 99513 between 8:00 a.m. and 4:30 p.m., Monday through Friday, excluding court holidays.

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

23. How do I get more information?

The Settlement Website, www.HealthProviderSettlement.com, contains all relevant information about the Settlement, as well as all relevant documents such as the Settlement Agreement and Claim Form. You can also call or write to the Settlement Administrator at (855) 201-9818 or

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Health Provider Class Action, c/o Settlement Administrator, 1650 Arch Street, Suite 2210, Philadelphia, PA 19103.

You can also request assistance from Class Counsel using the contact information set forth above.

Dated: November 27, 2020

By Order of the Court

THE HONORABLE JOSHUA M. KINDRED
UNITED STATES DISTRICT JUDGE