

VERSUS

FIRST JUDICIAL DISTRICT COURT

WILLIS-KNIGHTON MEDICAL  
CENTER

CADDO PARISH, LOUISIANA

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT**

**You are a member of the certified class in the above captioned lawsuit. YOU ARE NOT BEING SUED.** Your legal rights are affected whether you act, or don't act. Read this notice carefully.

In May of 2007, you should have received notice of the class certification in this case. This litigation concerns treatment of accident victims at the various Willis-Knighton hospitals and in particular, those accident victims who, at the time of treatment, were covered by health insurance policies. During the class period, Willis-Knighton collected from accident victims by filing liens against the proceeds of settlements and judgments. The class representatives in this case have claimed that Willis-Knighton should not have filed liens, but should have instead billed the class member's health insurance company. Willis-Knighton has vigorously denied and continues to vigorously deny all of the aforementioned claims, denies any and all allegations of wrongdoing, fault, liability or damage of any kind to Plaintiffs and the Certified Classes, denies that it acted improperly or wrongfully in any way, believes that this litigation has no merit, and has asserted defenses to the allegations.

Willis-Knighton, while denying wrongdoing of any kind whatsoever, and without admitting liability, nevertheless has agreed to enter into this Settlement Agreement to avoid further burden and expense of protracted litigation and to be completely free of any further controversy with respect to the claims that have been asserted or could have been asserted in the Action.

Both sides agreed to settle to avoid the cost, risk, and delay of litigation. The Court did not decide in favor of the Plaintiffs or Willis-Knighton. By settling, the parties avoid the cost of a trial, and the people who qualify will get compensation. The Class Representatives and their attorneys believe the settlement is best for all Class Members. The settlement does not mean that there has been any determination that Willis-Knighton did anything wrong.

**The Basis of the Claim Against Willis-Knighton**

In January of 1999, Willis-Knighton began filing liens against settlements and judgments of persons who were injured through the fault of some third-party. In these liens, Willis-Knighton sought to collect the full charges as reflected in its standard fee schedule. You and the other members of the classes certified in this case were insured through health insurance policies, and the companies that wrote these health insurance policies had contracted with Willis-Knighton to pay for medical services at a discounted rate. The class representatives claimed that Willis-Knighton should have filed against each patient's health insurance company and should have accepted the discounted payments negotiated by those health insurance companies. Willis-Knighton maintains that it was lawful to claim its full charges through use of Louisiana's lien statute La. R.S. 9:4751 et seq., and has asserted other defenses to these claims.

**The Proposed Settlement**

The certified classes in this case involve people who are in somewhat different circumstances. In most instances, Willis-Knighton collected from the class members as a result of its liens. People who Willis-Knighton collected from fall into two categories. Those who owe

Willis-Knighton no money at this time and those who owe Willis-Knighton for medical services provided to those class members for other unrelated medical services provided to those class members or to persons for whom class members were guarantors.

Those persons who do not owe Willis-Knighton for other unrelated medical services provided by Willis-Knighton will receive a cash payment equal to 45% of the amount collected by Willis-Knighton through its lien, less attorney's fees awarded by the Court to counsel for the class.

Those persons who owe Willis-Knighton for any medical services provided by Willis-Knighton, whether subject to the claims in the lawsuit or not, will receive a credit against those outstanding bills. That credit will be equal to 45% of the amount Willis-Knighton collected through its liens, after netting out the attorney's fees awarded by the Court. If their outstanding debt to Willis-Knighton is less than the amount of this credit under the settlement, these persons will receive a check for the difference.

Counsel for the class intend to apply to the Court for an award of attorney's fees equal to 30% of the credits and amounts to be paid in connection with this settlement.

**You do not need to take any action to be entitled to the benefits of this settlement.**

The amounts collected by Willis-Knighton from each class members pursuant to its liens, any amounts owed by class members to Willis-Knighton for other unrelated charges, together with additional private information, such as your address and social security number, are contained in computer records that will be filed under seal with the court. The amount you receive will be calculated from this information. This information is not and will not be made available to the public. If you would like to know the amount of any settlement payment or credit you will receive against outstanding debt to Willis-Knighton, you may call 1-800-889-8319 to obtain that information. To comply with patient privacy concerns, you may be asked to verify your identity or provide proof of legal authorization in order to receive this information.

**Costs**

In addition to the payments and credits set forth above, Willis-Knighton has agreed to pay \$85,000 of the costs incurred by class counsel in pursuing this case, including a payment to each class representative, and to pay court costs including the costs of this notice and the costs associated with the administration of this settlement. These payments by Willis-Knighton are in addition to the payments and credits due to class members.

**The Settlement Fairness Hearing**

The Court will conduct a hearing (the "Fairness Hearing") at the Caddo Parish Courthouse, 501 Texas Street, Shreveport, Louisiana 71101 on January 30, 2012 at 2:00 p.m. The purpose of the Fairness Hearing will be to determine whether the proposed settlement is fair, adequate and proper; and whether the Court should enter judgments approving the settlement, approving payment to class representatives, awarding attorneys' fees and expenses, and dismissing the class action. You have the right to attend, but you are not required to attend. Attendance or non-attendance will not affect any distribution to which you may be entitled under the Settlement, but if you object to the settlement you must attend in order to present any objections to the settlement; otherwise, you will waive and be forever barred from making such objections.

## **YOUR RIGHT TO APPEAR AND OBJECT TO THE PROPOSED SETTLEMENT**

Any member of the class may appear at the Fairness Hearing in person or by a duly authorized attorney and show cause, if any, why the settlement should not be approved; provided that no class member shall be heard unless, on or before January 7, 2112, the class member files with the court an objection and a Notice of Intent to Appear with the Clerk of Court **AND** mails copies of the objections and Notice to Appear to counsel for the class and counsel for Willis-Knighton at the addresses specified below:

### **Office of the Clerk of Court**

Hon. Gary Loftin  
Caddo Parish Clerk of Court  
501 Texas Street, Room 103  
Shreveport, Louisiana 71101

### **Upon Claims Administrator**

Rust Consulting, Inc.  
P.O. Box 2572  
Faribault, Minnesota 55021-9572

### **Defense Counsel**

Lamar P. Pugh  
Pugh, Pugh & Pugh  
P.O. Box 1711  
Shreveport, Louisiana 71166

### **Plaintiffs Counsel**

J. Patrick Hennessy  
Law Office of J. Patrick Hennessy  
Post Office Box 91  
Shreveport, Louisiana 71161

Any such objection and Notice should include the caption of this lawsuit which is shown in the heading of this Notice and should state the nature of the objection.

### **Availability of the Pleadings and the Proposed Settlement**

The Pleadings and the Proposed Settlement and all other papers filed in this action (other than those sealed by the Court) are available for inspection in the Office of the Clerk of Court identified above. The documents on file with the court may be examined by any member of the class in person or by counsel during normal court hours.

**The Clerk of Court cannot give legal advice. Please do not call or write the Court.** If you have any questions concerning this Notice, you may call the Claims Administrator at the following address: Rust Consulting, Inc., P.O. Box 2572, Faribault, Minnesota, 55021-9572.

The Court in charge of this case still has to decide whether to approve the settlement. If it does, and after any appeals are resolved, money will be distributed to those who qualify. Please be patient.

Dated: August 29, 2011