

1 Douglas P. Dehler (admitted Pro Hac Vice)  
 Gregory W. Lyons (admitted Pro Hac Vice)  
 2 O'NEIL, CANNON, HOLLMAN, DEJONG & LAING S.C.  
 111 East Wisconsin Avenue, Suite 1400  
 3 Milwaukee, Wisconsin 53202  
 Telephone: (414) 276-5000  
 4 Facsimile: (414) 276-6581  
 E-Mail: doug.dehler@wilaw.com  
 5 E-Mail: greg.lyons@wilaw.com

6  
 7 Gretchen M. Nelson (SBN 112566)  
 Gabriel S. Barenfeld (SBN 224146)  
 8 NELSON & FRAENKEL LLP  
 601 S. Figueroa Street, Suite 2050  
 9 Los Angeles, CA 90017  
 Telephone: (844) 622-6469  
 10 Facsimile: (213) 622-6019  
 E-Mail: gnelson@nflawfirm.com  
 11 E-Mail: gbarenfeld@nflawfirm.com

12 *Attorneys for Plaintiffs Manuel I. Figueroa, M.D.,*  
 13 *and the Proposed Class*

14 **SUPERIOR COURT FOR THE STATE OF CALIFORNIA**  
 15 **COUNTY OF LOS ANGELES**

17  
 18 MANUEL I. FIGUEROA, M.D., for and on  
 behalf of himself and other persons similarly  
 19 situated,

20 Plaintiffs,

21 vs.

22 MOLINA HEALTHCARE OF  
 CALIFORNIA, INC.,

23 Defendant.  
 24

Case No. BC645344  
 (Hon. Kenneth R. Freeman, Dept. 14)

CLASS ACTION

**DECLARATION OF DOUGLAS P.  
 DEHLER IN SUPPORT OF MOTION  
 FOR PRELIMINARY APPROVAL OF  
 CLASS ACTION SETTLEMENT**

[Revised Memorandum and Proposed Order  
 submitted concurrently]

Date: September 13, 2022  
 Time: 11:00 a.m.  
 Place: Dept. 14, Spring Street Courthouse

Action filed: December 30, 2016  
 Trial Date: Not set

1 I, Douglas P. Dehler, do hereby declare as follows:

2 1. I am an attorney at law licensed to practice before the courts of the State of  
3 Wisconsin. I have been admitted *pro hac vice* to represent Plaintiff and the proposed class before  
4 this Court. Through my firm, I am one of the attorneys for Plaintiffs in this action. This declaration  
5 is submitted in support of Plaintiff's Motion for Preliminary Approval of Class Action Settlement.

6 2. On July 13, 2022, the parties entered into a Revised Settlement Agreement. A true  
7 and correct copy of the Revised Settlement Agreement (with attached Notice) is attached hereto as  
8 Exhibit 1.

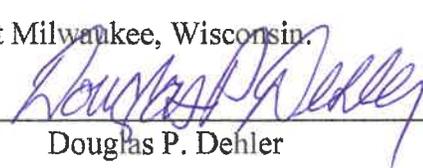
9 3. A redline copy of the Revised Settlement Agreement (and a redline of the attached  
10 Notice) showing the changes made in light of the Court's April 22, 2022 Order is attached hereto as  
11 Exhibit 2.

12 4. At present, Class Counsel has incurred expenses of approximately \$68,610 and fees  
13 of over \$1,360,004. It is not expected that Class Counsel's expenses will increase substantially  
14 because Molina has agreed, as part of the Settlement in this case, to pay for the costs of the  
15 Settlement Administrator. However, additional fees will necessarily be incurred during the notice  
16 and settlement approval process.

17 5. Attorney Brian Mahany initially made an appearance in this case, but he has since  
18 passed away. A Notice of Withdrawal of Mahany Law as Plaintiffs' Counsel Upon Client Consent  
19 was filed with the Court on June 30, 2022. Attorney Mahany is not among Class Counsel  
20 representing the Plaintiffs in this case. However, Attorney Mahany was an experienced class action  
21 lawyer, and a copy of his bio is attached hereto as Exhibit 3.

22 6. I declare under penalty of perjury under the laws of the States of California and  
23 Wisconsin that the foregoing is true and correct.

24 Executed this 13<sup>th</sup> day of July, 2022, at Milwaukee, Wisconsin.

25 By   
26 Douglas P. Dehler  
27  
28

# **EXHIBIT 1**

**REVISED SETTLEMENT AGREEMENT**  
**AND RELEASE**

*Manuel I. Figueroa, M.D., for and on behalf of himself and other persons  
similarly situated, v. Molina Healthcare of California, Inc.*

**Superior Court of California, County of Los Angeles**  
**Case No. BC645344**

## REVISED SETTLEMENT AGREEMENT AND RELEASE

This Revised Settlement Agreement and Release (“Agreement”) is entered into by and among plaintiff Manuel I. Figueroa, M.D. and all those on whose behalf he is prosecuting this action (“Plaintiff”), on the one hand, and defendant Molina Healthcare of California (identified as Molina Healthcare of California, Inc. in the Lawsuit) (“Molina” or “Defendant”), on the other hand, as of the date executed below. Plaintiff and Molina shall be referred to collectively herein as the “Parties.” This Agreement is entered into by the Parties to fully and finally resolve and dismiss all of Plaintiff’s claims against Molina in the lawsuit captioned *Manuel I. Figueroa, M.D., for and on behalf of himself and other persons similarly situated, v. Molina Healthcare of California, Inc.*, Superior Court of California County of Los Angeles, Case No. BC645344 (the “Lawsuit”), on the terms set forth herein (the “Settlement”).

### RECITALS

A. On December 30, 2016, Plaintiff initiated the Lawsuit by filing a Class Action Complaint against Molina alleging that Molina failed to comply with certain provisions of the Patient Protection and Affordable Care Act (“ACA”) that required health plans, including Molina, to make enhanced payments to qualified medical providers to compensate them at 100% of the Medicare allowable payment rate for certain Medicaid primary care evaluation and management services and vaccinations (“E&M Services”) provided between January 1, 2013 through December 31, 2014 (“Enhanced Payments”).

B. Plaintiff filed an Amended Class Action Complaint against Molina on January 16, 2018, which included causes of action for violation of California’s Unfair Competition Law (“UCL”) and for breach of fiduciary duty.

C. On March 6, 2018, Molina filed a demurrer to the Amended Class Action Complaint seeking dismissal of the UCL and breach of fiduciary duty claims as well as dismissal of the class action allegations. On May 3, 2018, the Court sustained the demurrer, without leave to amend, as to the breach of fiduciary duty claim and the part of the UCL claim based on the “fraudulent” prong of the UCL. The Court overruled the demurrer as to the part of the UCL claim based on the “unfair” and “unlawful” prongs of the UCL, and it also overruled the demurrer with respect to the class allegations.

D. On June 1, 2018, Molina filed its Answer to the Amended Class Action Complaint.

E. Beginning on June 4, 2018, the Parties agreed to mediate this case and have since been engaged in significant settlement efforts, which have included, among other things, an extensive exchange and evaluation of information and data necessary for a potential class-wide settlement. The Parties participated in a full-day mediation session with the Honorable Carl J. West (Ret.) on July 2, 2019 and thereafter have continued their mediation and settlement efforts, including further exchanges of information and data necessary to evaluate a potential class-wide settlement.

F. As part of the Parties' mediation and settlement efforts, Molina acknowledges, warrants, and declares that it has undertaken a thorough review of its files and data to identify any and all qualified providers who submitted claims or encounters for eligible E&M Services provided between January 1, 2013 through December 31, 2014 (the "Class Period"), which claims or encounters were not denied prior to the filing of the Lawsuit, and who did not receive Enhanced Payments under Section 1202 of the ACA for some or all of those claims or encounters. To date, Molina's investigation has revealed that there are 3,464 such providers in the Settlement Class.

G. Molina does not acknowledge, admit to, or concede any of the allegations made in the Lawsuit, and it expressly disclaims and denies any fault, liability, or charges of wrongdoing asserted in the Lawsuit. Plaintiff and Class Counsel believe that the claims asserted in the Lawsuit have merit, and they do not in any way concede that the claims alleged in the Lawsuit lack merit or are subject to any defenses. However, the Parties acknowledge that this Agreement reflects their mutual desire to avoid the expense, risk, delay, and uncertainty of further litigation and to resolve fully and finally any and all matters between them, including any and all claims that were, may have been, or could have been alleged in the Lawsuit, upon the terms and conditions set forth in this Agreement.

### **AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated into and are an integral part of this Agreement, and in consideration of the mutual promises contained herein and for good and valuable consideration, the sufficiency of which is acknowledged, the Parties hereto stipulate and agree as follows:

1. **DEFINITIONS.** In addition to the definitions contained elsewhere in this Agreement, the following definitions shall apply:

- (a) "Class Counsel" shall mean Douglas P. Dehler and Gregory W. Lyons of O'Neil, Cannon, Hollman, DeJong & Laing S.C. and Gretchen M. Nelson and Gabriel S. Barenfeld of Nelson & Fraenkel LLP.
- (b) "Class Period" shall mean January 1, 2013 through December 31, 2014.
- (c) "Court" shall mean the Superior Court of California County of Los Angeles.
- (d) "Defendant's Counsel" shall mean Quyen Ta and Craig Bessenger of King & Spalding LLP.
- (e) "Dr. Figueroa" shall mean plaintiff and class representative Manuel I. Figueroa, M.D.
- (f) "Effective Date" shall mean the later of (i) the date the Court has entered the Final Approval Order and all time to appeal or seek other judicial

review of the Final Approval Order has expired; or (ii) the date the Final Approval Order has been upheld through the resolution of all appeals or other judicial review proceedings if such appeals or other judicial review proceedings were filed and not dismissed.

- (g) “Final Approval Hearing” shall mean the hearing at which the Court shall consider and determine whether to enter the Final Approval Order and make such other orders as are contemplated by this Agreement.
- (h) “Final Approval Hearing Date” shall mean the date set by the Court for the hearing on any motions for final approval of this Agreement.
- (i) “Final Approval Order” shall mean the Order and Judgment approving this Agreement issued by the Court at or after the Final Approval Hearing Date.
- (j) “Final Report” shall mean the report prepared by Class Counsel based on information received from the Settlement Administrator regarding the disbursements made in accordance with the terms of this Agreement and as more fully described in Paragraph 23 below.
- (k) “Motion for Final Approval” shall mean the motion or motions filed by Class Counsel as referenced in Paragraph 18 below.
- (l) “Motion for Preliminary Approval” shall mean the motion or motions filed by Class Counsel as referenced in Paragraph 5 below.
- (m) “Notice” shall mean the Court-approved notice to the Settlement Class, which will, among other things, inform them of the Settlement provided for under the terms of this Agreement and notify them of entry of the Preliminary Approval Order, the scheduling of the Final Approval Hearing, and the deadlines set as the Opt-Out Date and Objection Date. The Parties’ proposed Notice is attached hereto as **Exhibit A**.
- (n) “Notice Date” shall mean the date on which the Notice is sent to the Settlement Class as set forth in Paragraph 6 below.
- (o) “Objector” shall mean any Settlement Class Member who objects to the Settlement as set forth in Paragraphs 7(c) and 8 below.
- (p) “Opt Out” refers to the process by which qualified providers who are otherwise included in the Settlement Class may request exclusion from the Settlement Class as set forth in Paragraphs 7(d) and 9 below.

- (q) “Opt-Outs” shall mean the qualified providers who are otherwise included in the Settlement Class who request exclusion from the Settlement Class as set forth in Paragraphs 7(d) and 9 below.
- (r) “Preliminary Approval Date” shall mean the date on which the Preliminary Approval Order is entered by the Court.
- (s) “Preliminary Approval Order” shall mean the Order issued by the Court preliminarily approving this Agreement and authorizing the sending of the Notice to the Settlement Class; the Preliminary Approval Order is more fully described in Paragraph 5 below.
- (t) “Settlement Administrator” shall mean JND Legal Administration also known as JND, an independent, reputable, and commercially reasonable class action settlement administrator selected by Molina and Class Counsel following the receipt of three (3) competing bids from a pool of reputable and experienced companies, that, subject to Court approval, will provide the Notice as set forth herein and otherwise administer the Settlement in accordance with the terms of this Agreement.
- (u) “Settlement Class” shall mean the 3,464 providers who fall within the definition of the class identified in Paragraph 2(a). A list of these 3,464 providers and their contact information has been provided to Class Counsel prior to the execution of this Agreement, and it will be provided to the Settlement Administrator upon preliminary approval of this Settlement.
- (v) “Settlement Class Members” means all 3,464 providers in the Settlement Class less any Opt-Outs.
- (w) “Total Settlement Payments” shall mean the money to be paid by Molina to the Settlement Class Members under the terms of this Agreement. The Total Settlement Payments include payments to be made by Molina for Individual Settlement Payments, Agreed Claims, and Disputed Claims. Molina currently estimates that the amount of the Individual Settlement Payments will be \$3,488,489.53 (*see* ¶¶ 4 and 6, *infra*), however the Total Settlement Payments may be higher than this amount depending on any Agreed Claims Molina agrees to pay or Disputed Claims Molina is required to pay (*see* ¶¶ 10(d)-(f)).
- (x) “Total Settlement Funds” shall mean the total amount of money Molina is required to pay under the terms of this Agreement and includes the Total Settlement Payments (*see* ¶ 1(w), *supra*), in addition to the Class Counsel Fee Payment (\$872,122.38 – *see* ¶ 15, *infra*), and the Incentive Award Payment (\$2,500.00 – *see* ¶ 14, *infra*) as those terms are defined herein.

2. **CLASS ACTION SETTLEMENT.** Plaintiff shall propose and recommend to the Court that a settlement class be certified, which class shall be comprised of 3,464 providers who are part of the Settlement Class. Molina agrees solely for purposes of the Settlement provided for in this Agreement, and the implementation of such Settlement, that this Lawsuit shall proceed as a class action; provided, however, that if a Final Approval Order is not issued, then Molina shall retain all rights to object to maintaining this Lawsuit as a class action.

- (a) The Parties hereto agree to certification, for settlement purposes only, of the following Settlement Class:

All California medical providers qualified to receive Enhanced Payments under Section 1202 of the ACA for eligible E&M Services provided to Molina's health plan members between January 1, 2013 and December 31, 2014 who submitted claims or encounters for such services to Molina, which claims or encounters were not denied prior to the filing of the Lawsuit, and who Molina's records indicate did not receive Enhanced Payments from Molina for some or all of those claims or encounters. According to Molina's records, there are 3,464 providers within the Settlement Class.

Specifically excluded from the Settlement Class are the following persons: (i) Class Counsel and their immediate family members; (ii) any Judges or mediators who have presided over the Lawsuit and their immediate family members; and (iii) any provider who has separately settled and released his or her claims against Molina, including but not limited to, A. Shawn Adhami, M.D.

- (b) Solely for the purpose of implementing this Agreement and effectuating the Settlement, the Parties stipulate to the Court entering an order preliminarily certifying the Settlement Class, appointing Plaintiff Manuel I. Figueroa, M.D. as representative of the Settlement Class and appointing Douglas P. Dehler, Gregory W. Lyons, and Laura J. Lavey of O'Neil, Cannon, Hollman, DeJong & Laing S.C. and Gretchen M. Nelson and Gabriel S. Barenfeld of Nelson & Fraenkel LLP, counsel for Plaintiff, as counsel for the Settlement Class.
- (c) Solely for the purpose of implementing this Agreement and effectuating the Settlement, the Parties stipulate to the Court entering an order preliminarily finding that Plaintiff and Class Counsel are adequate representatives of the Settlement Class.
- (d) In the event that the Agreement is terminated pursuant to its terms or is not approved in any material respect by the Court, or such approval is reversed, vacated, or modified in any material respect by the Court or by

any other court, the certification of the Settlement Class shall be deemed vacated, the Lawsuit shall proceed as if the Settlement Class had never been certified, and Molina retains the right to challenge the appropriateness and suitability of class treatment in this event.

**3. COMMITMENT TO COOPERATE.**

- (a) The Parties agree that it is in their respective interests to (i) consummate this Agreement and all the terms and conditions contained herein; (ii) cooperate with each other; (iii) take all actions reasonably necessary to recommend and obtain Court approval of this Agreement and entry of the orders of the Court that are required to implement its provisions; and (iv) support this Agreement in accordance with, and subject to, the provisions of this Agreement. Plaintiff, Molina, and their respective counsel shall cooperate in presenting papers, declarations, affidavits, and testimony to the Court as may be necessary to effectuate the purpose and intent of this Agreement.
- (b) During the course of the Parties' mediation and settlement discussions, Molina analyzed and provided to Class Counsel in good faith certain information and calculations regarding the alleged non-payment or underpayment of Enhanced Payments and determined that there are 3,464 providers in the Settlement Class based on its internal record keeping and due diligence. Molina agrees that it will provide, if required by the Court, any affidavits, declarations, or other evidentiary support to verify the underlying data supporting the Settlement Payments to be made in accordance with the terms of this Agreement if such information is able to be filed under seal consistent with confidentiality and privacy obligations or required permissions pursuant to, without limitation, the Health Insurance Portability and Accountability Act or other applicable laws or legal requirements.
- (c) Molina also agrees that it will provide any affidavits, declarations, or other evidentiary support necessary to establish for the Court the efforts taken by Molina to identify the Settlement Class and confirming that Molina has utilized its best efforts to identify all qualified providers who submitted claims or encounters for eligible E&M Services provided during 2013 and 2014, which claims or encounters were not denied prior to the filing of the Lawsuit, and who did not receive Enhanced Payments under Section 1202 of the ACA for some or all of those claims or encounters.

**4. THE SETTLEMENT PAYMENTS.** Molina agrees that it will make Enhanced Payments under Section 1202 of the ACA for the total amounts that Molina has determined are owed to the Settlement Class (the "Settlement Payments"). Molina currently estimates that the total amount of the Settlement Payments equals three million four hundred eighty eight thousand four hundred eighty nine dollars and 53/100 (\$3,488,489.53); however, Molina agrees to pay

additional Enhanced Payments for claims or encounters for eligible E&M Services provided by Settlement Class Members during 2013 and 2014 that were submitted to Molina and not denied, and which Enhanced Payments are found to be due and owing by the Settlement Administrator subject to the process and limitations outlined in Paragraph 10 of this Agreement.

5. **PRELIMINARY APPROVAL OF SETTLEMENT.** Within thirty (30) days of the date this Agreement is fully executed, Class Counsel shall use reasonable efforts to file a Motion for Preliminary Approval of the Settlement provided for in this Agreement and request the entry of the Preliminary Approval Order, which, among other things, will:

- (a) Preliminarily approve this Settlement.
- (b) Provisionally certify the Settlement Class for settlement purposes.
- (c) Appoint Class Counsel as counsel for the provisionally certified Settlement Class.
- (d) Preliminarily find that the proposed Settlement is fair, reasonable, and adequate and order that the Notice be provided to the Settlement Class as set forth in Paragraph 6 below (or as otherwise determined by the Court), which Notice will: (i) describe the essential terms of the Settlement; (ii) disclose Class Counsel's intention to file an application with the Court requesting an Incentive Award Payment to Dr. Figueroa, as class representative; (iii) provide information regarding Class Counsel's intention to file an application with the Court requesting the award of a Class Counsel Fee Payment; (iv) identify the time and place of the Final Approval Hearing; (v) set forth the procedures for objecting to the Settlement; (vi) set forth the procedures for opting out of the Settlement; (vii) identify the amount of the Individual Settlement Payment and explain the procedures for disputing that amount; (viii) explain the process for payment of the Total Settlement Payments; and (ix) prominently display the contact information for Class Counsel.
- (e) Schedule the Final Approval Hearing.
- (f) Appoint the Settlement Administrator.
- (g) Approve the Notice and direct the Settlement Administrator to disseminate the Notice in accordance with the terms of this Agreement.
- (h) Find that the Notice: (i) is the best practicable notice; (ii) is reasonably calculated, under the circumstances, to apprise the Settlement Class of the pendency of the Lawsuit and of their right to object to or to exclude themselves from the proposed Settlement; (iii) is reasonable and constitutes due, adequate and sufficient notice to all providers entitled to receive notice; and (iv) meets all requirements of applicable law.

- (i) Require the Settlement Administrator to file proof of compliance with the Notice provisions of this Agreement no later than seven (7) calendar days before the Final Approval Hearing Date.
- (j) Require any member of the Settlement Class who wishes to exclude himself or herself from the Settlement Class to submit an appropriate, timely request for exclusion to the Settlement Administrator, postmarked no later than the Opt-Out Date in compliance with the provisions of this Agreement and as set forth in the Notice.
- (k) Order that any member of the Settlement Class who does not timely and validly Opt Out of the Settlement Class will be bound by all proceedings, orders and judgments in the Lawsuit.
- (l) Require any Settlement Class Member who does not Opt Out and who wishes to object to the fairness, reasonableness or adequacy of the Settlement or the requested Class Counsel Fee Payment or Incentive Award Payment to submit an appropriate, timely Objection to the Settlement Administrator, postmarked no later than the Objection Date in compliance with the provisions of this Agreement and as set forth in the Notice.
- (m) Order that any responses to any Objection shall be included in the Motion for Final Approval.
- (n) Direct the Settlement Administrator to establish a post office box in the name of the Settlement Administrator to be used for receiving requests for exclusion and any other communications, and providing that only the Settlement Administrator, Class Counsel, Defendant's Counsel, the Court, the Clerk of the Court and their designated agents shall have access to this post office box, except as otherwise provided in this Agreement.
- (o) Directing that Class Counsel shall file any applications for a Class Counsel Fee Payment and an Incentive Award Payment at least thirty-five (35) days prior to the Opt-Out Date and Objection Date.
- (p) Order the Settlement Administrator to provide the Opt-Out List to Class Counsel and Defendant's Counsel within fifteen (15) days after the Opt-Out Date and then file with the Court the Opt-Out List with an affidavit attesting to the completeness and accuracy thereof no later than seven (7) calendar days before the Final Approval Hearing Date.

**6. NOTICE TO THE SETTLEMENT CLASS.** Each provider in the Settlement Class, including those whom Molina has determined are owed zero dollars (\$0.00) in Settlement Payments (approximately 50-60 providers whom Molina has determined were compensated,

pursuant to separate contractual arrangements, at rates equal to or in excess of the amount of Enhanced Payments otherwise owed to them), will be sent a Notice identifying the specific amount of the Settlement Payments that Molina has determined are owed to that provider (the "Individual Settlement Payment"). A summary of the Enhanced Payments to be made as part of each member of the Settlement Class' Individual Settlement Payment (the "Individual Settlement Payment Summary") shall be made available to each member of the Settlement Class by an online portal established by the Settlement Administrator.

- (a) Molina shall provide to the Settlement Administrator and Class Counsel the list of providers it has determined are in the Settlement Class (the "Settlement Class List"), along with their addresses and last known contact information for the purpose of sending the Notice. Additionally, Molina shall provide to the Settlement Administrator and Class Counsel the Individual Settlement Payment Summary for each member of the Settlement Class, which summary, at a minimum, shall include the following: (i) the provider's NPI number; (ii) the date(s) of service for the claims/encounters for which Enhanced Payments are to be made; (iii) the CIN number for the patient(s); (iv) the CPT code for the service(s) provided; (v) the dollar amount of the Enhanced Payment being made for each claim/encounter; and (vi) the total Individual Settlement Payment to be made to that member of the Settlement Class. Molina shall provide the Settlement Class List and the Individual Settlement Payment Summary for each member of the Settlement Class from its own records, at its own expense, not later than fifteen (15) days after the Preliminary Approval Date.
- (b) The Settlement Administrator shall cross-check the last known contact information supplied by Molina with the contact information listed with the Centers for Medicare & Medicaid Services on its website by NPI (National Provider Identifier) number for those providers on the Settlement Class List to confirm current contact information for those providers, including their last-known mailing address for purposes of sending Notice.
- (c) The Settlement Administrator shall send the Notice to the Settlement Class via first-class United States mail to the last-known mailing address for each provider in the Settlement Class. The Settlement Administrator may use alternative or additional methods to contact members of the Settlement Class, including, but not limited to, electronic mail or other electronic notification, based on any alternative or additional contact information in Molina's possession, or as otherwise specified by the Court in the Preliminary Approval Order, and is not otherwise required to update the Settlement Class List.
- (d) The Notice shall be sent as soon as practicable after the Court has entered the Preliminary Approval Order, but not later than sixty (60) days after the

filing of the Motion for Preliminary Approval or thirty (30) days after the Preliminary Approval Date, whichever is later.

- (e) If a Notice is returned with forwarding address information, the Settlement Administrator shall promptly re-send the Notice to the forwarding address. For all other Notices that are returned as, or otherwise determined to be, undeliverable, the Settlement Administrator shall ensure that the Notice was first sent by first-class United States mail, and then use standard skip tracing procedures to obtain forwarding address information and, if the skip tracing yields a different forwarding address, the Settlement Administrator shall re-mail the Notice to the address identified in the skip trace as soon as reasonably practicable after the receipt of the returned mail (a "Remailed Notice").
- (f) The Settlement Administrator shall maintain a database showing mailing addresses, and email addresses to the extent used, to which each Notice was sent and any Notices that were not delivered by mail or email. A summary report of the results of sending the Notice shall be provided to the Parties upon request and not later than ten (10) business days prior to the deadline to file the Motion for Final Approval. The database maintained by the Settlement Administrator regarding the recipients of the Notice shall be available to the Parties and the Court upon request. It shall otherwise be confidential and shall not be disclosed to any third-party.
- (g) The Settlement Administrator shall file proof of compliance with the Notice provisions of this Agreement no later than seven (7) calendar days before the Final Approval Hearing Date.

7. **SETTLEMENT OPTIONS.** All members of the Settlement Class shall have the following options upon receipt of the Notice, which options shall be set forth in the terms of the Notice itself:

- (a) Do nothing and, thus, accept the terms of the Settlement, including the amount of the Individual Settlement Payment identified in the Notice;
- (b) Accept the terms of the Settlement, but dispute the amount of the Individual Settlement Payment identified in the Notice;
- (c) Object to the Settlement in its entirety, but agree to receive only the Individual Settlement Payment identified in the Notice if the Settlement is approved by the Court; or
- (d) Opt Out of the Settlement.

8. **OBJECTION RIGHTS AND TIMING.** Each Settlement Class Member may object to the Settlement as set forth in Paragraph 7(c) above ("Objection") by providing written

notice, in the manner specified in the Notice, of his/her objection to the Settlement by the deadline set by the Court as the Objection Date. When seeking Preliminary Approval of the Settlement, the Parties agree to request that the Court set the Objection Date for the date that is sixty (60) days after the Notice Date (the “Objection Date”), except that any Settlement Class Member who receives a Rемаiled Notice shall have thirty (30) days after the Objection Date to submit a valid Objection (the “Extended Objection Date”).

- (a) To be valid and considered by the Court, the Objection must be in writing and sent by first-class mail, postage pre-paid, as set forth in the Notice, to the Settlement Administrator. The Objection must be postmarked on or before the Objection Date, or where appropriate, the Extended Objection Date, and must include the following information: (i) the Objector’s name, address, telephone, number, and the contact information for any attorney retained by the Objector in connection with the Objection or otherwise in connection with the Lawsuit; (ii) a statement of the factual and legal basis for each Objection and any exhibits the Objector wishes the Court to consider in connection with the Objection; and (iii) a statement as to whether the Objector intends to appear at the Final Approval Hearing, either in person or through counsel, and, if through counsel, identifying the counsel by name, address and telephone number.
- (b) The Settlement Administrator shall deliver to both Class Counsel and Defendant’s Counsel complete copies of any and all Objections received within fifteen (15) days after the Objection Date, or where appropriate, the Extended Objection Date, and then file with the Court copies of any Objections received at least seven (7) calendar days before the Final Approval Hearing Date, unless another date is set by the Court.
- (c) The Court will hear from any Settlement Class Members who attend the Final Approval Hearing and ask to speak regarding their objections to the Settlement, regardless of whether they submitted written objections.

**9. OPT OUT RIGHTS AND TIMING.** Providers who are otherwise included in the Settlement Class may request exclusion from the Settlement Class as set forth in Paragraph 7(d) above (i.e., Opt Out) by providing written notice to the Settlement Administrator, in the manner specified in the Notice, on or before the date set by the Court as the Opt-Out Date. When seeking Preliminary Approval of the Settlement, the Parties agree to request that the Court set the Opt-Out Date for the date that is sixty (60) days after the Notice Date (the “Opt-Out Date”), or where appropriate, ninety (90) days after the Notice Date (the “Extended Opt-Out Date”) to accommodate any Rемаiled Notice.

- (a) Providers who are otherwise included in the Settlement Class who timely and validly request to Opt Out shall be excluded from the Settlement and from the Settlement Class and shall no longer be a Settlement Class Member. Any provider otherwise included in the Settlement Class who does not submit a request to Opt Out by the Opt-Out Date, or where

appropriate the Extended Opt-Out Date, or who does not otherwise comply with the agreed-upon Opt-Out procedure approved by the Court shall be deemed a Settlement Class Member and shall be bound by the terms of this Agreement and the Final Approval Order. Any provider who files both an Objection and a request to Opt Out shall be deemed to have opted-out.

- (b) The Settlement Administrator shall maintain a list of Opt-Outs (the “Opt-Out List”) and shall provide such list to Class Counsel and Defendant’s Counsel within fifteen (15) days after the Opt-Out Date, or where appropriate the Extended Opt-Out Date, and then file with the Court the Opt-Out List with an affidavit attesting to the completeness and accuracy thereof no later than seven (7) calendar days before the Final Approval Hearing Date, unless another date is set by the Court.
- (c) The Settlement Administrator shall retain the originals of all documentation received from the Opt-Outs (including the envelopes with postmarks). Such documentation shall be made available to Class Counsel, Defendant’s Counsel, or the Court upon three (3) business days’ written notice.
- (d) Any providers otherwise included in the Settlement Class who timely and validly submitted a request to Opt Out shall have until the Final Approval Hearing to deliver to Class Counsel and the Settlement Administrator a written revocation of such request to Opt Out. Class Counsel shall timely apprise the Court of such revocations, if any.

**10. SETTLEMENT PAYMENT DISPUTE PROCEDURE.** In the event that a Settlement Class Member disputes the amount of the Individual Settlement Payment identified in the Notice as set forth in Paragraph 7(b) above (the “Disputing Settlement Class Member”), the following process—or a modified process not materially different from the process set forth below and with the same intent and which is mutually agreed upon by the Parties and the Settlement Administrator—will be used to determine the amount of the payment to be made to that Disputing Settlement Class Member:

- (a) The Disputing Settlement Class Member will have one hundred (100) days from the date of the Notice (“Dispute Deadline”), or where appropriate the date of the Remailed Notice (“Extended Dispute Deadline”), to (i) submit a dispute to the Settlement Administrator stating the total amount of Enhanced Payments he/she asserts he/she is owed from Molina and (ii) provide the Settlement Administrator with documentation identifying the claims/encounters for which the Disputing Settlement Class Member asserts he/she is still owed Enhanced Payments from Molina, as well as any response previously received from Molina relating to those claims/encounters. Such documentation, at a minimum, should include the following: (i) the provider’s NPI Number; (ii) the date(s) of service;

- (iii) the CIN number for the patient(s); (iv) the CPT code for the service(s) provided; (v) an attestation from the provider that the claims/encounters were submitted for payment to Molina; and (vi) a short statement of how the claims/encounters were treated by Molina.
- (b) If the Settlement Administrator determines that the documentation submitted in support of the Disputing Settlement Class Member's dispute is deficient, then within thirty (30) days of receipt of the dispute information the Settlement Administrator shall provide to the Disputing Settlement Class Member and Class Counsel (with a copy to Defendant's Counsel) a deficiency notice and allow the Disputing Settlement Class Member one opportunity to supplement the dispute documentation within twenty (20) days of the date of the deficiency notice. Each deficiency notice will be sent to the Disputing Settlement Class Member, Class Counsel, and Defendant's Counsel by the Settlement Administrator electronically or by U.S. Mail as appropriate and shall identify the specific basis for the Settlement Administrator's determination that the Disputing Settlement Class Member's documentation is deficient.
- (c) If the Settlement Administrator does not receive sufficient documentation to support the amount that the Disputing Settlement Class Member asserts is owed by Molina in Enhanced Payments within twenty (20) days of the deficiency notice, then the Disputing Settlement Class Member will receive the Individual Settlement Payment identified in the Notice.
- (d) If the Settlement Administrator receives adequate documentation to support the amount that the Disputing Settlement Class Member asserts is owed by Molina in Enhanced Payments by the Dispute Deadline, or where appropriate the Extended Dispute Deadline, or within twenty (20) days of the deficiency notice (if one is sent), then Molina will be notified of the disputed amount and be provided with the documentation submitted by the Disputing Settlement Class Member. The Settlement Administrator shall notify Molina of all disputed amounts by no later than fifteen (15) days after the deadline for Disputing Settlement Class Members to cure any deficiencies. Molina then will have forty-five (45) days from being notified of each disputed amount to either contest some or all of that disputed amount with its own documentation (a "Disputed Claim") or agree to pay the disputed amount as set forth by the Disputing Settlement Class Member (an "Agreed Claim").
- (e) If Molina timely submits its own documentation contesting some or all of the disputed amounts, then the Settlement Administrator, within thirty (30) days of receiving Molina's documentation for a Disputed Claim, will adjudicate the Disputed Claim based on the submitted documentation from both the Disputing Settlement Class Member and Molina and determine the total amount owed by Molina. In adjudicating any Disputed Claims,

the Settlement Administrator shall do the following: (i) if the documentation submitted by the Disputing Settlement Class Member sufficiently identifies the claims/encounters for a Disputed Claim by providing the information set forth in Paragraph 10(a) above, then that Disputed Claim shall be presumed valid and payable, subject to the following; (ii) if the documentation submitted by Molina shows that a Disputed Claim was denied by Molina before December 30, 2016, then the Settlement Administrator shall determine that no Enhanced Payment is owed to the Disputing Settlement Class Member for that Disputed Claim; (iii) if the documentation submitted by Molina shows that an Enhanced Payment was paid by Molina to the Disputing Settlement Class Member on a Disputed Claim, then the Settlement Administrator shall determine that no additional Enhanced Payment is owed to the Disputing Settlement Class Member for that Disputed Claim; (iv) if the documentation submitted by Molina is not sufficient to show that a Disputed Claim was denied before December 30, 2016 or that an Enhanced Payment was already paid to the Disputing Settlement Class Member for a Disputed Claim, then the Settlement Administrator shall conclude that an Enhanced Payment for each such Disputed Claim is owed and must be promptly paid by Molina to the Disputing Settlement Class Member.

- (f) Within ten (10) days after the Settlement Administrator's final adjudication of Disputed Claims under this Paragraph 10, the Settlement Administrator shall provide a report to Class Counsel and Molina identifying all disputes received from Disputing Settlement Class Members, the number and amount of Agreed Claims, the number and amount of Disputed Claims, and the results of the adjudication of the Disputed Claims (the "Dispute Report").

11. **PAYMENT TO DR. FIGUEROA.** Dr. Figueroa agrees that the amount of the Individual Settlement Payment owed to him by Molina is \$43,891.10.

12. **THE SETTLEMENT ADMINISTRATOR.**

- (a) The Settlement Administrator shall execute a retainer agreement that shall provide, among other things, that the Settlement Administrator shall be bound by and shall perform the obligations imposed on it under the terms of this Agreement.
- (b) The Settlement Administrator shall be subject to the jurisdiction of the Court with respect to the administration of this Settlement.
- (c) Molina shall provide to the Settlement Administrator and Class Counsel the Settlement Class List and the Individual Settlement Payment Summary for each member of the Settlement Class, along with the last known

addresses and last known email address (if any) for each member of the Settlement Class for the purpose of preparing and sending the Notice.

- (d) The Settlement Administrator, among other things, shall be responsible for providing the Notice set forth in Paragraph 6 above, adjudicating any Disputed Claims as set forth in Paragraph 10 above, and otherwise administering the Settlement according to the terms of this Agreement.
- (e) The Parties agree that the Settlement Administrator may communicate with the Settlement Class regarding the provisions of this Agreement, so long as such communications are not inconsistent with the Notice or other terms of this Agreement. The Parties agree that from the Notice Date until the Effective Date, Molina shall make reasonable efforts to refer all inquiries from the Settlement Class concerning the Settlement or this Agreement to the Settlement Administrator. Nothing contained, herein, however, shall prevent Molina from communicating with the Settlement Class in the ordinary course of Molina's business.
- (f) The Settlement Administrator shall keep all information regarding the Settlement Class confidential except as otherwise provided herein. Unless otherwise prohibited by law or order of the Court, all data created and/or obtained and maintained by the Settlement Administrator pursuant to this Agreement shall be destroyed twelve (12) months after the Final Report is submitted to the Court, provided that Class Counsel and Defendant's Counsel, or either of them, at their own cost, shall receive a complete digital copy of the Settlement Administrator's records, together with a declaration establishing completeness and authenticity, which they may maintain consistent with their own document retention policies.
- (g) The Settlement Administrator shall be responsible for timely and properly preparing and filing all tax returns necessary or advisable, if any, with respect to the Total Settlement Funds. Except as provided herein, Settlement Class Members shall be responsible for their own tax reporting of payments received under the terms of this Agreement.
- (h) The Settlement Administrator shall provide the data in its claims administration database to Class Counsel and/or Defendant's Counsel in response to any written request, including an email request, for such information. The written request shall be copied to the other Party's counsel when made.
- (i) Within two hundred (200) days after the Effective Date, the Settlement Administrator shall prepare a declaration for Class Counsel's Final Report setting forth the total amounts paid to the Settlement Class Members by the Settlement Administrator; a listing of all checks not cashed and/or returned; the total amount of all checks that were not cashed and/or

returned; the efforts undertaken to follow up on uncashed and/or returned checks; and the total amount of money being held by the Settlement Administrator.

13. **SETTLEMENT ADMINISTRATOR FEES.** Molina agrees to pay all reasonable fees, costs, and expenses related to the administration of this Settlement or otherwise incurred by the Settlement Administrator, such amount not to exceed two hundred thousand dollars (\$200,000.00). The payment of such fees, costs, and expenses shall be in addition to the Total Settlement Payments to be made by Molina to the Settlement Class Members. Molina will make arrangements with the Settlement Administrator to pay the Settlement Administrator's fees, costs, and expenses directly. The Settlement Class Members and Class Counsel shall not be responsible for any expenses in providing the Notice or in administering the Settlement as provided for this Agreement.

14. **INCENTIVE AWARD TO DR. FIGUEROA.** The Parties agree that an incentive award to Dr. Figueroa, as class representative, is appropriate and that the payment of such award shall be made by Molina in addition to the Total Settlement Payments to be made by Molina to the Settlement Class Members. Dr. Figueroa will make an application to the Court for an incentive award no later than thirty-five (35) days prior to the Opt-Out Date and Objection Date. Molina agrees that it will not object to an application for an incentive award for Dr. Figueroa up to an amount of two thousand five hundred dollars (\$2,500.00). The total amount of any incentive award to Dr. Figueroa approved by the Court (the "Incentive Award Payment") shall be paid by the Settlement Administrator from the Total Settlement Funds within twenty-one (21) days after the Effective Date.

15. **CLASS COUNSEL FEES.** Class Counsel shall apply to the Court for approval of a request for their fees and costs no later than thirty-five (35) days prior to the Opt-Out Date and Objection Date. The Parties agree that the payment of any such fees and costs awarded by the Court shall be paid by Molina and that such payment will be paid by Molina in addition to the Total Settlement Payments to be made by Molina to the Settlement Class Members. Molina agrees that it will not object to an application for fees and costs up to twenty-five percent (25%) of the total payments made by Molina to the Settlement Class Members, not to exceed twenty-five percent (25%) of \$3,488,489.53. Twenty-five percent (25%) of \$3,488,489.53 is \$872,122.38. The total amount of any fees and costs awarded to Class Counsel by the Court (the "Class Counsel Fee Payment") shall be paid by the Settlement Administrator from the Total Settlement Funds within twenty-one (21) days after the Effective Date.

16. **RELEASE.** Except as to the rights and obligations provided for under the terms of this Agreement, upon the date on which Molina transfers the Total Settlement Funds to the Settlement Administrator per Paragraph 21(a), Plaintiff, on behalf of himself and each of the Settlement Class Members (collectively, the "Releasing Parties"), hereby releases and forever discharges Molina, and all of its past, present and future predecessors, successors, parent entities, subsidiaries, divisions, employees, affiliates, officers, directors, shareholders, representatives, attorneys, insurers, agents and assigns (collectively, the "Released Parties") from any and all causes of action, claims, allegations, damages, costs, fees or liabilities that were alleged in, or

arise out of facts asserted in, the Amended Class Action Complaint filed on January 16, 2018 (the "Released Claims").

- (a) Subject to Court approval, all Settlement Class Members shall be bound by this Agreement and the release set forth in this Paragraph 16, irrespective of whether they received actual notice of the Lawsuit or this Settlement. This Agreement does not affect any claims or potential claims of any providers who are not Settlement Class Members.
- (b) Without in any way limiting the scope of the release contained in this Paragraph 16, the release covers any and all claims for attorneys' fees, costs or disbursements incurred by Class Counsel or any other counsel representing Plaintiff or the Settlement Class Members, or any of them, in connection with or related in any manner to the Lawsuit, the Settlement, the administration of the Settlement and the Released Claims as well as any and all claims related to the Incentive Award Payment and the Class Counsel Fee Payment.

17. **WAIVER OF CALIFORNIA CIVIL CODE SECTION 1542.** With respect to all Released Claims, Plaintiff agrees that, upon the Effective Date, he is waiving any and all provisions, rights, and benefits conferred by California Civil Code § 1542, or by any other statutes, common law principles, laws, or rules of similar effect to California Civil Code § 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Plaintiff acknowledges that he is aware that he may later discover facts in addition to or different from those which he now knows or believes to be true with respect to the subject matter of this Agreement and the Released Claims. Nevertheless, it is the intention of the Parties to fully, finally, and forever settle and release all Released Claims, including those that are presently unknown or unanticipated, and Plaintiff hereby expressly waives and fully, finally, and forever settles and releases, upon the entry of the Final Approval Order, any known or unknown, suspected or unsuspected, contingent or non-contingent claim that is the subject matter of this Lawsuit, whether or not concealed or hidden, without regard to the discovery or existence of such additional or different facts.

18. **FINAL APPROVAL OF SETTLEMENT.** Within forty-five (45) days after receipt of the Dispute Report pursuant to Paragraph 10(f) above, Class Counsel shall file a Motion for Final Approval of this Settlement so that the same can be heard on the Final Approval Hearing Date. The Parties agree to work together to identify and submit any evidence that may be required by the Court to satisfy the burden of proof for obtaining final approval of this Settlement and the orders of the Court that are necessary to effectuate the provisions of this

Agreement. At the Final Approval Hearing, the Parties shall present evidence necessary and appropriate to obtain the Court's approval of this Settlement and the entry of the Final Approval Order that, among other things:

- (a) Finds that the Court has jurisdiction over Plaintiff, Defendant, and all Settlement Class Members and that the Court has jurisdiction to approve this Settlement and Agreement and all exhibits thereto;
- (b) Certifies the Settlement Class for purposes of this Settlement;
- (c) Grants final approval of this Settlement as being fair, reasonable and adequate as to all Parties and consistent and in compliance with all requirements of due process and applicable law, as to and in the best interests of all Parties and directs the Parties and their counsel to implement and consummate this Agreement in accordance with its terms and provisions;
- (d) Declares this Agreement and the Final Approval Order to be binding on and have res judicata and preclusive effect in all pending and future lawsuits or other proceedings encompassed by the release set forth in Paragraph 16 above maintained by or on behalf of Plaintiff and all Settlement Class Members, on their own behalf and on behalf of their respective present, former and future administrators, trustees, spouses, attorneys, agents, assigns, executors, heirs, partners, privies, representatives, predecessors-in-interest and successors, and any other person or entity who may claim through them;
- (e) Finds that the provision of the Notice: (i) constituted the best practicable notice; (ii) constituted notice that was reasonably calculated under the circumstances to apprise the Settlement Class of the pendency of the Lawsuit, of their right to object to or to exclude themselves from the proposed Settlement, of their right to appear at the Final Approval Hearing, and of their right to seek monetary and other relief; (iii) constituted reasonable, due, adequate and sufficient notice to all providers entitled to receive notice; and (iv) met all requirements of due process and any other applicable law;
- (f) Finds that Class Counsel and Plaintiff adequately represented the Settlement Class for purposes of entering into and implementing the Settlement and this Agreement;
- (g) Without affecting the finality of the Final Approval Order for purposes of appeal, reserves jurisdiction over the Settlement Administrator, Defendant, Plaintiff and the Settlement Class Members as to all matters relating to the administration, consummation, enforcement and interpretation of the

terms of the Settlement, the Agreement, the Final Approval Order, and for any other necessary purpose;

- (h) Provides that upon entry of the Final Approval Order, the Releasing Parties shall be barred from asserting any Released Claims against the Released Parties, and the Releasing Parties shall have released the Released Claims as against the Released Parties;
- (i) Approves the Opt-Out List and determines that the Opt-Out List is a conclusive and complete list of all members of the Settlement Class who have timely and effectively requested exclusion from the Settlement Class and, accordingly, shall neither share in nor be bound by the Final Approval Order; and
- (j) Authorizes the Parties, without further approval from the Court, to agree to and adopt such amendments, modifications and expansions of this Agreement as (i) shall be consistent in all material respects with the Final Approval Order ; and (ii) do not limit the rights of the Parties or Settlement Class Members.

**19. FINAL APPROVAL ORDER.** Upon entry of the Final Approval Order, the Court shall retain jurisdiction to enforce its terms. Notice of the Final Approval Order will be posted on the online portal established by the Settlement Administrator.

**20. CONDITIONS TO SETTLEMENT.**

- (a) This Agreement shall be subject to and is expressly conditioned on the occurrence of all of the following events: (i) the Court has entered the Preliminary Approval Order as required by Paragraph 5 above; (ii) the Court has entered the Final Approval Order as required by Paragraphs 18 and 19 above, and all objections, if any, to such Final Approval Order are overruled, and all appeals taken from such Final Approval Order are resolved in favor of approval; and (iii) the Effective Date has occurred.
- (b) In the event this Agreement is terminated, pursuant to Paragraph 24 below or fails to become effective in accordance with Paragraph 20(a) immediately above, then the Parties shall be restored to their respective positions in this case as they existed as of the date of the execution of this Agreement.

**21. TOTAL SETTLEMENT FUNDS.**

- (a) Within thirty (30) days after entry of the Final Approval Order, Molina shall transfer to the Settlement Administrator the funds necessary to make payment of all of the following: (i) the Total Settlement Payments; (ii) the

Class Counsel Fee Payment; and (iii) the Incentive Award Payment (collectively, the Total Settlement Funds).

- (b) All funds held by the Settlement Administrator shall be deemed and considered to be in *custodia legis* of the Court and shall remain subject to the jurisdiction of the Court until distributed pursuant to this Agreement.
- (c) All funds held by the Settlement Administrator at any time shall be deemed to be a Qualified Settlement Fund as described in Treasury Regulation § 1.468B-1, 26 C.F.R. § 1.468B-1.
- (d) The payment of the fees and costs awarded to Class Counsel shall be paid in accordance with Paragraph 15 above.
- (e) The payment of any approved incentive award to Dr. Figueroa shall be paid in accordance with Paragraph 14 above.
- (f) The payment of amounts due from Molina to individual Settlement Class Members for Individual Settlement Payments, Disputed Claims, and Agreed Claims (collectively, the Total Settlement Payments) shall be paid by the Settlement Administrator from the Total Settlement Funds within twenty-one (21) days after the Effective Date. Such payment shall be accomplished whenever possible by wire or other electronic transfer, and if not so possible, by check sent from the Settlement Administrator to the Settlement Class Member at the address used to provide the Notice, or at such other address as designated by the Settlement Class Member. The Settlement Class Members shall have two hundred seventy (270) days to negotiate the check. Any checks uncashed after two hundred seventy (270) days shall be distributed pursuant to Paragraph 22 below.

**22. CY PRES PAYMENT.** Subject to Court approval, fifteen (15) days after submission of the Final Report, the total amount of uncashed and returned checks held by the Settlement Administrator at the time of the Final Report shall be directed to the Controller of the State of California, or to the equivalent authority in the appropriate state if the last known address of the Settlement Class Member is outside of California, to be held in Settlement Class Members' names pursuant to the California Unclaimed Property Law or the equivalent thereof in another state as appropriate.

**23. FINAL REPORT TO THE COURT.** Within two hundred ten (210) days after the Effective Date, Class Counsel shall submit to the Court a Final Report, setting forth:

- (a) The amounts paid to the Settlement Class Members by the Settlement Administrator;
- (b) A list of any checks not cashed or returned and the total amount of those checks;

- (c) The efforts undertaken to follow up on uncashed and/or returned checks; and
- (d) The total amount of money that remains unpaid to Settlement Class Members.

**24. WITHDRAWAL FROM OR TERMINATION OF AGREEMENT.**

- (a) Within ten (10) days after the occurrence of any of the following events and upon written notice to counsel for all Parties, either Party shall have the right, but not the obligation, to withdraw from the Settlement and terminate this Agreement:
  - (i) If the Court materially alters any of the terms of the Agreement, except that any award of the Class Counsel Fee Payment or the Incentive Award Payment shall not be deemed to be a material alteration; or
  - (ii) If the Preliminary Approval Order or the Final Approval Order is not entered by the Court or is reversed and modified in a material way on appeal.
- (b) Notwithstanding any other provisions in this Agreement, Molina, in its sole and exclusive discretion, may withdraw from and terminate this Agreement in its entirety if either of the following occur:
  - (i) If the number of Opt-Outs under Paragraph 9 exceeds three hundred fifty (350). Molina shall notify Class Counsel and the Court of its intent to terminate this Agreement pursuant to this Paragraph 24(b)(i) within fifteen (15) days after receiving the Opt-Out List from the Settlement Administrator, or this option to terminate shall be considered waived. In the event that Molina exercises its right to terminate pursuant to this Paragraph 24(b)(i), Class Counsel shall have thirty (30) days or such longer period as agreed to by the Parties to address the concerns of the Opt-Outs. If through such efforts the total number of Opt-Outs subsequently becomes and remains fewer than three hundred fifty (350), Molina shall cancel its election to withdraw from and terminate this Agreement. In no event, however, shall Molina have any further obligation under this Agreement to any Opt-Out unless he or she withdraws his or her request to Opt Out.
  - (ii) If the value of all Disputed Claims that the Settlement Administrator determines must be paid by Molina to Disputing

Settlement Class Members pursuant to Paragraph 10 above (the “Disputed Claims Total”) exceeds three hundred fifty thousand dollars (\$350,000). Any amounts that Molina agrees to pay as part of an Agreed Claim will not be counted toward the Disputed Claims Total. Molina shall notify Class Counsel and the Court of its intent to terminate this Agreement pursuant to this Paragraph 24(b)(ii) within fifteen (15) days after receipt of the Dispute Report, or this option to terminate shall be considered waived.

- (c) In the event of a withdrawal or termination pursuant to Paragraph 24(a) or 24(b) above, any certification of a Settlement Class will be vacated, without prejudice to any Party’s position on the issue of class certification and the amenability of the claims asserted in the Lawsuit to class treatment, and the Parties shall be restored to their litigation position existing immediately before the execution of this Agreement.

**25. REPRESENTATIONS.**

- (a) The Parties to this Agreement represent that they have read this Agreement and are fully aware of and understand all of its terms and the legal consequences thereof. The Parties represent that they have consulted or have had the opportunity to consult with and have received or have had the opportunity to receive advice from legal counsel in connection with their review and execution of this Agreement.
- (b) The Parties have not relied on any representations, promises or agreements other than those expressly set forth in this Agreement.
- (c) The Plaintiff, on behalf of the Settlement Class Members, represents that he has made such inquiry into the terms and conditions of this Agreement as he deems appropriate, and that by executing this Agreement, he believes the Agreement and all the terms and conditions set forth herein, are fair and reasonable to all Settlement Class Members.
- (d) The Plaintiff represents that he has no conflicts or other personal interests that would in any way impact his representation of the Settlement Class Members in connection with the execution of this Agreement.
- (e) Molina represents and warrants that it has obtained all corporate authority necessary to execute this Agreement.

**26. NO ADMISSION OF LIABILITY.** This Agreement is not and may not be deemed to be an admission by any Party of any liability to any allegation, claim or defense asserted by any other Party, and shall not be offered or received in evidence, or subject to discovery, in this or any other action or proceeding except in an action brought to enforce its terms or except as may be required by law or Court order. Rather, this Agreement is being

entered into solely as a compromise of claims relating to the subject matter of the Lawsuit and for the purpose of avoiding the inconvenience, risk, and expense of further litigation of this matter.

27. **CONFIDENTIAL INFORMATION.** The Parties agree that the claims/encounter data supporting the calculation of the Individual Settlement Payments identified in the Notice to the Settlement Class (“Confidential Information”) is highly confidential. Therefore, it is agreed that no person, other than individuals directly employed by Defendant or to whom Defendant has expressly permitted access; the Settlement Administrator and the employees of such Administrator; Class Counsel and the employees and consultants of such counsel; the specific member of the Settlement Class to which such claims/encounter data applies; and such other persons as the Court may order after hearing on notice to all counsel of record in the Lawsuit shall be allowed to access any Confidential Information.

28. **GOVERNING LAW.** This Agreement shall be governed, construed, and enforced in accordance with the laws of the State of California applicable to agreements made and to be performed therein, without regard to choice-of-law rules.

29. **ENTIRE AGREEMENT.** This Agreement contains the entire agreement and understanding between the Parties. Any and all prior or contemporaneous agreements or understandings that are not embodied in the Agreement, whether oral or written, are of no force or effect. Modification of the terms of this Agreement is prohibited, whether orally or by course of conduct, unless confirmed in a writing signed by the Parties or authorized representatives of each of the Parties and approved by the Court.

30. **CONSTRUCTION.** This Agreement was negotiated and drafted through mutual effort of all Parties and shall be interpreted without consideration or reference to any Party as the “drafter.”

31. **HEADINGS.** The use of headings or captions in this Agreement is for convenience and reference only and shall not affect the construction of the Agreement.

32. **NO RESCISSION ON GROUNDS OF MISTAKE.** The Parties acknowledge that they have made their own investigations of the matters covered by this Agreement to the extent they have deemed it necessary to do so. Therefore, the Parties agree that they will not seek to set aside any part of the Agreement on the grounds of mistake. Moreover, the Parties understand, agree and expressly assume the risk that any fact not recited, contained, or embodied in the Agreement may turn out hereinafter to be other than, different from, or contrary to the facts now known to them or believed by them to be true, and further agree that the Agreement shall be effective in all respects notwithstanding and shall not be subject to termination, modification, or rescission by reason of any such difference in facts.

33. **AMENDMENT.** This Settlement Agreement may be amended or modified only by a written instrument signed by the Parties or their counsel and with the Court’s approval. Amendments and modifications may be made without notice to the Settlement Class Members unless notice is required by law or by the Court.

34. **WAIVER.** The provisions of this Agreement may be waived only by an instrument in writing executed by the waiving Party. The waiver by any Party of any breach of this Agreement shall not be deemed to be or construed as a waiver of any other breach, whether prior, subsequent, or contemporaneous, to this Agreement.

35. **BINDING EFFECT.** This Agreement and each provision hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, agents, administrators, successors, and assigns.

36. **NO MEDIA STATEMENTS.** Plaintiff and Class Counsel agree not to issue any press releases or otherwise affirmatively seek media coverage regarding this settlement. Notwithstanding the foregoing, nothing in this Agreement shall preclude Plaintiff or Class Counsel from making a public statement in support of the Settlement in response to a bona fide third-party inquiry. For example, Plaintiff or Class Counsel may state that the Settlement is a good result for the Settlement Class. In addition, nothing in this Agreement shall preclude Plaintiff or Class Counsel from making a public statement in response to a bona fide third-party inquiry that is consistent with the language of the Agreement or any motions submitted for approval of the Settlement.

37. **NO ASSIGNMENT.** The Releasing Parties represent and warrant that no portion of any of the Released Claims against the Released Parties and no portion of any recovery or settlement to which the Releasing Parties may be entitled has been or will be assigned, transferred, or conveyed in any manner; and no person other than the Releasing Parties themselves have any legal or equitable interest in the claims, demands, actions, or causes of action referred to in this Agreement as those of Plaintiff. Any Assignment in violation of this Paragraph shall be null and void, and have no force or effect, and shall not be recognized by the Settlement Administrator.

38. **SEVERABILITY.** The Parties have attempted to create an Agreement that is lawful and enforceable in all respects. Except for the withdrawal and termination rights set forth in Paragraph 24 and the release provisions in Paragraphs 16 and 17, in the event that any other provision of this Agreement is found or deemed to be illegal or otherwise invalid or unenforceable, whether in whole or in part, such invalidity shall not affect the enforceability of the remaining terms hereof.

39. **NOTIFICATION.** Any notice to be given to Class Counsel or Plaintiff shall be sent by email and mail as follows:

Douglas P. Dehler (Doug.Dehler@wilaw.com)  
Gregory W. Lyons (Greg.Lyons@wilaw.com)  
O'Neil, Cannon, Hollman, DeJong & Laing S.C.  
111 East Wisconsin Avenue, Suite 1400  
Milwaukee, Wisconsin 53202

-And-

Gretchen M. Nelson (gnelson@nflawfirm.com)  
Gabriel S. Barenfeld (gbarenfeld@nflawfirm.com)  
Nelson & Fraenkel LLP  
601 South Figueroa Street, Suite 2050  
Los Angeles, California 90017

Any notice to be given to Defendant's Counsel or Molina under the terms of this Agreement shall be sent by email and mail as follows:

Eric M. Alderete (eric.alderete@molinahealthcare.com)  
Molina Healthcare  
200 Oceangate, Suite 100  
Long Beach, California 90802-4317

With a copy to:

Craig H. Bessenger (cbessenger@kslaw.com)  
King & Spalding LLP  
633 West Fifth Street, Suite 1600  
Los Angeles, California 90071

-And-

Quyen L. Ta (qta@kslaw.com)  
King & Spalding LLP  
50 California Street, Suite 3300  
San Francisco, California 94111

**40. COUNTERPARTS AND SIGNATURES.** This 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. It shall not be necessary that any single counterpart of this Agreement be executed by all Parties hereto provided that each Party shall have executed at least one counterpart hereof. This Agreement may be executed and delivered by each Party to the other Party via electronic mail or facsimile transmission, with such execution and delivery having the same legal force and effect as if the original hereto had been executed and delivered.

IN WITNESS WHEREOF, the Parties have entered this Agreement as of the dates set forth below.

Dated: July 12, 2022

**MANUEL I. FIGUEROA, M.D.**, AN  
INDIVIDUAL ON BEHALF OF HIMSELF  
AND THOSE HE REPRESENTS,



BY: MANUEL I. FIGUEROA, M.D.

Dated: July \_\_, 2022

**MOLINA HEALTHCARE OF CALIFORNIA,**  
A CALIFORNIA CORPORATION

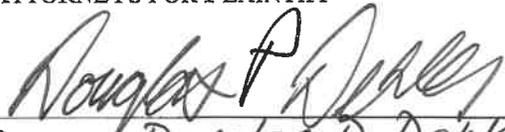
BY: \_\_\_\_\_

ITS: \_\_\_\_\_

**APPROVED AS TO FORM:**

Dated: July 12, 2022

**O'NEIL, CANNON, HOLLMAN, DEJONG  
& LAING S.C.**  
ATTORNEYS FOR PLAINTIFF



BY: Douglas P. Dehler

Dated: July \_\_, 2022

**KING & SPALDING LLP**  
ATTORNEYS FOR DEFENDANT

BY: \_\_\_\_\_

IN WITNESS WHEREOF, the Parties have entered this Agreement as of the dates set forth below.

Dated: July \_\_\_\_, 2022

**MANUEL I. FIGUEROA, M.D.**, AN  
INDIVIDUAL ON BEHALF OF HIMSELF  
AND THOSE HE REPRESENTS,

\_\_\_\_\_  
BY: MANUEL I. FIGUEROA, M.D.

Dated: July 13, 2022

**MOLINA HEALTHCARE OF CALIFORNIA**,  
A CALIFORNIA CORPORATION



\_\_\_\_\_  
BY: Eric Alderete  
ITS: Deputy General Counsel

**APPROVED AS TO FORM:**

Dated: July \_\_\_\_, 2022

**O'NEIL, CANNON, HOLLMAN, DEJONG  
& LAING S.C.**  
ATTORNEYS FOR PLAINTIFF

\_\_\_\_\_  
BY: \_\_\_\_\_

Dated: July 13, 2022

**KING & SPALDING LLP**  
ATTORNEYS FOR DEFENDANT



\_\_\_\_\_  
BY: Quyen L. Ta

# EXHIBIT A

**MANUEL I. FIGUEROA, M.D., for and on behalf of himself and other persons  
similarly situated, v. MOLINA HEALTHCARE OF CALIFORNIA, INC.  
Superior Court for the State of California  
County of Los Angeles Case No. BC645344**

**NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION**

*A California Superior Court in the County of Los Angeles authorized this Notice.  
This is not a solicitation from a lawyer. You are not being sued.  
However, your legal rights are affected by the information contained in this Notice.*

**Please be advised that your rights may be affected, and you may be eligible to receive financial payment as the result of a proposed class action settlement (“Settlement”).** You have been identified as a member of the class. The purpose of this Notice is to provide information about this Settlement and explain your rights and options.

- A Settlement has been reached in a class action lawsuit against Molina Healthcare of California (identified as Molina Healthcare of California, Inc. in the Lawsuit) (“Molina”), captioned as *Manuel I. Figueroa, M.D., for and on behalf of himself and other persons similarly situated v. Molina Healthcare of California, Inc.*, Superior Court of California County of Los Angeles, Case No. BC645344 (the “Lawsuit”), that affects your rights. The Lawsuit alleges that Molina failed to make enhanced payments to qualified medical providers under Section 1202 of the Patient Protection and Affordable Care Act for certain Medicaid primary care evaluation and management services and vaccinations provided between January 1, 2013 and December 31, 2014.
- The Court has not yet decided whether to grant final approval of the Settlement; however, the Court has preliminarily approved the Settlement as fair, adequate, and reasonable. No payments will be made unless and until the Court approves the Settlement and any appeals are resolved.
- You need to decide whether to stay in the case and receive the benefits of the Settlement, dispute the Individual Settlement Payment identified in the Claims Information Sheet included with this Notice, object to the Settlement, or opt out of the monetary benefits of the Settlement to retain the right to pursue your claims on your own. ***If you wish to remain a class member for purposes of this Settlement and receive the Individual Settlement Payment identified in the Claims Information Sheet, you do not have to do anything in response to this Notice.***

**PLEASE READ THIS NOTICE CAREFULLY. It describes your rights and how to receive money from the Settlement or exclude yourself from the Settlement.**

## YOUR RIGHTS AND OPTIONS

<b>DO NOTHING AND RECEIVE YOUR INDIVIDUAL SETTLEMENT PAYMENT</b>	You do not have to do anything to participate in the Settlement. If you do nothing, and if the Settlement is finally approved by the Court, you will receive a payment in the amount of the Individual Settlement Payment identified in the Claims Information Sheet. See Section 18 below.
<b>ACCEPT THE TERMS OF THE SETTLEMENT BUT DISPUTE THE AMOUNT OF YOUR INDIVIDUAL SETTLEMENT PAYMENT</b>	You can accept the terms of the Settlement but dispute the amount of the Individual Settlement Payment to be paid to you. If you dispute the amount of your Individual Settlement Payment, you will need to submit your dispute and supporting documentation to the Settlement Administrator for determination. See Sections 19 and 20 below.
<b>REQUEST TO BE EXCLUDED FROM THE SETTLEMENT (“OPT OUT”)</b>	You can choose to exclude yourself from the Settlement. If you do not want to receive a payment under the Settlement, and you want to keep any rights you may have to individually sue Molina over the claims resolved by this Settlement, then you must send a letter to the Settlement Administrator stating that you wish to be excluded from the Settlement. See Section 21 below.
<b>OBJECT TO THE TERMS OF THE SETTLEMENT</b>	You can object to the Settlement in its entirety by sending a letter to the Settlement Administrator explaining why you believe it should be rejected by the Court. If your objection is overruled by the Court, you will receive the Individual Settlement Payment identified in the Claims Information Sheet included with this Notice and you will not be able to sue Molina for the claims being released as part of the settlement of this Lawsuit. If the Court agrees with your objection, then the Settlement may not be approved. See Section 22 below.

These rights and options—*and the deadlines to exercise them*—along with the significant terms of the Settlement are explained in this Notice.

## TABLE OF CONTENTS

<b>BASIC INFORMATION</b> .....	<b>4</b>
1. Why did I receive this Notice? .....	4
2. What is a class action?.....	4
3. What is this Lawsuit about? .....	4
4. Has the Court decided who is right?.....	5
5. Am I a member of the Settlement Class? .....	5
6. Why is this Lawsuit being settled?.....	5
7. What are the general payment terms of the proposed Settlement? .....	5
8. Who represents the Settlement Class Members in the Lawsuit?.....	5
9. Who is the Settlement Administrator? .....	6
<b>MONETARY TERMS OF THE SETTLEMENT</b> .....	<b>6</b>
10. What has Molina agreed to do? .....	6
11. How much will I be paid?.....	6
12. When will I receive my payment? .....	7
13. How long do I have to cash my check? .....	7
14. How will the Settlement Administrator be paid?.....	7
15. What is an incentive award and how will it be paid? .....	7
16. How will Class Counsel be paid? .....	7
<b>RELEASE OF CLAIMS</b> .....	<b>8</b>
17. What claims are being released as part of the Settlement?.....	8
<b>YOUR RIGHTS AND OPTIONS</b> .....	<b>8</b>
18. How do I participate in the Settlement?.....	9
19. How do I dispute the amount of my Individual Settlement Payment? .....	9
20. How are disputed Individual Settlement Payments treated? .....	10
21. How do I request to be excluded from the Settlement?.....	10
22. How do I object to the Settlement?.....	10
23. What is the difference between objecting and opting out?.....	11
24. What if I do nothing at all? .....	11
<b>THE FINAL APPROVAL HEARING</b> .....	<b>11</b>
25. When will the Court consider whether to grant final approval of the Settlement? .....	11
<b>FURTHER INFORMATION</b> .....	<b>12</b>
26. How do I receive more information?.....	12

## **BASIC INFORMATION**

### **1. Why did I receive this Notice?**

Molina's records show that you are a qualified medical provider who performed certain Medicaid primary care evaluation and management services and vaccinations between January 1, 2013 and December 31, 2014 for which you are entitled to enhanced payments from Molina under Section 1202 of the Patient Protection and Affordable Care Act. A Settlement has been reached in a class action lawsuit against Molina that affects your legal rights.

Judge Kenneth R. Freeman of the Superior Court of California for the County of Los Angeles, who is overseeing this Lawsuit, ordered that you, along with other providers who have been identified as being entitled to additional enhanced payments from Molina (the "Settlement Class"), be sent this Notice because each member of the Settlement Class has a right to know about the proposed Settlement and the options available to him or her before the Court decides whether to finally approve the Settlement.

### **2. What is a class action?**

In a class action lawsuit, one or more people, called class representatives, assert claims on behalf of themselves and other people. All of these people together are called a class or class members. In a class action, one court resolves the issues for all class members, except those who specifically ask to be excluded from the class, thus providing the class members with both consistency and efficiency. When class representatives reach a proposed settlement with defendants in a class action, the proposed settlement must be approved by the court, after court-approved notice is provided to the potential class members and the court holds a hearing, which class members can attend, to determine, among other things, that the settlement is fair, reasonable, adequate and in the best interests of the class.

### **3. What is this Lawsuit about?**

Manuel I. Figueroa, M.D., the class representative in this case, on behalf of himself and others similarly situated ("Plaintiff"), filed this Lawsuit, captioned as *Figueroa v. Molina Healthcare of California, Inc.*, Superior Court of Los Angeles County Case No. BC645344, on December 30, 2016. The Lawsuit alleges that Molina failed to comply with certain provisions of the Patient Protection and Affordable Care Act ("ACA") that required health plans, including Molina, to make enhanced payments to qualified medical providers to compensate them at 100% of the Medicare allowable payment rate for certain Medicaid primary care evaluation and management services and vaccinations ("E&M Services") provided between January 1, 2013 and December 31, 2014 ("Enhanced Payments").

On January 16, 2018, Plaintiff filed an Amended Class Action Complaint, which included causes of action for violation of California's Unfair Competition Law and for breach of fiduciary duty. The Court subsequently dismissed the claim for breach of fiduciary duty and part of the claim under the Unfair Competition Law. Molina has denied and continues to deny the allegations in the Lawsuit.

There was no trial to determine the truth of the allegations in the Lawsuit. Instead, after other court proceedings and significant mediation and settlement efforts, which included, among other things, an extensive exchange and evaluation of information and data necessary for a class-wide settlement and a mediation with the assistance of an independent mediator, the Honorable Carl J. West (retired), the parties agreed to a Settlement of the claims in the Lawsuit. The Settlement is not an admission by Molina of any fault, wrongdoing or liability; rather Molina has agreed to the Settlement to avoid the expense, risk, delay, and uncertainty of further litigation.

#### **4. Has the Court decided who is right?**

No. The Court has only decided that you should receive a copy of this Notice so that you can review the proposed Settlement and determine whether you want to participate, object, or exclude yourself from the Settlement.

#### **5. Am I a member of the Settlement Class?**

If you have received this Notice, then Molina's records indicate that you are a member of the Settlement Class and are, therefore, affected by this proposed Settlement.

#### **6. Why is this Lawsuit being settled?**

After investigating the claims in the Lawsuit, exchanging relevant information and documents, and engaging in settlement negotiations with the assistance of a neutral third-party mediator, the parties agreed to settle claims that were or could have been asserted against Molina in the Lawsuit with regard to the Enhanced Payments at issue in exchange for the monetary payments to be made to members of the Settlement Class as part of this Settlement. By settling, the parties avoid the expense, risk, delay, and uncertainty of further litigation, and members of the Settlement Class receive the settlement payments described herein. The Settlement represents a compromise of disputed claims and is not an admission that Molina violated the law. Plaintiff and his attorneys believe the Settlement is in the best interests of the Settlement Class.

#### **7. What are the general payment terms of the proposed Settlement?**

Molina has agreed to pay an estimated \$3,488,489.53 in payments to members of the Settlement Class to settle the claims in the Lawsuit. Members of the Settlement Class who do not request to be excluded from the Settlement will receive a share of the Settlement in the amount of the Individual Settlement Payment identified in the Claims Information Sheet included with this Notice and will release any claims they may have against Molina that were or could have been raised in the Lawsuit with respect to the Enhanced Payments at issue.

For more information about your Individual Settlement Payment, see Section 11 below. For more information about the claims you will release if you do not exclude yourself from the Settlement, see Section 17 below. For more information about the options you have with respect to the Settlement, see Sections 18 through 24 below. For information on how to obtain additional information about the Settlement or the Lawsuit, see Section 26 below.

#### **8. Who represents the Settlement Class Members in the Lawsuit?**

The Court has preliminarily appointed Douglas P. Dehler and Gregory W. Lyons of O'Neil, Cannon, Hollman, DeJong & Laing S.C. and Gretchen M. Nelson and Gabriel S. Barenfeld of Nelson & Fraenkel LLP as Class Counsel for settlement purposes to represent you and other members of the Settlement Class. You may contact Class Counsel at:

**O'Neil, Cannon, Hollman,  
DeJong & Laing S.C.  
111 East Wisconsin Avenue, Suite 1400 - And -  
Milwaukee, Wisconsin 53202  
Phone: (414) 276-5000  
Fax: (414) 276-6581**

**Nelson & Fraenkel LLP  
601 South Figueroa Street, Suite 2050  
Los Angeles, California 90017  
Phone: (844) 622-6469  
Fax: (213) 622-6019  
[info@xxxxx.com](mailto:info@xxxxx.com)**

You do not have to pay Class Counsel. Subject to Court approval, Class Counsel will be paid for their fees and costs by Molina as part of this Settlement (see Section 16 below).

You do not need to hire your own lawyer because Class Counsel are working on your behalf, unless you exclude yourself from participation in the Settlement by opting out by the deadline, as described in Section 21 below. Nonetheless, you may hire your own lawyer if you wish. If you hire your own lawyer, you are responsible for paying that lawyer.

#### **9. Who is the Settlement Administrator?**

The Settlement Administrator is a third party appointed by the Court to send this Notice, facilitate the payments to members of the Settlement Class, and otherwise administer the Settlement according to the terms agreed to by the parties and approved by the Court. You may contact the Settlement Administrator to provide updated contact information, dispute the amount of your Individual Settlement Payment, object to the Settlement, or request exclusion from the Settlement. You may contact the Settlement Administrator at:

**Figueroa v. Molina Healthcare**  
**c/o JND Legal Administration**  
**P.O. Box 91413**  
**Seattle, WA 98111**

**It is important that you keep the Settlement Administrator advised of any changes in your address or other updates to your contact information.**

### **MONETARY TERMS OF THE SETTLEMENT**

#### **10. What has Molina agreed to do?**

Molina has agreed that it will make Enhanced Payments under Section 1202 of the ACA for amounts that it has determined are owed to members of the Settlement Class. Molina estimates that the total amount of such payments is \$3,488,489.53. If you do nothing, and if the Settlement is finally approved by the Court, you will receive a payment in the amount of the Individual Settlement Payment identified in the Claims Information Sheet included with this Notice.

Molina also has agreed to pay additional Enhanced Payments for eligible E&M Services that were provided by members of the Settlement Class during 2013 and 2014 to the extent claims or encounter data for those E&M Services were previously submitted to Molina and not denied, provided that such Enhanced Payments are determined to be due and owing by the Settlement Administrator (see Sections 19 and 20 below).

In addition to any payments made to members of the Settlement Class, Molina has agreed to pay the cost of the Settlement Administrator, the amount of any incentive award approved by the Court, and the amount of any attorneys' fees and costs awarded to Class Counsel (see Sections 14, 15, and 16 below).

#### **11. How much will I be paid?**

Please refer to the Claims Information Sheet included with this Notice for the amount you are owed under the terms of this Settlement (your "Individual Settlement Payment") for outstanding Enhanced Payments due to you under Section 1202 of the ACA for eligible E&M Services you provided in 2013 and 2014 that were not previously paid to you by Molina. The Claims Information Sheet also provides you with information to access a website, [www.xxxx.com](http://www.xxxx.com), where you can review a summary of the Enhanced Payments being made as part of your Individual Settlement Payment. As part of this Settlement, Molina has agreed to make payment to you in the full amount of this Individual Settlement Payment. If the amount of your Individual Settlement Payment

is \$0.00, this is because Molina contends that you were compensated, pursuant to separate contractual arrangements, at rates equal to or in excess of the amount of the Enhanced Payments otherwise owed to you.

If you believe that the amount shown as being owed to you is incorrect or you otherwise wish to dispute the amount of your Individual Settlement Payment, you must submit a dispute in writing to the Settlement Administrator along with your supporting evidence within 100 days of the date of this Notice (see Sections 19 and 20 below). It is important that you provide the required supporting evidence to the Settlement Administrator if you dispute the amount of your Individual Settlement Payment.

#### **12. When will I receive my payment?**

The Court will hold a Final Approval Hearing on [REDACTED] (see Section 25 below) to consider whether the Settlement should be approved. If the Court approves the Settlement, then within 30 days after entry of the Final Approval Order, Molina will need to transfer to the Settlement Administrator the funds necessary to make the payments called for by the Settlement. The Settlement Administrator will then make payment to members of the Settlement Class within 21 days of when the time to appeal has expired or following the resolution of all appeals of the Final Approval Order.

#### **13. How long do I have to cash my check?**

Any checks not cashed after **two hundred seventy (270) days** from the date of the class-wide distribution shall be void. After the deadline to cash checks has passed, the funds from all uncashed payments will be directed to the Controller of the State of California, or to the equivalent authority in the appropriate state if the last known address of the Settlement Class Member is outside California, to be held in Settlement Class Members' names pursuant to the California Unclaimed Property Law or the equivalent thereof in another state as appropriate. In the event you fail to timely cash your check, you may lose the right to the money; nevertheless, the Settlement shall remain binding on you, and the release of claims described in Section 17 below shall remain in effect.

#### **14. How will the Settlement Administrator be paid?**

Molina has agreed to pay all reasonable fees, costs, and expenses related to the administration of the Settlement or otherwise incurred by the Settlement Administrator in an amount not to exceed \$200,000. The payment of such fees, costs, and expenses will be paid by Molina *in addition to* any payments it makes to members of the Settlement Class. Thus, any payments made to the Settlement Administrator will not reduce the amount of the total Settlement payments to be made by Molina to members of the Settlement Class.

#### **15. What is an incentive award and how will it be paid?**

In class action lawsuits, the court may provide class representatives an incentive award in recognition of the time and effort they expended and the risks they took in litigating the case on behalf of the class. In this Lawsuit, Molina has agreed not to object to a request for an incentive award for Manuel I. Figueroa, M.D. in an amount not to exceed \$2,500. The total amount of any incentive award to Dr. Figueroa approved by the Court will be paid by Molina *in addition to* any payments it makes to members of the Settlement Class. Thus, any incentive payment made to Dr. Figueroa will not reduce the amount of the total Settlement payments to be made by Molina to members of the Settlement Class.

#### **16. How will Class Counsel be paid?**

To date, Class Counsel have not received any payment for their services in prosecuting this Lawsuit and have not been reimbursed for any of their out-of-pocket expenses. If the Court approves the proposed Settlement,

Class Counsel will apply to the Court for an award of attorneys' fees and out-of-pocket expenses. Molina has agreed not to object to an application for fees and expenses in an amount up to 25% of the total payments made by Molina to the Settlement Class Members, not to exceed 25% of \$3,488,489.53 (which is \$872,122.38). Any fees and expenses awarded to Class Counsel by the Court will be paid by Molina *in addition to* any payments it makes to members of the Settlement Class. Thus, any attorneys' fees and expenses paid to Class Counsel will not reduce the amount of the total Settlement payments to be made by Molina to members of the Settlement Class.

## **RELEASE OF CLAIMS**

### **17. What claims are being released as part of the Settlement?**

Upon final approval of the Settlement by the Court and the funding of the Settlement by Molina, members of the Settlement Class who do not request to be excluded from the Settlement by timely opting out as described in Section 21 below will fully release all claims that were alleged in, or that arise out of the facts asserted in, the Amended Class Action Complaint filed on January 16, 2018. This release includes claims based on allegations that Molina failed to pay Enhanced Payments to qualified providers as required by Section 1202 of the ACA. When claims are "released," it means that a person covered by the release cannot sue Molina or the other released parties for these claims.

The full terms of the release are set forth in Paragraph 16 of the Settlement Agreement and Release and are copied immediately below for your reference. Further, instructions on how to obtain a copy of the Settlement Agreement and Release and further information about the Lawsuit are provided in Section 26 below.

**16. RELEASE.** Except as to the rights and obligations provided for under the terms of this Agreement, upon the date on which Molina transfers the Total Settlement Funds to the Settlement Administrator per Paragraph 21(a), Plaintiff, on behalf of himself and each of the Settlement Class Members (collectively, the "Releasing Parties"), hereby releases and forever discharges Molina, and all of its past, present and future predecessors, successors, parent entities, subsidiaries, divisions, employees, affiliates, officers, directors, shareholders, representatives, attorneys, insurers, agents and assigns (collectively, the "Released Parties") from any and all causes of action, claims, allegations, damages, costs, fees or liabilities that were alleged in, or arise out of facts asserted in, the Amended Class Action Complaint filed on January 16, 2018 (the "Released Claims").

(a) Subject to Court approval, all Settlement Class Members shall be bound by this Agreement and the release set forth in this Paragraph 16, irrespective of whether they received actual notice of the Lawsuit or this Settlement. This Agreement does not affect any claims or potential claims of any providers who are not Settlement Class Members.

(b) Without in any way limiting the scope of the release contained in this Paragraph 16, the release covers any and all claims for attorneys' fees, costs or disbursements incurred by Class Counsel or any other counsel representing Plaintiff or the Settlement Class Members, or any of them, in connection with or related in any manner to the Lawsuit, the Settlement, the administration of the Settlement and the Released Claims as well as any and all claims related to the Incentive Award Payment and the Class Counsel Fee Payment.

## **YOUR RIGHTS AND OPTIONS**

## **18. How do I participate in the Settlement?**

**You do not need to do anything to participate in the Settlement.** If you received this Notice, Molina's records indicate you are a member of the Settlement Class and, so long as you do not request to be excluded from the Settlement, you will automatically receive the Individual Settlement Payment identified in the Claims Information Sheet and will release claims as set forth in Section 17 above without any further action on your part, if the Settlement is finally approved by the Court.

## **19. How do I dispute the amount of my Individual Settlement Payment?**

If you wish to accept the terms of the Settlement but dispute the amount of the Individual Settlement Payment to be paid to you as identified in the Claims Information Sheet included with this Notice, you may do so by submitting a written dispute to the Settlement Administrator. This dispute of the Individual Settlement Payment must be sent by first-class mail, postage pre-paid, and postmarked no later than 100 days from the date of this Notice.

The dispute of the Individual Settlement Payment must specifically state the total amount of Enhanced Payments you claim you are still owed from Molina for eligible E&M Services provided in 2013 and 2014, and you must provide the Settlement Administrator with supporting documentation specifically identifying the claims/encounters for which you claim you are still owed Enhanced Payments from Molina as well as any response previously received from Molina related to those claims/encounters. This supporting documentation must, at a minimum, include the following information:

- (i) Your NPI number
- (ii) The date(s) of service for the claims/encounters at issue;
- (iii) The CIN number for the patient(s);
- (iv) The CPT code for the service(s) provided;

- (v) An attestation from you that the claims/encounters were submitted for payment to Molina; and
- (vi) A short statement of how the claims/encounters were treated by Molina.

If the Settlement Administrator determines that the supporting documentation you submitted is deficient in any way, it will send you a deficiency notice and will allow you one opportunity to supplement your dispute documentation. Any supplemental documentation must be sent to the Settlement Administrator by first-class mail, postage pre-paid, and postmarked no later than 20 days after the date of the deficiency notice.

## **20. How are disputed Individual Settlement Payments treated?**

If the Settlement Administrator does not receive sufficient documentation to support the amount you claim you are still owed from Molina in Enhanced Payments, then you will receive the Individual Settlement Payment amount identified in the Claims Information Sheet included with this Notice.

If the Settlement Administrator timely receives sufficient documentation to support the amount you claim you are still owed from Molina in Enhanced Payments, then, within 15 days, Molina will be notified of the disputed amount and be provided with a copy of your supporting documentation. Molina will then have 45 days to either contest some or all of the disputed amount with its own documentation or agree to pay the disputed amount you claim you are owed.

If Molina timely submits its own documentation contesting the disputed amount, then the Settlement Administrator will analyze the submitted documentation and, within 30 days of receiving Molina's documentation, will make a final determination of the amount to be paid to you by Molina.

## **21. How do I request to be excluded from the Settlement?**

If you do not want to receive a payment under the Settlement or if you want to keep any right you may have to sue Molina for the claims alleged in the Lawsuit, then you must exclude yourself or "opt out" of the Settlement.

If you wish to be excluded from the Settlement, you must opt out by sending a letter to the Settlement Administrator (at the address set forth in Section 9) stating that you wish to be excluded from or opt out of the Settlement. This opt-out request must be sent by first-class mail, postage prepaid, and postmarked no later than 60 days from the date of this Notice. The opt-out request must clearly state your name and address and be personally signed by you. It must also clearly express your intent to be excluded from the Settlement in this Lawsuit.

If you opt out of the Settlement, you will preserve and not give up any of your rights to sue Molina for the claims alleged in the Lawsuit. However, you will not be entitled to receive the Individual Settlement Payment identified in the Claims Information Sheet included with this Notice or any other payment from the Settlement.

If you do not timely mail a valid opt-out request to the Settlement Administrator, you will be bound by all terms and conditions of the Settlement, including its release of claims.

## **22. How do I object to the Settlement?**

If you do not opt out of the Settlement, you may object to the Settlement by sending a letter to the Settlement Administrator (at the address set forth in Section 9) noting your objection to the Settlement. The objection letter must be sent by first-class mail, postage pre-paid, and postmarked no later than 60 days from the date of this Notice. The objection letter must include the following information and be personally signed by you:

- (i) your name, address, telephone number, and the contact information for any attorney retained by you in connection with your objection or otherwise in connection with this Lawsuit;
- (ii) a statement of the factual and legal basis for your objection and any exhibits you wish the Court to consider in connection with your objection; and
- (iii) a statement as to whether you intend to appear at the Final Approval Hearing, either in person or through counsel, and, if through counsel, identifying the counsel by name, address, and telephone number.

For more information about the Final Approval Hearing, see Section 25 below. The Court will hear from any Settlement Class Members who attend the Final Approval Hearing and ask to speak regarding their objections to the Settlement, regardless of whether they submitted written objections.

If the Court sustains your objection, or the objection of any other member of the Settlement Class, then there is no settlement. If you object, but the Court overrules your objection and any other objection(s), then you will be bound by all terms and conditions of the Settlement, including its release of claims.

### **23. What is the difference between objecting and opting out?**

Objecting is telling the Court that you do not believe the Settlement is fair, reasonable, and adequate for the class, and asking the Court to reject it. You cannot object to the Settlement unless you are a member of the Settlement Class, which means that you can object only if you do not opt out of the Settlement. If you object to the Settlement and do not opt out, then you are entitled to a payment if the Settlement is finally approved by the Court but you will release claims you might have against Molina.

Excluding yourself from or opting out of the Settlement is telling the Court that you do not want to be part of the Settlement and that you do not want to receive a payment or release claims you might have against Molina for the claims alleged in the Lawsuit.

Anyone who submits both an objection and a request to opt out shall be deemed to have opted out of the Settlement.

### **24. What if I do nothing at all?**

If you do nothing at all, and if the Settlement is approved, then you will receive the Individual Settlement Payment identified in the Claims Information Sheet included with this Notice. You will be considered one of the members of the Settlement Class, and you will give up claims you might have against Molina for the claims alleged in the Lawsuit.

## **THE FINAL APPROVAL HEARING**

### **25. When will the Court consider whether to grant final approval of the Settlement?**

The Court will hold a Final Approval Hearing in Department 14 of the California Superior Court for the County of Los Angeles located at [REDACTED] on [REDACTED], 202[REDACTED] at [REDACTED] .m. to decide whether to grant final approval of the Settlement. This hearing may be postponed by the Court without additional notice to members of the Settlement Class. Settlement Class Members may appear by audio or video at the Final Approval Hearing and may register to appear remotely at <https://my.lacourt.org/laccwelcome>.

At the Final Approval Hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate for the Settlement Class. If there are objections, the Court will consider them. The Court may also decide

how much to award Class Counsel for attorneys' fees and expenses and how much Manuel I. Figueroa, M.D. should receive as an incentive award.

Members of the Settlement Class do not need to appear at the hearing or take any other action to indicate their approval of the Settlement. Class Counsel will answer any questions the Court may have. However, you may attend if you desire to do so at your own expense. If you submitted a written objection to the Settlement, you do not have to come to Court to discuss it; as long as you timely submitted the objection with the requisite information, the Court will consider it. However, you also may attend if you desire to do so at your own expense. The Court will hear from any Settlement Class Members who attend the Final Approval Hearing and ask to speak regarding their objections to the Settlement, regardless of whether they submitted written objections.

Notice of the Final Approval Order will be posted on the online portal established by the Settlement Administrator: [www.xxxx.com](http://www.xxxx.com).

### **FURTHER INFORMATION**

#### **26. How do I receive more information?**

This Notice provides a summary of the basic terms of the Settlement. For the Settlement's complete terms and conditions, consult the Settlement Agreement and Release and other documents in the Lawsuit. More information about the Lawsuit can be obtained through several methods:

- (i) You can contact the Settlement Administrator by mail, telephone, or email (contact information in Section 9 above);
- (ii) You can contact Class Counsel by mail, telephone, or email (contact information in Section 8 above);
- (iii) You can visit the website, [www.xxxx.com](http://www.xxxx.com), to obtain certain key documents in the Lawsuit free of charge; or
- (iv) For a small fee, all of the pleadings and other records in this litigation, including the Settlement Agreement and Release, may be examined online on the Los Angeles County Superior Court's website at [www.lacourt.org](http://www.lacourt.org).

**PLEASE DO NOT CALL OR OTHERWISE CONTACT THE COURT, THE CLERK OF COURT, REPRESENTATIVES OF MOLINA, OR COUNSEL FOR MOLINA FOR INFORMATION REGARDING THIS NOTICE OR SETTLEMENT.**

# **EXHIBIT 2**

**REVISED SETTLEMENT AGREEMENT AND**  
**RELEASE**

*Manuel I. Figueroa, M.D., for and on behalf of himself and other persons  
similarly situated, v. Molina Healthcare of California, Inc.*

**Superior Court of California, County of Los Angeles**  
**Case No. BC645344**

## REVISED SETTLEMENT AGREEMENT AND RELEASE

This Revised Settlement Agreement and Release (~~“(the “Agreement”)~~) is entered into by and among plaintiff Manuel I. Figueroa, M.D. and all those on whose behalf he is prosecuting this action (“Plaintiff”), on the one hand, and defendant Molina Healthcare of California (identified as Molina Healthcare of California, Inc. in the Lawsuit) (“Molina” or “Defendant”), on the other hand, as of the date executed below. Plaintiff and Molina shall be referred to collectively herein as the “Parties.” This Agreement is entered into by the Parties to fully and finally resolve and dismiss all of Plaintiff’s claims against Molina in the lawsuit captioned *Manuel I. Figueroa, M.D., for and on behalf of himself and other persons similarly situated, v. Molina Healthcare of California, Inc.*, Superior Court of California County of Los Angeles, Case No. BC645344 (the “Lawsuit”), on the terms set forth herein (the “Settlement”).

### RECITALS

A. On December 30, 2016, Plaintiff initiated the Lawsuit by filing a Class Action Complaint against Molina alleging that Molina failed to comply with certain provisions of the Patient Protection and Affordable Care Act (“ACA”) that required health plans, including Molina, to make enhanced payments to qualified medical providers to compensate them at 100% of the Medicare allowable payment rate for certain Medicaid primary care evaluation and management services and vaccinations (“E&M Services”) provided between January 1, 2013 through December 31, 2014 (“Enhanced Payments”).

B. Plaintiff filed an Amended Class Action Complaint against Molina on January 16, 2018, which included causes of action for violation of California’s Unfair Competition Law (“UCL”) and for breach of fiduciary duty.

C. On March 6, 2018, Molina filed a demurrer to the Amended Class Action Complaint seeking dismissal of the UCL and breach of fiduciary duty claims as well as dismissal of the class action allegations. On May 3, 2018, the Court sustained the demurrer, without leave to amend, as to the breach of fiduciary duty claim and the part of the UCL claim based on the “fraudulent” prong of the UCL. The Court overruled the demurrer as to the part of the UCL claim based on the “unfair” and “unlawful” prongs of the UCL, and it also overruled the demurrer with respect to the class allegations.

D. On June 1, 2018, Molina filed its Answer to the Amended Class Action Complaint.

E. Beginning on June 4, 2018, the Parties agreed to mediate this case and have since been engaged in significant settlement efforts, which have included, among other things, an extensive exchange and evaluation of information and data necessary for a potential class-wide settlement. The Parties participated in a full-day mediation session with the Honorable Carl J. West (Ret.) on July 2, 2019 and thereafter have continued their mediation and settlement efforts, including further exchanges of information and data necessary to evaluate a potential class-wide settlement.

F. As part of the Parties' mediation and settlement efforts, Molina acknowledges, warrants, and declares that it has undertaken a thorough review of its files and data to identify any and all qualified providers who submitted claims or encounters for eligible E&M Services provided between January 1, during 2013 through December 31, and 2014 (the "Class Period"), which claims or encounters were not denied prior to the filing of the Lawsuit, and who did not receive Enhanced Payments under Section 1202 of the ACA for some or all of those claims or encounters. To date, Molina's investigation has revealed that there are 3,464 such providers in the Settlement Class.

G. Molina does not acknowledge, admit to, or concede any of the allegations made in the Lawsuit, and it expressly disclaims and denies any fault, liability, or charges of wrongdoing asserted in the Lawsuit. Plaintiff and Class Counsel believe that the claims asserted in the Lawsuit have merit, and they do not in any way concede that the claims alleged in the Lawsuit lack merit or are subject to any defenses. However, the Parties acknowledge that this Agreement reflects their mutual desire to avoid the expense, risk, delay, and uncertainty of further litigation and to resolve fully and finally any and all matters between them, including any and all claims that were, may have been, or could have been alleged in the Lawsuit, upon the terms and conditions set forth in this Agreement.

### AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated into and are an integral part of this Agreement, and in consideration of the mutual promises contained herein and for good and valuable consideration, the sufficiency of which is acknowledged, the Parties hereto stipulate and agree as follows:

1. **DEFINITIONS.** In addition to the definitions contained elsewhere in this Agreement, the following definitions shall apply:

(a) "Class Counsel" shall mean Douglas P. Dehler and; Gregory W. Lyons, and Laura J. Lavey of O'Neil, Cannon, Hollman, DeJong & Laing S.C. and Gretchen M. Nelson and Gabriel S. Barenfeld of Nelson & Fraenkel LLP.

(b) "Class Period" shall mean January 1, 2013 through December 31, 2014.

(b)(c) "Court" shall mean the Superior Court of California County of Los Angeles.

(e)(d) "Defendant's Counsel" shall mean Quyen Ta and Craig Bessenger of King & Spalding LLP.

(d)(e) "Dr. Figueroa" shall mean plaintiff and class representative Manuel I. Figueroa, M.D.

- ~~(e)~~(f) “Effective Date” shall mean the later of (i) the date the Court has entered the Final Approval Order and all time to appeal or seek other judicial review of the Final Approval Order has expired; or (ii) the date the Final Approval Order has been upheld through the resolution of all appeals or other judicial review proceedings if such appeals or other judicial review proceedings were filed and not dismissed.
- ~~(f)~~(g) “Final Approval Hearing” shall mean the hearing at which the Court shall consider and determine whether to enter the Final Approval Order and make such other orders as are contemplated by this Agreement.
- ~~(g)~~(h) “Final Approval Hearing Date” shall mean the date set by the Court for the hearing on any motions for final approval of this Agreement.
- ~~(h)~~(i) “Final Approval Order” shall mean the Order and Judgment approving this Agreement issued by the Court at or after the Final Approval Hearing Date.
- ~~(i)~~(j) “Final Report” shall mean the report prepared by Class Counsel based on information received from the Settlement Administrator regarding the disbursements made in accordance with the terms of this Agreement and as more fully described in Paragraph 23 below.
- ~~(j)~~(k) “Motion for Final Approval” shall mean the motion or motions filed by Class Counsel as referenced in Paragraph 18 below.
- ~~(k)~~(l) “Motion for Preliminary Approval” shall mean the motion or motions filed by Class Counsel as referenced in Paragraph 5 below.
- ~~(l)~~(m) “Notice” shall mean the Court-approved notice to the Settlement Class, which will, among other things, inform them of the Settlement provided for under the terms of this Agreement and notify them of entry of the Preliminary Approval Order, the scheduling of the Final Approval Hearing, and the deadlines set as the Opt-Out Date and Objection Date. The Parties’ proposed Notice is attached hereto as **Exhibit A**.
- ~~(m)~~(n) “Notice Date” shall mean the date on which the Notice is sent to the Settlement Class as set forth in Paragraph 6 below.
- ~~(n)~~(o) “Objector” shall mean any Settlement Class Member who objects to the Settlement as set forth in Paragraphs 7(c) and 8 below.
- ~~(o)~~(p) “Opt Out” refers to the process by which qualified providers who are otherwise included in the Settlement Class may request exclusion from the Settlement Class as set forth in Paragraphs 7(d) and 9 below.

~~(p)~~(q) “Opt-Outs” shall mean the qualified providers who are otherwise included in the Settlement Class who request exclusion from the Settlement Class as set forth in Paragraphs 7(d) and 9 below.

~~(q)~~(r) “Preliminary Approval Date” shall mean the date on which the Preliminary Approval Order is entered by the Court.

~~(r)~~(s) “Preliminary Approval Order” shall mean the Order issued by the Court preliminarily approving this Agreement and authorizing the sending of the Notice to the Settlement Class; the Preliminary Approval Order is more fully described in Paragraph 5 below.

~~(s)~~(t) “Settlement Administrator” shall mean JND Legal Administration also known as JND, an independent, reputable, and commercially reasonable class action settlement administrator selected by Molina and Class Counsel following the receipt of three (3) competing bids from a pool of reputable and experienced companies, that, subject to Court approval, will provide the Notice as set forth herein and otherwise administer the Settlement in accordance with the terms of this Agreement.

~~(t)~~(u) “Settlement Class” shall mean the 3,464 providers who fall within the definition of the class identified in Paragraph 2(a). A list of these 3,464 providers and their contact information has been provided to Class Counsel prior to the execution of this Agreement, and it will be provided to the Settlement Administrator upon preliminary approval of this Settlement.

~~(u)~~(v) “Settlement Class Members” means all 3,464 providers in the Settlement Class less any Opt-Outs.

~~(v)~~(w) “Total Settlement Payments” shall mean the ~~total amount of~~ money to be paid by Molina to the Settlement Class Members under the terms of this Agreement. The Total Settlement Payments include payments to be made by Molina for Individual Settlement Payments, Agreed Claims, and Disputed Claims. Molina currently estimates that the amount of the Individual Settlement Payments will be \$3,488,489.53 (see ¶¶ 4 and 6, *infra*), however the Total Settlement Payments may be higher than this amount depending on any Agreed Claims Molina agrees to pay or Disputed Claims Molina is required to pay (see ¶¶ 10(d)-(f)).

~~(w)~~(x) “Total Settlement Funds” shall mean ~~the total that~~ amount of money Molina is required to pay under the terms of this Agreement and includes for the Total Settlement Payments (see ¶ 1(w), *supra*), in addition to, the Class Counsel Fee Payment (\$872,122.38 – see ¶ 15, *infra*), and the Incentive Award Payment (\$2,500.00 – see ¶ 14, *infra*) as those terms are defined herein.

**2. CLASS ACTION SETTLEMENT.** Plaintiff shall propose and recommend to the Court that a settlement class be certified, which class shall be comprised of 3,464 providers who are part of the Settlement Class. Molina agrees solely for purposes of the Settlement provided for in this Agreement, and the implementation of such Settlement, that this Lawsuit shall proceed as a class action; provided, however, that if a Final Approval Order is not issued, then Molina shall retain all rights to object to maintaining this Lawsuit as a class action.

- (a) The Parties hereto agree to certification, for settlement purposes only, of the following Settlement Class:

All California medical providers qualified to receive Enhanced Payments under Section 1202 of the ACA for eligible E&M Services provided to Molina's health plan members between January 1, during 2013 and December 31, 2014 who submitted claims or encounters for such services to Molina, which claims or encounters were not denied prior to the filing of the Lawsuit, and who Molina's records indicate did not receive Enhanced Payments from Molina for some or all of those claims or encounters. According to Molina's records, there are 3,464 providers within the Settlement Class.

Specifically excluded from the Settlement Class are the following persons: (i) Class Counsel and their immediate family members; (ii) any Judges or mediators who have presided over the Lawsuit and their immediate family members; and (iii) any provider who has separately settled and released his or her claims against Molina, including but not limited to, A. Shawn Adhami, M.D.

- (b) Solely for the purpose of implementing this Agreement and effectuating the Settlement, the Parties stipulate to the Court entering an order preliminarily certifying the Settlement Class, appointing Plaintiff Manuel I. Figueroa, M.D. as representative of the Settlement Class and appointing Douglas P. Dehler, Gregory W. Lyons, and Laura J. Lavey of O'Neil, Cannon, Hollman, DeJong & Laing S.C. and Gretchen M. Nelson and Gabriel S. Barenfeld of Nelson & Fraenkel LLP, counsel for Plaintiff, as counsel for the Settlement Class.
- (c) Solely for the purpose of implementing this Agreement and effectuating the Settlement, the Parties stipulate to the Court entering an order preliminarily finding that Plaintiff and Class Counsel are adequate representatives of the Settlement Class.
- (d) In the event that the Agreement is terminated pursuant to its terms or is not approved in any material respect by the Court, or such approval is

reversed, vacated, or modified in any material respect by the Court or by any other court, the certification of the Settlement Class shall be deemed vacated, the Lawsuit shall proceed as if the Settlement Class had never been certified, and Molina retains the right to challenge the appropriateness and suitability of class treatment in this event.

**3. COMMITMENT TO COOPERATE.**

- (a) The Parties agree that it is in their respective interests to (i) consummate this Agreement and all the terms and conditions contained herein; (ii) cooperate with each other; (iii) take all actions reasonably necessary to recommend and obtain Court approval of this Agreement and entry of the orders of the Court that are required to implement its provisions; and (iv) support this Agreement in accordance with, and subject to, the provisions of this Agreement. Plaintiff, Molina, and their respective counsel shall cooperate in presenting papers, declarations, affidavits, and testimony to the Court as may be necessary to effectuate the purpose and intent of this Agreement.
- (b) During the course of the Parties' mediation and settlement discussions, Molina analyzed and provided to Class Counsel in good faith certain information and calculations regarding the alleged non-payment or underpayment of Enhanced Payments and determined that there are 3,464 providers in the Settlement Class based on its internal record keeping and due diligence. Molina agrees that it will provide, if required by the Court, any affidavits, declarations, or other evidentiary support to verify the underlying data supporting the Settlement Payments to be made in accordance with the terms of this Agreement if such information is able to be filed under seal consistent with confidentiality and privacy obligations or required permissions pursuant to, without limitation, the Health Insurance Portability and Accountability Act or other applicable laws or legal requirements.
- (c) Molina also agrees that it will provide any affidavits, declarations, or other evidentiary support necessary to establish for the Court the efforts taken by Molina to identify the Settlement Class and confirming that Molina has utilized its best efforts to identify all qualified providers who submitted claims or encounters for eligible E&M Services provided during 2013 and 2014, which claims or encounters were not denied prior to the filing of the Lawsuit, and who did not receive Enhanced Payments under Section 1202 of the ACA for some or all of those claims or encounters.

**4. THE SETTLEMENT PAYMENTS.** Molina agrees that it will make Enhanced Payments under Section 1202 of the ACA for the total amounts that Molina has determined are owed to the Settlement Class (the "Settlement Payments"). Molina currently estimates that the total amount of the Settlement Payments equals three million four hundred eighty eight thousand

four hundred eighty nine dollars and 53/100 (\$3,488,489.53); however, Molina agrees to pay additional Enhanced Payments for claims or encounters for eligible E&M Services provided by Settlement Class Members during 2013 and 2014 that were submitted to Molina and not denied, and which Enhanced Payments are found to be due and owing by the Settlement Administrator subject to the process and limitations outlined in Paragraph 10 of this Agreement.

**5. PRELIMINARY APPROVAL OF SETTLEMENT.** Within thirty (30) days of the date this Agreement is fully executed, Class Counsel shall use reasonable efforts to file a Motion for Preliminary Approval of the Settlement provided for in this Agreement and request the entry of the Preliminary Approval Order, which, among other things, will:

- (a) Preliminarily approve this Settlement.
- (b) Provisionally certify the Settlement Class for settlement purposes.
- (c) Appoint Class Counsel as counsel for the provisionally certified Settlement Class.
- (d) Preliminarily find that the proposed Settlement is fair, reasonable, and adequate and order that the Notice be provided to the Settlement Class as set forth in Paragraph 6 below (or as otherwise determined by the Court), which Notice will: (i) describe the essential terms of the Settlement; (ii) disclose Class Counsel's intention to file an application with the Court requesting an Incentive Award Payment to Dr. Figueroa, as class representative; (iii) provide information regarding Class Counsel's intention to file an application with the Court requesting the award of a Class Counsel Fee Payment; (iv) identify the time and place of the Final Approval Hearing; (v) set forth the procedures for objecting to the Settlement; (vi) set forth the procedures for opting out of the Settlement; (vii) identify the amount of the Individual Settlement Payment and explain the procedures for disputing that amount; (viii) explain the process for payment of the Total Settlement Payments; and (ix) prominently display the contact information for Class Counsel.
- (e) Schedule the Final Approval Hearing.
- (f) Appoint the Settlement Administrator.
- (g) Approve the Notice and direct the Settlement Administrator to disseminate the Notice in accordance with the terms of this Agreement.
- (h) Find that the Notice: (i) is the best practicable notice; (ii) is reasonably calculated, under the circumstances, to apprise the Settlement Class of the pendency of the Lawsuit and of their right to object to or to exclude themselves from the proposed Settlement; (iii) is reasonable and

constitutes due, adequate and sufficient notice to all providers entitled to receive notice; and (iv) meets all requirements of applicable law.

- (i) Require the Settlement Administrator to file proof of compliance with the Notice provisions of this Agreement no later than seven (7) calendar days before the Final Approval Hearing Date.
- (j) Require any member of the Settlement Class who wishes to exclude himself or herself from the Settlement Class to submit an appropriate, timely request for exclusion to the Settlement Administrator, postmarked no later than the Opt-Out Date in compliance with the provisions of this Agreement and as set forth in the Notice.
- (k) Order that any member of the Settlement Class who does not timely and validly Opt Out of the Settlement Class will be bound by all proceedings, orders and judgments in the Lawsuit.
- (l) Require any Settlement Class Member who does not Opt Out and who wishes to object to the fairness, reasonableness or adequacy of the Settlement or the requested Class Counsel Fee Payment or Incentive Award Payment to submit an appropriate, timely Objection to the Settlement Administrator, postmarked no later than the Objection Date in compliance with the provisions of this Agreement and as set forth in the Notice.
- (m) Order that any responses to any Objection shall be included in the Motion for Final Approval.
- (n) Direct the Settlement Administrator to establish a post office box in the name of the Settlement Administrator to be used for receiving requests for exclusion and any other communications, and providing that only the Settlement Administrator, Class Counsel, Defendant's Counsel, the Court, the Clerk of the Court and their designated agents shall have access to this post office box, except as otherwise provided in this Agreement.
- (o) Directing that Class Counsel shall file any applications for a Class Counsel Fee Payment and an Incentive Award Payment at least thirty-five (35) days prior to the Opt-Out Date and Objection Date.
- (p) Order the Settlement Administrator to provide the Opt-Out List to Class Counsel and Defendant's Counsel within fifteen (15) days after the Opt-Out Date and then file with the Court the Opt-Out List with an affidavit attesting to the completeness and accuracy thereof no later than seven (7) calendar days before the Final Approval Hearing Date.

~~(g) —Preliminarily enjoin all members of the Settlement Class, unless and until they have timely and properly excluded themselves from the Settlement Class under Paragraphs 7(d) and 9 below, from (i) filing, commencing, prosecuting, intervening in or participating as plaintiff, claimant or class member in any other lawsuit or arbitration or administrative, regulatory, or other proceeding in any jurisdiction based on, relating to or arising out of the Released Claims; (ii) filing, commencing, prosecuting, or participating in a lawsuit or arbitration or administrative, regulatory, or other proceeding as a class action on behalf of any member of the Settlement Class who has not timely excluded himself or herself (including by seeking to amend a pending complaint to include class allegations or seeking class certification in a pending action), based on, relating to or arising out of the Released Claims; and (iii) attempting to effect Opt-Outs of a class of individuals in any lawsuit or arbitration or administrative, regulatory, or other proceeding based on, relating to or arising out of the Released Claims. This Settlement Agreement is not intended to prevent members of the Settlement Class from participating in any action or investigation initiated by a state or federal agency.~~

**6. NOTICE TO THE SETTLEMENT CLASS.** Each provider in the Settlement Class, including those whom Molina has determined are owed zero dollars (\$0.00) in Settlement Payments (approximately 50-60 providers whom Molina has determined were compensated, pursuant to separate contractual arrangements, at rates equal to or in excess of the amount of Enhanced Payments otherwise owed to them), will be sent a Notice identifying the specific amount of the Settlement Payments that Molina has determined are owed to that provider (the “Individual Settlement Payment”). A summary of the Enhanced Payments to be made as part of each member of the Settlement Class’ Individual Settlement Payment (the “Individual Settlement Payment Summary”) shall be made available to each member of the Settlement Class by an online portal established by the Settlement Administrator.

(a) Molina shall provide to the Settlement Administrator and Class Counsel the list of providers it has determined are in the Settlement Class (the “Settlement Class List”), along with their addresses and last known contact information for the purpose of sending the Notice. Additionally, Molina shall provide to the Settlement Administrator and Class Counsel the Individual Settlement Payment Summary for each member of the Settlement Class, which summary, at a minimum, shall include the following: (i) the provider’s NPI number; (ii) the date(s) of service for the claims/encounters for which Enhanced Payments are to be made; (iii) the CIN number for the patient(s); (iv) the CPT code for the service(s) provided; (v) the dollar amount of the Enhanced Payment being made for each claim/encounter; and (vi) the total Individual Settlement Payment to be made to that member of the Settlement Class. Molina shall provide the Settlement Class List and the Individual Settlement Payment Summary for each member of the Settlement Class from its own records, at its own

expense, not later than fifteen (15) days after the Preliminary Approval Date.

- ~~(b)~~ (b) The Settlement Administrator shall cross-check the last known contact information supplied by Molina with the contact information listed with the Centers for Medicare & Medicaid Services on its website by NPI (National Provider Identifier) number for those providers on the Settlement Class List to confirm current contact information for those providers, including their last-known mailing address for purposes of sending Notice.
- ~~(b)(c)~~ (c) The Settlement Administrator shall send the Notice to the Settlement Class via first-class United States mail to the last-known mailing address for each provider in the Settlement Class. The Settlement Administrator may use alternative or additional methods to contact members of the Settlement Class, including, but not limited to, electronic mail or other electronic notification, based on any alternative or additional contact information in Molina's possession, or as otherwise specified by the Court in the Preliminary Approval Order, and is not otherwise required to update the Settlement Class List.
- ~~(c)(d)~~ (d) The Notice shall be sent as soon as practicable after the Court has entered the Preliminary Approval Order, but not later than sixty (60) days after the filing of the Motion for Preliminary Approval or thirty (30) days after the Preliminary Approval Date, whichever is later.
- ~~(d)(e)~~ (e) If a Notice is returned with forwarding address information, the Settlement Administrator shall promptly re-send the Notice to the forwarding address. For all other Notices that are returned as, or otherwise determined to be, undeliverable, the Settlement Administrator shall ensure that the Notice was first sent by first-class United States mail, and then use standard skip tracing procedures to obtain forwarding address information and, if the skip tracing yields a different forwarding address, the Settlement Administrator shall re-mail the Notice to the address identified in the skip trace as soon as reasonably practicable after the receipt of the returned mail (a "Remailed Notice").
- ~~(e)(f)~~ (f) The Settlement Administrator shall maintain a database showing mailing addresses, and email addresses to the extent used, to which each Notice was sent and any Notices that were not delivered by mail or email. A summary report of the results of sending the Notice shall be provided to the Parties upon request and not later than ten (10) business days prior to the deadline to file the Motion for Final Approval. The database maintained by the Settlement Administrator regarding the recipients of the Notice shall be available to the Parties and the Court upon request. It shall otherwise be confidential and shall not be disclosed to any third-party.

~~(g)~~ The Settlement Administrator shall file proof of compliance with the Notice provisions of this Agreement no later than seven (7) calendar days before the Final Approval Hearing Date.

7. **SETTLEMENT OPTIONS.** All members of the Settlement Class shall have the following options upon receipt of the Notice, which options shall be set forth in the terms of the Notice itself:

- (a) Do nothing and, thus, accept the terms of the Settlement, including the amount of the Individual Settlement Payment identified in the Notice;
- (b) Accept the terms of the Settlement, but dispute the amount of the Individual Settlement Payment identified in the Notice;
- (c) Object to the Settlement in its entirety, but agree to receive only the Individual Settlement Payment identified in the Notice if the Settlement is approved by the Court; or
- (d) Opt Out of the Settlement.

8. **OBJECTION RIGHTS AND TIMING.** Each Settlement Class Member may object to the Settlement as set forth in Paragraph 7(c) above (“Objection”) by providing written notice, in the manner specified in the Notice, of his/her objection to the Settlement by the deadline set by the Court as the Objection Date. When seeking Preliminary Approval of the Settlement, the Parties agree to request that the Court set the Objection Date for the date that is sixty (60) days after the Notice Date (the “Objection Date”), except that any Settlement Class Member who receives a Rемаiled Notice shall have thirty (30) days after the Objection Date to submit a valid Objection (the “Extended Objection Date”).

- (a) To be valid and considered by the Court, the Objection must be in writing and sent by first-class mail, postage pre-paid, as set forth in the Notice, to the Settlement Administrator. The Objection must be postmarked on or before the Objection Date, or where appropriate, the Extended Objection Date, and must include the following information: (i) the Objector’s name, address, telephone, number, and the contact information for any attorney retained by the Objector in connection with the Objection or otherwise in connection with the Lawsuit; (ii) a statement of the factual and legal basis for each Objection and any exhibits the Objector wishes the Court to consider in connection with the Objection; and (iii) a statement as to whether the Objector intends to appear at the Final Approval Hearing, either in person or through counsel, and, if through counsel, identifying the counsel by name, address and telephone number.
- (b) The Settlement Administrator shall deliver to both Class Counsel and Defendant’s Counsel complete copies of any and all Objections received

within fifteen (15) days after the Objection Date, or where appropriate, the Extended Objection Date, and then file with the Court copies of any Objections received at least seven (7) calendar days before the Final Approval Hearing Date, unless another date is set by the Court.

- (c) The Court will hear from any Settlement Class Members who attend the Final Approval Hearing and ask to speak regarding their objections to the Settlement, regardless of whether they submitted written objections.

**9. OPT OUT RIGHTS AND TIMING.** Providers who are otherwise included in the Settlement Class may request exclusion from the Settlement Class as set forth in Paragraph 7(d) above (i.e., Opt Out) by providing written notice to the Settlement Administrator, in the manner specified in the Notice, on or before the date set by the Court as the Opt-Out Date. When seeking Preliminary Approval of the Settlement, the Parties agree to request that the Court set the Opt-Out Date for the date that is sixty (60) days after the Notice Date (the “Opt-Out Date”), or where appropriate, ninety (90) days after the Notice Date (the “Extended Opt-Out Date”) to accommodate any Remained Notice.”

- (a) Providers who are otherwise included in the Settlement Class who timely and validly request to Opt Out shall be excluded from the Settlement and from the Settlement Class and shall no longer be a Settlement Class Member. Any provider otherwise included in the Settlement Class who does not submit a request to Opt Out by the Opt-Out Date, or where appropriate the Extended Opt-Out Date, or who does not otherwise comply with the agreed-upon Opt-Out procedure approved by the Court shall be deemed a Settlement Class Member and shall be bound by the terms of this Agreement and the Final Approval Order. Any provider who files both an Objection and a request to Opt Out shall be deemed to have opted-out.
- (b) The Settlement Administrator shall maintain a list of Opt-Outs (the “Opt-Out List”) and shall provide such list to Class Counsel and Defendant’s Counsel within fifteen (15) days after the Opt-Out Date, or where appropriate the Extended Opt-Out Date, and then file with the Court the Opt-Out List with an affidavit attesting to the completeness and accuracy thereof no later than seven (7) calendar days before the Final Approval Hearing Date, unless another date is set by the Court.
- (c) The Settlement Administrator shall retain the originals of all documentation received from the Opt-Outs (including the envelopes with postmarks). Such documentation shall be made available to Class Counsel, Defendant’s Counsel, or the Court upon three (3) business days’ written notice.
- (d) Any providers otherwise included in the Settlement Class who timely and validly submitted a request to Opt Out shall have until the Final Approval

Hearing to deliver to Class Counsel and the Settlement Administrator a written revocation of such request to Opt Out. Class Counsel shall timely apprise the Court of such revocations, if any.

**10. SETTLEMENT PAYMENT DISPUTE PROCEDURE.** In the event that a Settlement Class Member disputes the amount of the Individual Settlement Payment identified in the Notice as set forth in Paragraph 7(b) above (the “Disputing Settlement Class Member”), the following process—or a modified process not materially different from the process set forth below and with the same intent and which is mutually agreed upon by the Parties and the Settlement Administrator—will be used to determine the amount of the payment to be made to that Disputing Settlement Class Member:

- (a) The Disputing Settlement Class Member will have one hundred (100) days from the date of the Notice (“Dispute Deadline”), or where appropriate the date of the Remailed Notice (“Extended Dispute Deadline”). to (i) submit a dispute to the Settlement Administrator stating the total amount of Enhanced Payments he/she asserts he/she is owed from Molina and (ii) provide the Settlement Administrator with documentation identifying the claims/encounters for which the Disputing Settlement Class Member asserts he/she is still owed Enhanced Payments from Molina, as well as any response previously received from Molina relating to those claims/encounters. Such documentation, at a minimum, should include the following: (i) the provider’s NPI Number; (ii) the date(s) of service; (iii) the CIN number for the patient(s); (iv) the CPT code for the service(s) provided; (v) an attestation from the provider that the claims/encounters were submitted for payment to Molina; and (vi) a short statement of how the claims/encounters were treated by Molina.
- (b) If the Settlement Administrator determines that the documentation submitted in support of the Disputing Settlement Class Member’s dispute is deficient, then within thirty (30) days of receipt of the dispute information the Settlement Administrator shall provide to the Disputing Settlement Class Member and Class Counsel (with a copy to Defendant’s Counsel) a deficiency notice and allow the Disputing Settlement Class Member one opportunity to supplement the dispute documentation within twenty (20) days of the date of the deficiency notice. Each deficiency notice will be sent to the Disputing Settlement Class Member, Class Counsel, and Defendant’s Counsel by the Settlement Administrator electronically or by U.S. Mail as appropriate and shall identify the specific basis for the Settlement Administrator’s determination that the Disputing Settlement Class Member’s documentation is deficient.
- (c) If the Settlement Administrator does not receive sufficient documentation to support the amount that the Disputing Settlement Class Member asserts is owed by Molina in Enhanced Payments within twenty (20) days of the

deficiency notice, then the Disputing Settlement Class Member will receive the Individual Settlement Payment identified in the Notice.

- (d) If the Settlement Administrator receives adequate documentation to support the amount that the Disputing Settlement Class Member asserts is owed by Molina in Enhanced Payments by the Dispute Deadline, or where appropriate the Extended Dispute Deadline, within one hundred (100) days of the date of the Notice or within twenty (20) days of the deficiency notice (if one is sent), then Molina will be notified of the disputed amount and be provided with the documentation submitted by the Disputing Settlement Class Member. The Settlement Administrator shall notify Molina of all disputed amounts by no later than fifteen (15) days after the deadline for Disputing Settlement Class Members to cure any deficiencies. Molina then will have forty-five (45) days from being notified of each disputed amount to either contest some or all of that disputed amount with its own documentation (a “Disputed Claim”) or agree to pay the disputed amount as set forth by the Disputing Settlement Class Member (an “Agreed Claim”).
- (e) If Molina timely submits its own documentation contesting some or all of the disputed amounts, then the Settlement Administrator, within thirty (30) days of receiving Molina’s documentation for a Disputed Claim, will adjudicate the Disputed Claim based on the submitted documentation from both the Disputing Settlement Class Member and Molina and determine the total amount owed by Molina. In adjudicating any Disputed Claims, the Settlement Administrator shall do the following: (i) if the documentation submitted by the Disputing Settlement Class Member sufficiently identifies the claims/encounters for a Disputed Claim by providing the information set forth in Paragraph 10(a) above, then that Disputed Claim shall be presumed valid and payable, subject to the following; (ii) if the documentation submitted by Molina shows that a Disputed Claim was denied by Molina before December 30, 2016, then the Settlement Administrator shall determine that no Enhanced Payment is owed to the Disputing Settlement Class Member for that Disputed Claim; (iii) if the documentation submitted by Molina shows that an Enhanced Payment was paid by Molina to the Disputing Settlement Class Member on a Disputed Claim, then the Settlement Administrator shall determine that no additional Enhanced Payment is owed to the Disputing Settlement Class Member for that Disputed Claim; (iv) if the documentation submitted by Molina is not sufficient to show that a Disputed Claim was denied before December 30, 2016 or that an Enhanced Payment was already paid to the Disputing Settlement Class Member for a Disputed Claim, then the Settlement Administrator shall conclude that an Enhanced Payment for each such Disputed Claim is owed and must be promptly paid by Molina to the Disputing Settlement Class Member.

- (f) Within ten (10) days after the Settlement Administrator's final adjudication of Disputed Claims under this Paragraph 10, the Settlement Administrator shall provide a report to Class Counsel and Molina identifying all disputes received from Disputing Settlement Class Members, the number and amount of Agreed Claims, the number and amount of Disputed Claims, and the results of the adjudication of the Disputed Claims (the "Dispute Report").

**11. PAYMENT TO DR. FIGUEROA.** Dr. Figueroa agrees that the amount of the Individual Settlement Payment owed to him by Molina is \$43,891.10.

**12. THE SETTLEMENT ADMINISTRATOR.**

- (a) The Settlement Administrator shall execute a retainer agreement that shall provide, among other things, that the Settlement Administrator shall be bound by and shall perform the obligations imposed on it under the terms of this Agreement.
- (b) The Settlement Administrator shall be subject to the jurisdiction of the Court with respect to the administration of this Settlement.
- (c) Molina shall provide to the Settlement Administrator and Class Counsel the Settlement Class List and the Individual Settlement Payment Summary for each member of the Settlement Class, along with the last known addresses and last known email address (if any) for each member of the Settlement Class for the purpose of preparing and sending the Notice.
- (d) The Settlement Administrator, among other things, shall be responsible for providing the Notice set forth in Paragraph 6 above, adjudicating any Disputed Claims as set forth in Paragraph 10 above, and otherwise administering the Settlement according to the terms of this Agreement.
- (e) The Parties agree that the Settlement Administrator may communicate with the Settlement Class regarding the provisions of this Agreement, so long as such communications are not inconsistent with the Notice or other terms of this Agreement. The Parties agree that from the Notice Date until the Effective Date, Molina shall make reasonable efforts to refer all inquiries from the Settlement Class concerning the Settlement or this Agreement to the Settlement Administrator. Nothing contained, herein, however, shall prevent Molina from communicating with the Settlement Class in the ordinary course of Molina's business.
- (f) The Settlement Administrator shall keep all information regarding the Settlement Class confidential except as otherwise provided herein. Unless otherwise prohibited by law or order of the Court, all data created and/or obtained and maintained by the Settlement Administrator pursuant to this

Agreement shall be destroyed twelve (12) months after the Final Report is submitted to the Court, provided that Class Counsel and Defendant's Counsel, or either of them, at their own cost, shall receive a complete digital copy of the Settlement Administrator's records, together with a declaration establishing completeness and authenticity, which they may maintain consistent with their own document retention policies.

- (g) The Settlement Administrator shall be responsible for timely and properly preparing and filing all tax returns necessary or advisable, if any, with respect to the Total Settlement Funds. Except as provided herein, Settlement Class Members shall be responsible for their own tax reporting of payments received under the terms of this Agreement.
- (h) The Settlement Administrator shall provide the data in its claims administration database to Class Counsel and/or Defendant's Counsel in response to any written request, including an email request, for such information. The written request shall be copied to the other Party's counsel when made.
- (i) Within two hundred (200) days after the Effective Date, the Settlement Administrator shall prepare a declaration for Class Counsel's Final Report setting forth the total amounts paid to the Settlement Class Members by the Settlement Administrator; a listing of all checks not cashed and/or returned; the total amount of all checks that were not cashed and/or returned; the efforts undertaken to follow up on uncashed and/or returned checks; and the total amount of money being held by the Settlement Administrator.

**13. SETTLEMENT ADMINISTRATOR FEES.** Molina agrees to pay all reasonable fees, costs, and expenses related to the administration of this Settlement or otherwise incurred by the Settlement Administrator, such amount not to exceed two hundred thousand dollars (\$200,000.00). The payment of such fees, costs, and expenses shall be in addition to the Total Settlement Payments to be made by Molina to the Settlement Class Members. Molina will make arrangements with the Settlement Administrator to pay the Settlement Administrator's fees, costs, and expenses directly. The Settlement Class Members and Class Counsel shall not be responsible for any expenses in providing the Notice or in administering the Settlement as provided for this Agreement.

**14. INCENTIVE AWARD TO DR. FIGUEROA.** The Parties agree that an incentive award to Dr. Figueroa, as class representative, is appropriate and that the payment of such award shall be made by Molina in addition to the Total Settlement Payments to be made by Molina to the Settlement Class Members. Dr. Figueroa will make an application to the Court for an incentive award no later than thirty-five (35) days prior to the Opt-Out Date and Objection Date. Molina agrees that it will not object to an application for an incentive award for Dr. Figueroa up to an amount of two thousand five hundred dollars (\$2,500.00). The total amount of any incentive award to Dr. Figueroa approved by the Court (the "Incentive Award Payment")

shall be paid by the Settlement Administrator from the Total Settlement Funds within twenty-one (21) days after the Effective Date.

**15. CLASS COUNSEL FEES.** Class Counsel shall apply to the Court for approval of a request for their fees and costs no later than thirty-five (35) days prior to the Opt-Out Date and Objection Date. The Parties agree that the payment of any such fees and costs awarded by the Court shall be paid by Molina and that such payment will be paid by Molina in addition to the Total Settlement Payments to be made by Molina to the Settlement Class Members. Molina agrees that it will not object to an application for fees and costs up to twenty-five percent (25%) of the total payments made by Molina to the Settlement Class Members, not to exceed twenty-five percent (25%) of \$3,488,489.53. Twenty-five percent (25%) of \$3,488,489.53 is \$872,122.38. The total amount of any fees and costs awarded to Class Counsel by the Court (the "Class Counsel Fee Payment") shall be paid by the Settlement Administrator from the Total Settlement Funds within twenty-one (21) days after the Effective Date.

**16. RELEASE.** Except as to the rights and obligations provided for under the terms of this Agreement, upon the date on which Molina transfers the Total Settlement Funds to the Settlement Administrator per Paragraph 21(a), Effective Date, Plaintiff, on behalf of himself and each of the Settlement Class Members (collectively, the "Releasing Parties"), hereby releases and forever discharges Molina, and all of its past, present and future predecessors, successors, parent entities, subsidiaries, divisions, employees, affiliates, officers, directors, shareholders, representatives, attorneys, insurers, agents and assigns (collectively, the "Released Parties") from any and all causes of action, claims, allegations, damages, costs, fees or liabilities ~~of any kind or character, known or unknown,~~ that were ~~or could have been~~ alleged in, or arise out of facts asserted in, the Amended Class Action Complaint filed on January 16, 2018 ~~Lawsuit~~ (the "Released Claims").

- (a) Subject to Court approval, all Settlement Class Members shall be bound by this Agreement and the release set forth in this Paragraph 16, ~~and all of their Released Claims shall be dismissed with prejudice and released,~~ irrespective of whether they received actual notice of the Lawsuit or this Settlement. This Agreement does not affect any claims or potential claims of any providers who are not Settlement Class Members.
- (b) Without in any way limiting the scope of the release contained in this Paragraph 16, the release covers any and all claims for attorneys' fees, costs or disbursements incurred by Class Counsel or any other counsel representing Plaintiff or the Settlement Class Members, or any of them, in connection with or related in any manner to the Lawsuit, the Settlement, the administration of the Settlement and the Released Claims as well as any and all claims related to the Incentive Award Payment and the Class Counsel Fee Payment.

**17. WAIVER OF CALIFORNIA CIVIL CODE SECTION 1542.** With respect to all Released Claims, ~~Plaintiff agrees the Releasing Parties agree~~ that, upon the Effective Date, he isthey are waiving any and all provisions, rights, and benefits conferred by California Civil Code

§ 1542, or by any other statutes, common law principles, laws, or rules of similar effect to California Civil Code § 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

~~Plaintiff acknowledges~~~~The Releasing Parties acknowledge~~ that ~~he is~~~~they are~~ aware that ~~he~~~~they~~ may later discover facts in addition to or different from those which ~~he~~~~they~~ now ~~knows~~~~know~~ or ~~believes~~~~believe~~ to be true with respect to the subject matter of this Agreement and the Released Claims. Nevertheless, it is the intention of the Parties to fully, finally, and forever settle and release all Released Claims, including those that are presently unknown or unanticipated, and ~~Plaintiff~~~~each Releasing Party~~ hereby expressly waives and fully, finally, and forever settles and releases, upon the entry of the Final Approval Order, any known or unknown, suspected or unsuspected, contingent or non-contingent claim that is the subject matter of this Lawsuit, whether or not concealed or hidden, without regard to the discovery or existence of such additional or different facts.

**18. FINAL APPROVAL OF SETTLEMENT.** Within forty-five (45) days after receipt of the Dispute Report pursuant to Paragraph 10(f) above, Class Counsel shall file a Motion for Final Approval of this Settlement so that the same can be heard on the Final Approval Hearing Date. The Parties agree to work together to identify and submit any evidence that may be required by the Court to satisfy the burden of proof for obtaining final approval of this Settlement and the orders of the Court that are necessary to effectuate the provisions of this Agreement. At the Final Approval Hearing, the Parties shall present evidence necessary and appropriate to obtain the Court's approval of this Settlement and the entry of the Final Approval Order that, among other things:

- (a) Finds that the Court has jurisdiction over Plaintiff, Defendant, and all Settlement Class Members and that the Court has jurisdiction to approve this Settlement and Agreement and all exhibits thereto;
- (b) Certifies the Settlement Class for purposes of this Settlement;
- (c) Grants final approval of this Settlement as being fair, reasonable and adequate as to all Parties and consistent and in compliance with all requirements of due process and applicable law, as to and in the best interests of all Parties and directs the Parties and their counsel to implement and consummate this Agreement in accordance with its terms and provisions;
- (d) Declares this Agreement and the Final Approval Order to be binding on and have res judicata and preclusive effect in all pending and future lawsuits or

other proceedings encompassed by the release set forth in Paragraph 16 above maintained by or on behalf of Plaintiff and all Settlement Class Members, on their own behalf and on behalf of their respective present, former and future administrators, trustees, spouses, attorneys, agents, assigns, executors, heirs, partners, privies, representatives, predecessors-in-interest and successors, and any other person or entity who may claim through them;

- (e) Finds that the provision of the Notice: (i) constituted the best practicable notice; (ii) constituted notice that was reasonably calculated under the circumstances to apprise the Settlement Class of the pendency of the Lawsuit, of their right to object to or to exclude themselves from the proposed Settlement, of their right to appear at the Final Approval Hearing, and of their right to seek monetary and other relief; (iii) constituted reasonable, due, adequate and sufficient notice to all providers entitled to receive notice; and (iv) met all requirements of due process and any other applicable law;
- (f) Finds that Class Counsel and Plaintiff adequately represented the Settlement Class for purposes of entering into and implementing the Settlement and this Agreement;
- ~~(g) — Dismisses the Lawsuit now pending before the Court on the merits and with prejudice and without fees or costs except as provided herein, and approved by the Court in accordance with the terms of the Final Approval Order;~~
- ~~(h)(g)~~ Without affecting the finality of the Final Approval Order for purposes of appeal, reserves jurisdiction over the Settlement Administrator, Defendant, Plaintiff and the Settlement Class Members as to all matters relating to the administration, consummation, enforcement and interpretation of the terms of the Settlement, the Agreement, the Final Approval Order, and for any other necessary purpose;
- ~~(i)(h)~~ Provides that upon entry of the Final Approval Order, the Releasing Parties shall be barred from asserting any Released Claims against the Released Parties, and the Releasing Parties shall have released the Released Claims as against the Released Parties;
- ~~(i)(i)~~ Approves the Opt-Out List and determines that the Opt-Out List is a conclusive and complete list of all members of the Settlement Class who have timely and effectively requested exclusion from the Settlement Class and, accordingly, shall neither share in nor be bound by the Final Approval Order; and
- ~~(k)(j)~~ Authorizes the Parties, without further approval from the Court, to agree to and adopt such amendments, modifications and expansions of this

Agreement as (i) shall be consistent in all material respects with the Final Approval Order ; and (ii) do not limit the rights of the Parties or Settlement Class Members.

19. **FINAL APPROVAL ORDER. ENTRY OF JUDGMENT.** Upon entry of the Final Approval Order, ~~this Lawsuit shall be dismissed in its entirety, with prejudice. The Final Approval Order shall constitute the Court's final judgment in this action.~~ The Court shall retain jurisdiction to enforce ~~its~~the terms. Notice of the Final Approval Order will be posted on the online portal established by the Settlement Administrator.

20. **CONDITIONS TO SETTLEMENT.**

- (a) This Agreement shall be subject to and is expressly conditioned on the occurrence of all of the following events: (i) the Court has entered the Preliminary Approval Order as required by Paragraph 5 above; (ii) the Court has entered the Final Approval Order as required by Paragraphs 18 and 19 above, and all objections, if any, to such Final Approval Order are overruled, and all appeals taken from such Final Approval Order are resolved in favor of approval; and (iii) the Effective Date has occurred.
- (b) In the event this Agreement is terminated, pursuant to Paragraph 24 below or fails to become effective in accordance with Paragraph 20(a) immediately above, then the Parties shall be restored to their respective positions in this case as they existed as of the date of the execution of this Agreement.

21. **TOTAL SETTLEMENT FUNDS.**

- (a) Within thirty (30) days after entry of the Final Approval Order, Molina shall transfer to the Settlement Administrator the funds necessary to make payment of all of the following: (i) the Total Settlement Payments; (ii) the Class Counsel Fee Payment; and (iii) the Incentive Award Payment (collectively, the Total Settlement Funds).
- (b) All funds held by the Settlement Administrator shall be deemed and considered to be in *custodia legis* of the Court and shall remain subject to the jurisdiction of the Court until distributed pursuant to this Agreement.
- (c) All funds held by the Settlement Administrator at any time shall be deemed to be a Qualified Settlement Fund as described in Treasury Regulation § 1.468B-1, 26 C.F.R. § 1.468B-1.
- (d) The payment of the fees and costs awarded to Class Counsel shall be paid in accordance with Paragraph 15 above.

- (e) The payment of any approved incentive award to Dr. Figueroa shall be paid in accordance with Paragraph 14 above.
- (f) The payment of amounts due from Molina to individual Settlement Class Members for Individual Settlement Payments, Disputed Claims, and Agreed Claims (collectively, the Total Settlement Payments) shall be paid by the Settlement Administrator from the Total Settlement Funds within twenty-one (21) days after the Effective Date. Such payment shall be accomplished whenever possible by wire or other electronic transfer, and if not so possible, by check sent from the Settlement Administrator to the Settlement Class Member at the address used to provide the Notice, or at such other address as designated by the Settlement Class Member. The Settlement Class Members shall have ~~twoone~~ hundred ~~seventy (270)~~~~eighty (180)~~ days to negotiate the check. Any checks uncashed after ~~twoone~~ hundred ~~seventy (270)~~~~eighty (180)~~ days shall be distributed pursuant to Paragraph 22 below.

**22. CY PRES PAYMENT.** Subject to Court approval, fifteen (15) days after submission of the Final Report, the total amount of uncashed and returned checks held by the Settlement Administrator at the time of the Final Report shall be directed to the Controller of the State of California, or to the equivalent authority in the appropriate state if the last known address of the Settlement Class Member is outside of California, to be held in Settlement Class Members' names pursuant to the California Unclaimed Property Law or the equivalent thereof in another state as appropriate~~paid by the Settlement Administrator to the State Bar of California Justice Gap Fund or as otherwise directed by the Court.~~

**23. FINAL REPORT TO THE COURT.** Within two hundred ten (210) days after the Effective Date, Class Counsel shall submit to the Court a Final Report, setting forth:

- (a) The amounts paid to the Settlement Class Members by the Settlement Administrator;
- (b) A list of any checks not cashed or returned and the total amount of those checks;
- (c) The efforts undertaken to follow up on uncashed and/or returned checks; and
- (d) The total amount of money that remains unpaid to Settlement Class Members.

**24. WITHDRAWAL FROM OR TERMINATION OF AGREEMENT.**

- (a) Within ten (10) days after the occurrence of any of the following events and upon written notice to counsel for all Parties, either Party shall have

the right, but not the obligation, to withdraw from the Settlement and terminate this Agreement:

- (i) If the Court materially alters any of the terms of the Agreement, except that any award of the Class Counsel Fee Payment or the Incentive Award Payment shall not be deemed to be a material alteration; or
  - (ii) If the Preliminary Approval Order or the Final Approval Order is not entered by the Court or is reversed and modified in a material way on appeal.
- (b) Notwithstanding any other provisions in this Agreement, Molina, in its sole and exclusive discretion, may withdraw from and terminate this Agreement in its entirety if either of the following occur:
- (i) If the number of Opt-Outs under Paragraph 9 exceeds three hundred fifty (350). Molina shall notify Class Counsel and the Court of its intent to terminate this Agreement pursuant to this Paragraph 24(b)(i) within fifteen (15) days after receiving the Opt-Out List from the Settlement Administrator, or this option to terminate shall be considered waived. In the event that Molina exercises its right to terminate pursuant to this Paragraph 24(b)(i), Class Counsel shall have thirty (30) days or such longer period as agreed to by the Parties to address the concerns of the Opt-Outs. If through such efforts the total number of Opt-Outs subsequently becomes and remains fewer than three hundred fifty (350), Molina shall cancel its election to withdraw from and terminate this Agreement. In no event, however, shall Molina have any further obligation under this Agreement to any Opt-Out unless he or she withdraws his or her request to Opt Out.
  - (ii) If the value of all Disputed Claims that the Settlement Administrator determines must be paid by Molina to Disputing Settlement Class Members pursuant to Paragraph 10 above (the "Disputed Claims Total") exceeds three hundred fifty thousand dollars (\$350,000). Any amounts that Molina agrees to pay as part of an Agreed Claim will not be counted toward the Disputed Claims Total. Molina shall notify Class Counsel and the Court of its intent to terminate this Agreement pursuant to this Paragraph 24(b)(ii) within fifteen (15) days after receipt of the Dispute Report, or this option to terminate shall be considered waived.
- (c) In the event of a withdrawal or termination pursuant to Paragraph 24(a) or 24(b) above, any certification of a Settlement Class will be vacated, without prejudice to any Party's position on the issue of class certification

and the amenability of the claims asserted in the Lawsuit to class treatment, and the Parties shall be restored to their litigation position existing immediately before the execution of this Agreement.

**25. REPRESENTATIONS.**

- (a) The Parties to this Agreement represent that they have read this Agreement and are fully aware of and understand all of its terms and the legal consequences thereof. The Parties represent that they have consulted or have had the opportunity to consult with and have received or have had the opportunity to receive advice from legal counsel in connection with their review and execution of this Agreement.
- (b) The Parties have not relied on any representations, promises or agreements other than those expressly set forth in this Agreement.
- (c) The Plaintiff, on behalf of the Settlement Class Members, represents that he has made such inquiry into the terms and conditions of this Agreement as he deems appropriate, and that by executing this Agreement, he believes the Agreement and all the terms and conditions set forth herein, are fair and reasonable to all Settlement Class Members.
- (d) The Plaintiff represents that he has no conflicts or other personal interests that would in any way impact his representation of the Settlement Class Members in connection with the execution of this Agreement.
- (e) Molina represents and warrants that it has obtained all corporate authority necessary to execute this Agreement.

**26. NO ADMISSION OF LIABILITY.** This Agreement is not and may not be deemed to be an admission by any Party of any liability to any allegation, claim or defense asserted by any other Party, and shall not be offered or received in evidence, or subject to discovery, in this or any other action or proceeding except in an action brought to enforce its terms or except as may be required by law or Court order. Rather, this Agreement is being entered into solely as a compromise of claims relating to the subject matter of the Lawsuit and for the purpose of avoiding the inconvenience, risk, and expense of further litigation of this matter.

**27. CONFIDENTIAL INFORMATION.** The Parties agree that the claims/encounter data supporting the calculation of the Individual Settlement Payments identified in the Notice to the Settlement Class (“Confidential Information”) is highly confidential. Therefore, it is agreed that no person, other than individuals directly employed by Defendant or to whom Defendant has expressly permitted access; the Settlement Administrator and the employees of such Administrator; Class Counsel and the employees and consultants of such counsel; the specific member of the Settlement Class to which such claims/encounter data

applies; and such other persons as the Court may order after hearing on notice to all counsel of record in the Lawsuit shall be allowed to access any Confidential Information.

28. **GOVERNING LAW.** This Agreement shall be governed, construed, and enforced in accordance with the laws of the State of California applicable to agreements made and to be performed therein, without regard to choice-of-law rules.

29. **ENTIRE AGREEMENT.** This Agreement contains the entire agreement and understanding between the Parties. Any and all prior or contemporaneous agreements or understandings that are not embodied in the Agreement, whether oral or written, are of no force or effect. Modification of the terms of this Agreement is prohibited, whether orally or by course of conduct, unless confirmed in a writing signed by the Parties or authorized representatives of each of the Parties and approved by the Court.

30. **CONSTRUCTION.** This Agreement was negotiated and drafted through mutual effort of all Parties and shall be interpreted without consideration or reference to any Party as the “drafter.”

31. **HEADINGS.** The use of headings or captions in this Agreement is for convenience and reference only and shall not affect the construction of the Agreement.

32. **NO RESCISSION ON GROUNDS OF MISTAKE.** The Parties acknowledge that they have made their own investigations of the matters covered by this Agreement to the extent they have deemed it necessary to do so. Therefore, the Parties agree that they will not seek to set aside any part of the Agreement on the grounds of mistake. Moreover, the Parties understand, agree and expressly assume the risk that any fact not recited, contained, or embodied in the Agreement may turn out hereinafter to be other than, different from, or contrary to the facts now known to them or believed by them to be true, and further agree that the Agreement shall be effective in all respects notwithstanding and shall not be subject to termination, modification, or rescission by reason of any such difference in facts.

33. **AMENDMENT.** This Settlement Agreement may be amended or modified only by a written instrument signed by the Parties or their counsel and with the Court’s approval. Amendments and modifications may be made without notice to the Settlement Class Members unless notice is required by law or by the Court.

34. **WAIVER.** The provisions of this Agreement may be waived only by an instrument in writing executed by the waiving Party. The waiver by any Party of any breach of this Agreement shall not be deemed to be or construed as a waiver of any other breach, whether prior, subsequent, or contemporaneous, to this Agreement.

35. **BINDING EFFECT.** This Agreement and each provision hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, agents, administrators, successors, and assigns.

36. **NO MEDIA STATEMENTS.** Plaintiff and Class Counsel agree not to issue any press releases or otherwise affirmatively seek media coverage regarding this settlement. Notwithstanding the foregoing, nothing in this Agreement shall preclude Plaintiff or Class Counsel from making a public statement in support of the Settlement in response to a bona fide third-party inquiry. For example, Plaintiff or Class Counsel may state that the Settlement is a good result for the Settlement Class. In addition, nothing in this Agreement shall preclude Plaintiff or Class Counsel from making a public statement in response to a bona fide third-party inquiry that is consistent with the language of the Agreement or any motions submitted for approval of the Settlement.

37. **NO ASSIGNMENT.** The Releasing Parties represent and warrant that no portion of any of the Released Claims against the Released Parties and no portion of any recovery or settlement to which the Releasing Parties may be entitled has been or will be assigned, transferred, or conveyed in any manner; and no person other than the Releasing Parties themselves have any legal or equitable interest in the claims, demands, actions, or causes of action referred to in this Agreement as those of Plaintiff. Any Assignment in violation of this Paragraph shall be null and void, and have no force or effect, and shall not be recognized by the Settlement Administrator.

38. **SEVERABILITY.** The Parties have attempted to create an Agreement that is lawful and enforceable in all respects. Except for the withdrawal and termination rights set forth in Paragraph 24 and the release provisions in Paragraphs 16 and 17, in the event that any other provision of this Agreement is found or deemed to be illegal or otherwise invalid or unenforceable, whether in whole or in part, such invalidity shall not affect the enforceability of the remaining terms hereof.

39. **NOTIFICATION.** Any notice to be given to Class Counsel or Plaintiff shall be sent by email and mail as follows:

Douglas P. Dehler (Doug.Dehler@wilaw.com)  
Gregory W. Lyons (Greg.Lyons@wilaw.com)  
~~Laura J. Lavey (Laura.Lavey@wilaw.com)~~  
O'Neil, Cannon, Hollman, DeJong & Laing S.C.  
111 East Wisconsin Avenue, Suite 1400  
Milwaukee, Wisconsin 53202

-And-

Gretchen M. Nelson (gnelson@nflawfirm.com)  
Gabriel S. Barenfeld (gbarenfeld@nflawfirm.com)  
Nelson & Fraenkel LLP  
601 South Figueroa Street, Suite 2050  
Los Angeles, California 90017

Any notice to be given to Defendant's Counsel or Molina under the terms of this Agreement shall be sent by email and mail as follows:

Eric M. Alderete ([eric.alderete@molinahealthcare.com](mailto:eric.alderete@molinahealthcare.com))  
Molina Healthcare, ~~Inc.~~  
200 Oceangate, ~~Suite 100~~Suite100  
Long Beach, California 90802-4317

With a copy to:

Craig H. Bessenger (cbessenger@kslaw.com)  
King & Spalding LLP  
633 West Fifth Street, Suite 1600  
Los Angeles, California 90071

-And-

Quyen L. Ta (qta@kslaw.com)  
King & Spalding LLP  
50 California Street, Suite 3300  
San Francisco, California 94111

**40. COUNTERPARTS AND SIGNATURES.** This 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. It shall not be necessary that any single counterpart of this Agreement be executed by all Parties hereto provided that each Party shall have executed at least one counterpart hereof. This Agreement may be executed and delivered by each Party to the other Party via electronic mail or facsimile transmission, with such execution and delivery having the same legal force and effect as if the original hereto had been executed and delivered.

IN WITNESS WHEREOF, the Parties have entered this Agreement as of the dates set forth below.

Dated: July \_\_, ~~2022~~2021

**MANUEL I. FIGUEROA, M.D.**, AN  
INDIVIDUAL ON BEHALF OF HIMSELF  
AND THOSE HE REPRESENTS,

---

BY: MANUEL I. FIGUEROA, M.D.

Dated: July \_\_, ~~2022~~2021

**MOLINA HEALTHCARE OF CALIFORNIA,**  
A CALIFORNIA CORPORATION

\_\_\_\_\_  
BY: \_\_\_\_\_  
ITS: \_\_\_\_\_

**APPROVED AS TO FORM:**

| Dated: July \_\_\_\_, ~~2022~~ 2021

**O'NEIL, CANNON, HOLLMAN, DEJONG  
& LAING S.C.**  
ATTORNEYS FOR PLAINTIFF

\_\_\_\_\_  
BY: \_\_\_\_\_

| Dated: July \_\_\_\_, ~~2022~~ 2021

**KING & SPALDING LLP**  
ATTORNEYS FOR DEFENDANT

\_\_\_\_\_  
BY: \_\_\_\_\_

# EXHIBIT A

**MANUEL I. FIGUEROA, M.D., for and on behalf of himself and other persons  
similarly situated, v. MOLINA HEALTHCARE OF CALIFORNIA, INC.  
Superior Court for the State of California  
County of Los Angeles Case No. BC645344**

**NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION**

*A California Superior Court in the County of Los Angeles authorized this Notice.  
This is not a solicitation from a lawyer. You are not being sued.  
However, your legal rights are affected by the information contained in this Notice.*

**Please be advised that your rights may be affected, and you may be eligible to receive financial payment as the result of a proposed class action settlement (“Settlement”).** You have been identified as a member of the class. The purpose of this Notice is to provide information about this Settlement and explain your rights and options.

- A Settlement has been reached in a class action lawsuit against Molina Healthcare of California (identified as Molina Healthcare of California, Inc. in the Lawsuit) (“Molina”), captioned as *Manuel I. Figueroa, M.D., for and on behalf of himself and other persons similarly situated v. Molina Healthcare of California, Inc.*, Superior Court of California County of Los Angeles, Case No. BC645344 (the “Lawsuit”), that affects your rights. The Lawsuit alleges that Molina failed to make enhanced payments to qualified medical providers under Section 1202 of the Patient Protection and Affordable Care Act for certain Medicaid primary care evaluation and management services and vaccinations provided between January 1, 2013 and December 31, 2014.
- The Court has not yet decided whether to grant final approval of the Settlement; however, the Court has preliminarily approved the Settlement as fair, adequate, and reasonable. No payments will be made unless and until the Court approves the Settlement and any appeals are resolved.
- You need to decide whether to stay in the case and receive the benefits of the Settlement, dispute the Individual Settlement Payment identified in the Claims Information Sheet included with this Notice, object to the Settlement, or opt out of the monetary benefits of the Settlement to retain the right to pursue your claims on your own. ***If you wish to remain a class member for purposes of this Settlement and receive the Individual Settlement Payment identified in the Claims Information Sheet, you do not have to do anything in response to this Notice.***

**PLEASE READ THIS NOTICE CAREFULLY. It describes your rights and how to receive money from the Settlement or exclude yourself from the Settlement.**

## YOUR RIGHTS AND OPTIONS

<b>DO NOTHING AND RECEIVE YOUR INDIVIDUAL SETTLEMENT PAYMENT</b>	<u>You do not have to do anything to participate in the Settlement.</u> If you do nothing, and if the Settlement is finally approved by the Court, you will receive a payment in the amount of the Individual Settlement Payment identified in the Claims Information Sheet. See Section 18 below.
<b>ACCEPT THE TERMS OF THE SETTLEMENT BUT DISPUTE THE AMOUNT OF YOUR INDIVIDUAL SETTLEMENT PAYMENT</b>	You can accept the terms of the Settlement but dispute the amount of the Individual Settlement Payment to be paid to you. If you dispute the amount of your Individual Settlement Payment, you will need to submit your dispute and supporting documentation to the Settlement Administrator for determination. See Sections 19 and 20 below.
<b>REQUEST TO BE EXCLUDED FROM THE SETTLEMENT (“OPT OUT”)</b>	You can choose to exclude yourself from the Settlement. If you do not want to receive a payment under the Settlement, and you want to keep any rights you may have to individually sue Molina over the claims resolved by this Settlement, then you must send a letter to the Settlement Administrator stating that you wish to be excluded from the Settlement. See Section 21 below.
<b>OBJECT TO THE TERMS OF THE SETTLEMENT</b>	You can object to the Settlement in its entirety by sending a letter to the Settlement Administrator explaining why you believe it should be rejected by the Court. If your objection is overruled by the Court, you will receive the Individual Settlement Payment identified in the Claims Information Sheet included with this Notice and you will not be able to sue Molina for the claims being released as part of the settlement of this Lawsuit. If the Court agrees with your objection, then the Settlement may not be approved. See Section 22 below.

These rights and options—*and the deadlines to exercise them*—along with the significant terms of the Settlement are explained in this Notice.

## TABLE OF CONTENTS

<b>BASIC INFORMATION</b> .....	<b>4</b>
1. Why did I receive this Notice? .....	4
2. What is a class action?.....	4
3. What is this Lawsuit about? .....	4
4. Has the Court decided who is right?.....	5
5. Am I a member of the Settlement Class? .....	5
6. Why is this Lawsuit being settled? .....	5
7. What are the general payment terms of the proposed Settlement? .....	5
8. Who represents the Settlement Class Members in the Lawsuit?.....	5
9. Who is the Settlement Administrator? .....	6
<b>MONETARY TERMS OF THE SETTLEMENT</b> .....	<b>6</b>
10. What has Molina agreed to do? .....	6
11. How much will I be paid?.....	6
12. When will I receive my payment? .....	7
13. How long do I have to cash my check? .....	7
14. How will the Settlement Administrator be paid?.....	7
15. What is an incentive award and how will it be paid? .....	7
16. How will Class Counsel be paid? .....	7
<b>RELEASE OF CLAIMS</b> .....	<b>8</b>
17. What claims are being released as part of the Settlement? .....	8
<b>YOUR RIGHTS AND OPTIONS</b> .....	<b><u>98</u></b>
18. How do I participate in the Settlement?.....	<u>98</u>
19. How do I dispute the amount of my Individual Settlement Payment? .....	<u>98</u>
20. How are disputed Individual Settlement Payments treated? .....	<u>109</u>
21. How do I request to be excluded from the Settlement?.....	<u>109</u>
22. How do I object to the Settlement?.....	<u>109</u>
23. What is the difference between objecting and opting out? .....	<u>1140</u>
24. What if I do nothing at all? .....	<u>1140</u>
<b>THE FINAL APPROVAL HEARING</b> .....	<b><u>1140</u></b>
25. When will the Court consider whether to grant final approval of the Settlement? .....	<u>1140</u>
<b>FURTHER INFORMATION</b> .....	<b><u>1244</u></b>
26. How do I receive more information? .....	<u>1244</u>

## **BASIC INFORMATION**

### **1. Why did I receive this Notice?**

Molina's records show that you are a qualified medical provider who performed certain Medicaid primary care evaluation and management services and vaccinations between January 1, 2013 and December 31, 2014 for which you are entitled to enhanced payments from Molina under Section 1202 of the Patient Protection and Affordable Care Act. A Settlement has been reached in a class action lawsuit against Molina that affects your legal rights.

Judge Kenneth R. Freeman of the Superior Court of California for the County of Los Angeles, who is overseeing this Lawsuit, ordered that you, along with other providers who have been identified as being entitled to additional enhanced payments from Molina (the "Settlement Class"), be sent this Notice because each member of the Settlement Class has a right to know about the proposed Settlement and the options available to him or her before the Court decides whether to finally approve the Settlement.

### **2. What is a class action?**

In a class action lawsuit, one or more people, called class representatives, assert claims on behalf of themselves and other people. All of these people together are called a class or class members. In a class action, one court resolves the issues for all class members, except those who specifically ask to be excluded from the class, thus providing the class members with both consistency and efficiency. When class representatives reach a proposed settlement with defendants in a class action, the proposed settlement must be approved by the court, after court-approved notice is provided to the potential class members and the court holds a hearing, which class members can attend, to determine, among other things, that the settlement is fair, reasonable, adequate and in the best interests of the class.

### **3. What is this Lawsuit about?**

Manuel I. Figueroa, M.D., the class representative in this case, on behalf of himself and others similarly situated ("Plaintiff"), filed this Lawsuit, captioned as *Figueroa v. Molina Healthcare of California, Inc.*, Superior Court of Los Angeles County Case No. BC645344, on December 30, 2016. The Lawsuit alleges that Molina failed to comply with certain provisions of the Patient Protection and Affordable Care Act ("ACA") that required health plans, including Molina, to make enhanced payments to qualified medical providers to compensate them at 100% of the Medicare allowable payment rate for certain Medicaid primary care evaluation and management services and vaccinations ("E&M Services") provided between January 1, 2013 and December 31, 2014 ("Enhanced Payments").

On January 16, 2018, Plaintiff filed an Amended Class Action Complaint, which included causes of action for violation of California's Unfair Competition Law and for breach of fiduciary duty. The Court subsequently dismissed the claim for breach of fiduciary duty and part of the claim under the Unfair Competition Law. Molina has denied and continues to deny the allegations in the Lawsuit.

There was no trial to determine the truth of the allegations in the Lawsuit. Instead, after other court proceedings and significant mediation and settlement efforts, which included, among other things, an extensive exchange and evaluation of information and data necessary for a class-wide settlement and a mediation with the assistance of an independent mediator, the Honorable Carl J. West (retired), the parties agreed to a Settlement of the claims in the Lawsuit. The Settlement is not an admission by Molina of any fault, wrongdoing or liability; rather Molina has agreed to the Settlement to avoid the expense, risk, delay, and uncertainty of further litigation.

**4. Has the Court decided who is right?**

No. The Court has only decided that you should receive a copy of this Notice so that you can review the proposed Settlement and determine whether you want to participate, object, or exclude yourself from the Settlement.

**5. Am I a member of the Settlement Class?**

If you have received this Notice, then Molina's records indicate that you are a member of the Settlement Class and are, therefore, affected by this proposed Settlement.

**6. Why is this Lawsuit being settled?**

After investigating the claims in the Lawsuit, exchanging relevant information and documents, and engaging in settlement negotiations with the assistance of a neutral third-party mediator, the parties agreed to settle claims that were or could have been asserted against Molina in the Lawsuit with regard to the Enhanced Payments at issue in exchange for the monetary payments to be made to members of the Settlement Class as part of this Settlement. By settling, the parties avoid the expense, risk, delay, and uncertainty of further litigation, and members of the Settlement Class receive the settlement payments described herein. The Settlement represents a compromise of disputed claims and is not an admission that Molina violated the law. Plaintiff and his attorneys believe the Settlement is in the best interests of the Settlement Class.

**7. What are the general payment terms of the proposed Settlement?**

Molina has agreed to pay an estimated \$3,488,489.53 in payments to members of the Settlement Class to settle the claims in the Lawsuit. Members of the Settlement Class who do not request to be excluded from the Settlement will receive a share of the Settlement in the amount of the Individual Settlement Payment identified in the Claims Information Sheet included with this Notice and will release any claims they may have against Molina that were or could have been raised in the Lawsuit with respect to the Enhanced Payments at issue.

For more information about your Individual Settlement Payment, see Section 11 below. For more information about the claims you will release if you do not exclude yourself from the Settlement, see Section 17 below. For more information about the options you have with respect to the Settlement, see Sections 18 through 24 below. For information on how to obtain additional information about the Settlement or the Lawsuit, see Section 26 below.

**8. Who represents the Settlement Class Members in the Lawsuit?**

The Court has preliminarily appointed Douglas P. Dehler ~~and~~, Gregory W. Lyons, ~~and Laura J. Lavey~~ of O'Neil, Cannon, Hollman, DeJong & Laing S.C. and Gretchen M. Nelson and Gabriel S. Barenfeld of Nelson & Fraenkel LLP as Class Counsel for settlement purposes to represent you and other members of the Settlement Class. You may contact Class Counsel at:

**O'Neil, Cannon, Hollman,  
DeJong & Laing S.C.**  
111 East Wisconsin Avenue, Suite 1400  
Milwaukee, Wisconsin 53202  
Phone: (414) 276-5000  
Fax: (414) 276-6581

- And -

**Nelson & Fraenkel LLP**  
601 South Figueroa Street, Suite 2050  
Los Angeles, California 90017  
Phone: (844) 622-6469  
Fax: (213) 622-6019  
[info@xxxx.com](mailto:info@xxxx.com)

You do not have to pay Class Counsel. Subject to Court approval, Class Counsel will be paid for their fees and costs by Molina as part of this Settlement (see Section 16 below).

You do not need to hire your own lawyer because Class Counsel are working on your behalf, unless you exclude yourself from participation in the Settlement by opting out by the deadline, as described in Section 21 below. Nonetheless, you may hire your own lawyer if you wish. If you hire your own lawyer, you are responsible for paying that lawyer.

#### **9. Who is the Settlement Administrator?**

The Settlement Administrator is a third party appointed by the Court to send this Notice, facilitate the payments to members of the Settlement Class, and otherwise administer the Settlement according to the terms agreed to by the parties and approved by the Court. You may contact the Settlement Administrator to provide updated contact information, dispute the amount of your Individual Settlement Payment, object to the Settlement, or request exclusion from the Settlement. You may contact the Settlement Administrator at:

**Figueroa v. Molina Healthcare  
c/o JND Legal Administration  
P.O. Box 91413  
Seattle, WA 98111**

**It is important that you keep the Settlement Administrator advised of any changes in your address or other updates to your contact information.**

### **MONETARY TERMS OF THE SETTLEMENT**

#### **10. What has Molina agreed to do?**

Molina has agreed that it will make Enhanced Payments under Section 1202 of the ACA for amounts that it has determined are owed to members of the Settlement Class. Molina estimates that the total amount of such payments is \$3,488,489.53. If you do nothing, and if the Settlement is finally approved by the Court, you will receive a payment in the amount of the Individual Settlement Payment identified in the Claims Information Sheet included with this Notice.

Molina also has agreed to pay additional Enhanced Payments for eligible E&M Services that were provided by members of the Settlement Class during 2013 and 2014 to the extent claims or encounter data for those E&M Services were previously submitted to Molina and not denied, provided that such Enhanced Payments are determined to be due and owing by the Settlement Administrator (see Sections 19 and 20 below).

In addition to any payments made to members of the Settlement Class, Molina has agreed to pay the cost of the Settlement Administrator, the amount of any incentive award approved by the Court, and the amount of any attorneys' fees and costs awarded to Class Counsel (see Sections 14, 15, and 16 below).

#### **11. How much will I be paid?**

Please refer to the Claims Information Sheet included with this Notice for the amount you are owed under the terms of this Settlement (your "Individual Settlement Payment") for outstanding Enhanced Payments due to you under Section 1202 of the ACA for eligible E&M Services you provided in 2013 and 2014 that were not previously paid to you by Molina. The Claims Information Sheet also provides you with information to access a website, [www.xxxx.com](http://www.xxxx.com), where you can review a summary of the Enhanced Payments being made as part of your Individual Settlement Payment. As part of this Settlement, Molina has agreed to make payment to you

in the full amount of this Individual Settlement Payment. If the amount of your Individual Settlement Payment is \$0.00, this is because Molina contends that you were compensated, pursuant to separate contractual arrangements, at rates equal to or in excess of the amount of the Enhanced Payments otherwise owed to you.

If you believe that the amount shown as being owed to you is incorrect or you otherwise wish to dispute the amount of your Individual Settlement Payment, you must submit a dispute in writing to the Settlement Administrator along with your supporting evidence within 100 days of the date of this Notice (see Sections 19 and 20 below). It is important that you provide the required supporting evidence to the Settlement Administrator if you dispute the amount of your Individual Settlement Payment.

#### **12. When will I receive my payment?**

The Court will hold a Final Approval Hearing on [REDACTED] (see Section 25 below) to consider whether the Settlement should be approved. If the Court approves the Settlement, then within 30 days after entry of the Final Approval Order, Molina will need to transfer to the Settlement Administrator the funds necessary to make the payments called for by the Settlement. The Settlement Administrator will then make payment to members of the Settlement Class within 21 days of when the time to appeal has expired or following the resolution of all appeals of the Final Approval Order.

#### **13. How long do I have to cash my check?**

Any checks not cashed after ~~one hundred eightytwo~~ **two hundred seventy (180270)** days from the date of the class-wide distribution shall be void. After the deadline to cash checks has passed, the funds from all uncashed payments will be ~~directed~~ **donated** to the **Controller of the State Bar of California, or to the equivalent authority in the appropriate state if the last known address of the Settlement Class Member is outside California, to be held in Settlement Class Members' names pursuant to the California Unclaimed Property Law or the equivalent thereof in another state as appropriate.** ~~Justice-Gap Fund.~~ In the event you fail to timely cash your check, you ~~may~~ **will** lose the right to the money; nevertheless, the Settlement shall remain binding on you, and the release of claims described in Section 17 below shall remain in effect.

#### **14. How will the Settlement Administrator be paid?**

Molina has agreed to pay all reasonable fees, costs, and expenses related to the administration of the Settlement or otherwise incurred by the Settlement Administrator in an amount not to exceed \$200,000. The payment of such fees, costs, and expenses will be paid by Molina *in addition to* any payments it makes to members of the Settlement Class. Thus, any payments made to the Settlement Administrator will not reduce the amount of the total Settlement payments to be made by Molina to members of the Settlement Class.

#### **15. What is an incentive award and how will it be paid?**

In class action lawsuits, the court may provide class representatives an incentive award in recognition of the time and effort they expended and the risks they took in litigating the case on behalf of the class. In this Lawsuit, Molina has agreed not to object to a request for an incentive award for Manuel I. Figueroa, M.D. in an amount not to exceed \$2,500. The total amount of any incentive award to Dr. Figueroa approved by the Court will be paid by Molina *in addition to* any payments it makes to members of the Settlement Class. Thus, any incentive payment made to Dr. Figueroa will not reduce the amount of the total Settlement payments to be made by Molina to members of the Settlement Class.

#### **16. How will Class Counsel be paid?**

To date, Class Counsel have not received any payment for their services in prosecuting this Lawsuit and have not been reimbursed for any of their out-of-pocket expenses. If the Court approves the proposed Settlement, Class Counsel will apply to the Court for an award of attorneys' fees and out-of-pocket expenses. Molina has agreed not to object to an application for fees and expenses in an amount up to 25% of the total payments made by Molina to the Settlement Class Members, not to exceed 25% of \$3,488,489.53 (which is \$872,122.38). Any fees and expenses awarded to Class Counsel by the Court will be paid by Molina *in addition to* any payments it makes to members of the Settlement Class. Thus, any attorneys' fees and expenses paid to Class Counsel will not reduce the amount of the total Settlement payments to be made by Molina to members of the Settlement Class.

## RELEASE OF CLAIMS

### **17. What claims are being released as part of the Settlement?**

Upon final approval of the Settlement by the Court and the funding of the Settlement by Molina, members of the Settlement Class who do not request to be excluded from the Settlement by timely opting out as described in Section 21 below will fully release all claims that were ~~or could have been~~ alleged in, or that arise out of the facts asserted in, Lawsuit with respect to the Amended Class Action Complaint filed on January 16, 2018 ~~Enhanced Payments at issue in this case~~. This release includes claims based on allegations that Molina failed to pay Enhanced Payments to qualified providers as required by Section 1202 of the ACA. When claims are "released," it means that a person covered by the release cannot sue Molina or the other released parties for these claims.

The full terms of the release are set forth in Paragraph 16 of the Settlement Agreement and Release and are copied immediately. Please see Section 26 below for your reference. Further, instructions on how to obtain a copy of the Settlement Agreement and Release and further information about the Lawsuit are provided in Section 26 below.

**16. RELEASE.** Except as to the rights and obligations provided for under the terms of this Agreement, upon the date on which Molina transfers the Total Settlement Funds to the Settlement Administrator per Paragraph 21(a), Plaintiff, on behalf of himself and each of the Settlement Class Members (collectively, the "Releasing Parties"), hereby releases and forever discharges Molina, and all of its past, present and future predecessors, successors, parent entities, subsidiaries, divisions, employees, affiliates, officers, directors, shareholders, representatives, attorneys, insurers, agents and assigns (collectively, the "Released Parties") from any and all causes of action, claims, allegations, damages, costs, fees or liabilities that were alleged in, or arise out of facts asserted in, the Amended Class Action Complaint filed on January 16, 2018 (the "Released Claims").

(a) Subject to Court approval, all Settlement Class Members shall be bound by this Agreement and the release set forth in this Paragraph 16, irrespective of whether they received actual notice of the Lawsuit or this Settlement. This Agreement does not affect any claims or potential claims of any providers who are not Settlement Class Members.

(b) Without in any way limiting the scope of the release contained in this Paragraph 16, the release covers any and all claims for attorneys' fees, costs or disbursements incurred by Class Counsel or any other counsel representing Plaintiff or the Settlement Class Members, or any of them, in connection with or related in any manner to the Lawsuit, the Settlement, the

administration of the Settlement and the Released Claims as well as any and all claims related to the Incentive Award Payment and the Class Counsel Fee Payment.

## **YOUR RIGHTS AND OPTIONS**

### **18. How do I participate in the Settlement?**

**You do not need to do anything to participate in the Settlement.** If you received this Notice, Molina's records indicate you are a member of the Settlement Class and, so long as you do not request to be excluded from the Settlement, you will automatically receive the Individual Settlement Payment identified in the Claims Information Sheet and will release claims as set forth in Section 17 above without any further action on your part, if the Settlement is finally approved by the Court.

### **19. How do I dispute the amount of my Individual Settlement Payment?**

If you wish to accept the terms of the Settlement but dispute the amount of the Individual Settlement Payment to be paid to you as identified in the Claims Information Sheet included with this Notice, you may do so by submitting a written dispute to the Settlement Administrator. This dispute of the Individual Settlement Payment must be sent by first-class mail, postage pre-paid, and postmarked no later than 100 days from the date of this Notice.

The dispute of the Individual Settlement Payment must specifically state the total amount of Enhanced Payments you claim you are still owed from Molina for eligible E&M Services provided in 2013 and 2014, and you must provide the Settlement Administrator with supporting documentation specifically identifying the claims/encounters for which you claim you are still owed Enhanced Payments from Molina as well as any response previously received from Molina related to those claims/encounters. This supporting documentation must, at a minimum, include the following information:

- (i) Your NPI number
- (ii) The date(s) of service for the claims/encounters at issue;
- (iii) The CIN number for the patient(s);
- (iv) The CPT code for the service(s) provided;

- (v) An attestation from you that the claims/encounters were submitted for payment to Molina; and
- (vi) A short statement of how the claims/encounters were treated by Molina.

If the Settlement Administrator determines that the supporting documentation you submitted is deficient in any way, it will send you a deficiency notice and will allow you one opportunity to supplement your dispute documentation. Any supplemental documentation must be sent to the Settlement Administrator by first-class mail, postage pre-paid, and postmarked no later than 20 days after the date of the deficiency notice.

## **20. How are disputed Individual Settlement Payments treated?**

If the Settlement Administrator does not receive sufficient documentation to support the amount you claim you are still owed from Molina in Enhanced Payments, then you will receive the Individual Settlement Payment amount identified in the Claims Information Sheet included with this Notice.

If the Settlement Administrator timely receives sufficient documentation to support the amount you claim you are still owed from Molina in Enhanced Payments, then, within 15 days, Molina will be notified of the disputed amount and be provided with a copy of your supporting documentation. Molina will then have 45 days to either contest some or all of the disputed amount with its own documentation or agree to pay the disputed amount you claim you are owed.

If Molina timely submits its own documentation contesting the disputed amount, then the Settlement Administrator will analyze the submitted documentation and, within 30 days of receiving Molina's documentation, will make a final determination of the amount to be paid to you by Molina.

## **21. How do I request to be excluded from the Settlement?**

If you do not want to receive a payment under the Settlement or if you want to keep any right you may have to sue Molina for the claims alleged in the Lawsuit, then you must exclude yourself or "opt out" of the Settlement.

If you wish to be excluded from the Settlement, you must opt out by sending a letter to the Settlement Administrator (at the address set forth in Section 9) stating that you wish to be excluded from or opt out of the Settlement. This opt-out request must be sent by first-class mail, postage prepaid, and postmarked no later than 60 days from the date of this Notice. The opt-out request must clearly state your name and address and be personally signed by you. It must also clearly express your intent to be excluded from the Settlement in this Lawsuit.

If you opt out of the Settlement, you will preserve and not give up any of your rights to sue Molina for the claims alleged in the Lawsuit. However, you will not be entitled to receive the Individual Settlement Payment identified in the Claims Information Sheet included with this Notice or any other payment from the Settlement.

If you do not timely mail a valid opt-out request to the Settlement Administrator, you will be bound by all terms and conditions of the Settlement, including its release of claims.

## **22. How do I object to the Settlement?**

If you do not opt out of the Settlement, you may object to the Settlement by sending a letter to the Settlement Administrator (at the address set forth in Section 9) noting your objection to the Settlement. The objection letter must be sent by first-class mail, postage pre-paid, and postmarked no later than 60 days from the date of this Notice. The objection letter must include the following information and be personally signed by you:

- (i) your name, address, telephone number, and the contact information for any attorney retained by you in connection with your objection or otherwise in connection with this Lawsuit;
- (ii) a statement of the factual and legal basis for your objection and any exhibits you wish the Court to consider in connection with your objection; and
- (iii) a statement as to whether you intend to appear at the Final Approval Hearing, either in person or through counsel, and, if through counsel, identifying the counsel by name, address, and telephone number.

For more information about the Final Approval Hearing, see Section 25 below. The Court will hear from any Settlement Class Members who attend the Final Approval Hearing and ask to speak regarding their objections to the Settlement, regardless of whether they submitted written objections~~If you do not comply with the foregoing procedures and deadlines for submitting your objection to the Settlement, you may lose your right to contest approval of the proposed Settlement as well as your right to appear and be heard at the Final Approval Hearing.~~

If the Court sustains your objection, or the objection of any other member of the Settlement Class, then there is no settlement. If you object, but the Court overrules your objection and any other objection(s), then you will be bound by all terms and conditions of the Settlement, including its release of claims.

**23. What is the difference between objecting and opting out?**

Objecting is telling the Court that you do not believe the Settlement is fair, reasonable, and adequate for the class, and asking the Court to reject it. You cannot object to the Settlement unless you are a member of the Settlement Class, which means that you can object only if you do not opt out of the Settlement. If you object to the Settlement and do not opt out, then you are entitled to a payment if the Settlement is finally approved by the Court but you will release claims you might have against Molina.

Excluding yourself from or opting out of the Settlement is telling the Court that you do not want to be part of the Settlement and that you do not want to receive a payment or release claims you might have against Molina for the claims alleged in the Lawsuit.

Anyone who submits both an objection and a request to opt out shall be deemed to have opted out of the Settlement.

**24. What if I do nothing at all?**

If you do nothing at all, and if the Settlement is approved, then you will receive the Individual Settlement Payment identified in the Claims Information Sheet included with this Notice. You will be considered one of the members of the Settlement Class, and you will give up claims you might have against Molina for the claims alleged in the Lawsuit.

**THE FINAL APPROVAL HEARING**

**25. When will the Court consider whether to grant final approval of the Settlement?**

The Court will hold a Final Approval Hearing in Department 14 of the California Superior Court for the County of Los Angeles located at [redacted] on [redacted], 202[redacted] at [redacted] .m. to decide whether to grant final approval of the Settlement. This hearing may be postponed by the Court without additional notice to

members of the Settlement Class. Settlement Class Members may appear by audio or video at the Final Approval Hearing and may register to appear remotely at <https://my.lacourt.org/laccwelcome>.

At the Final Approval Hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate for the Settlement Class. If there are objections, the Court will consider them. The Court may also decide how much to award Class Counsel for attorneys' fees and expenses and how much Manuel I. Figueroa, M.D. should receive as an incentive award.

Members of the Settlement Class do not need to appear at the hearing or take any other action to indicate their approval of the Settlement. Class Counsel will answer any questions the Court may have. However, you may attend if you desire to do so at your own expense. If you submitted a written objection to the Settlement, you do not have to come to Court to discuss it; as long as you timely submitted the objection with the requisite information, the Court will consider it. However, you also may attend if you desire to do so at your own expense. The Court will hear from any Settlement Class Members who attend the Final Approval Hearing and ask to speak regarding their objections to the Settlement, regardless of whether they submitted written objections.

Notice of the Final Approval Order will be posted on the online portal established by the Settlement Administrator: [www.xxxx.com](http://www.xxxx.com).

### **FURTHER INFORMATION**

#### **26. How do I receive more information?**

This Notice provides a summary of the basic terms of the Settlement. For the Settlement's complete terms and conditions, consult the Settlement Agreement and Release and other documents in the Lawsuit. More information about the Lawsuit can be obtained through several methods:

- (i) You can contact the Settlement Administrator by mail, telephone, or email (contact information in Section 9 above);
- (ii) You can contact Class Counsel by mail, telephone, or email (contact information in Section 8 above);
- (iii) You can visit the website, [www.xxxx.com](http://www.xxxx.com), to obtain certain key documents in the Lawsuit free of charge; or
- (iv) For a small fee, all of the pleadings and other records in this litigation, including the Settlement Agreement and Release, may be examined online on the Los Angeles County Superior Court's website at [www.lacourt.org](http://www.lacourt.org).

PLEASE DO NOT CALL OR OTHERWISE CONTACT THE COURT, THE CLERK OF COURT, REPRESENTATIVES OF MOLINA, OR COUNSEL FOR MOLINA FOR INFORMATION REGARDING THIS NOTICE OR SETTLEMENT.

# **EXHIBIT 3**

# MAHANYLAW

**Brian Mahany**

---

P.O. Box 511328 Milwaukee, WI 53203 | Direct: 414.704.6731 | Office: 414.258.2375 | Fax: 414.777.0776  
www.lenderliabilitylawyer.com | brian@mahanylaw.com | www.brianmahany.com | www.mahanylaw.com

## Law Firm Resume – Mahany Law

Mahany Law is a full-service national boutique law firm that limits its practice to complex commercial litigation, plaintiff's CMBS lender liability litigation, class actions and False Claims Act cases. In the last decade the firm has handled cases in 40 states across the country.

Our complex litigation services are sought by other lawyers who need experience and muscle in bringing claims against large lenders or multinational corporations.

The firm was founded by Brian Mahany, a graduate of Tulane University Law School, in 2009 although Brian has over 30 years of practice experience in both private practice and government service. Mr. Mahany began his legal career at Wilentz, Golman & Spitzer in 1983, one of the largest New Jersey law firms.

After a brief stint in private practice, Mr. Mahany entered government service and held a number of senior government positions in both the federal and Maine state government. He served four years as Maine's state revenue commissioner, Assistant Attorney General – Tax and as special counsel for tax policy to the Maine Senate. He also served briefly as an agent within the federal system. Mr. Mahany resumed private practice and located to Wisconsin in 2007.

The following is a brief list of some of the class actions and other significant cases that he has participated in since opening his own practice in July 2009:

*Somogyi, et al. v. Freedom Mortgage Corp.*, No. 17-cv-6546 (RMB/JS) (D.N.J.) – Mahany Law and Brian Mahany served as co-class counsel in which Plaintiffs obtained a \$9.5 million settlement.

*Takata Air Bag litigation.* Mahany Law is special counsel to the plaintiffs in several of the pending class action cases against the automakers including VW and Audi.

*Uber Class Actions.* Mahany Law was counsel of record in three of the dozens of state specific class actions filed on behalf of Uber drivers. Those actions were dismissed after several appellate courts affirmed the ability of Uber through its drivers' agreement to compel arbitration and waive the ability to participate in class actions.

*Forsyth, et al v. HP and Hewlett Packard.* Mahany Law is special counsel (non-litigation) for plaintiffs in a large employment class action suit pending in the United States District Court for the Northern District of California. Filed in 2016, that matter remains pending.

*United States v. Bank of America*. False Claims Act case that resulted in a historic \$16.66 billion settlement. Represented one (and later a 2<sup>nd</sup>) of the three primary relators in the case.

*United States of America ex rel. Belli v. Allquest Home Mortgage Corporation, et al*, No. 12-CV-2676 (GCH). Mr. Mahany represented the Relator in a False Claims Act case that resulted in an almost \$100 million verdict (prior to trebling).

*Dana Transport, et al v. Wells Fargo, et al*. Lead Plaintiff's counsel on \$300 million out of pocket loss complex RICO litigation filed on behalf of a large national trucking company headquartered in New Jersey. Pending in Superior Court of New Jersey.

*U.S. Bank v. Kahn Property Owner, LLC, et al*. Lead counsel representing defendant / counterclaimant in \$30 million CMBS special servicer litigation in Supreme Court of New York, County of Suffolk. Case was filed in 2016 and remains pending.

*Cabot Addison I LLC, et al v. U.S. Bank, et al*. Lead counsel representing property owners in dispute with CMBS special servicer over the financing and alleged default of a \$30+ million office complex outside Hartford, Connecticut. Case was successfully litigated in the Superior Court of Hartford (CT).

*LBUBS 2007-C1 BAYMEADOWS OFFICE, LLC, et al v. Cabot Oak Grove I LLC, et al*. Lead counsel representing property owners in dispute with CMBS special servicer over the financing and alleged default of a multi-million dollar, 26 acre, 230,812 square foot industrial and office complex in Jacksonville, Florida. Case was successfully litigated in the Circuit Court of Florida (4<sup>th</sup> Judicial Circuit, Duval County).

### **Brian Mahany -Personal and Community Involvement**

- Former Special Legal Advisor to CPAmerica organization of CPAs
- Former First Selectman Town of Windsor, Maine
- Former Board Member – the Family Violence Project
- Former Volunteer – the Sexual Assault Crisis and Support Center
- Former Advisory Board Member – International Association for Asset Recovery
- Former Chair – Board of Emergency Municipal Finance (Maine)
- Former Treasurer – Multistate Tax Commission, a United States intergovernmental state tax agency created by the Multistate Tax Compact in 1967.
- Previously served on 7 legislative and governor's task forces (Maine)
- Advisory Board Member – International Due Diligence Organization

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**PROOF OF SERVICE**

I, the undersigned, declare:

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action; my business address is 601 So. Figueroa St., Suite 2050, Los Angeles, California 90017.

On July 13, 2022, I served the foregoing documents described as follows:

**DECLARATION OF DOUGLAS P. DEHLER IN SUPPORT OF MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT**

on the interested parties in this action by placing true copies thereof enclosed in sealed envelopes addressed as stated on the attached service list, and in the manner stated below:

X  BY ELECTRONIC SERVICE

served by e-mail through Case Anywhere: I attached a true and correct copy of the above-entitled document(s) to Case Anywhere by electronic transfer for service on all counsel of record by electronic service pursuant to the Order Authorizing Electronic Service. This service complies with C.C.P. §1010.6.

\_\_\_ BY MAIL:

I am “readily familiar” with the firm's practice of collection and processing correspondence for mailing. Under that practice, it would be deposited with the U.S. Postal Service on that same day with postage thereon fully prepaid at Los Angeles, California in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

\_\_\_ BY PERSONAL SERVICE:

I caused to be delivered such envelope by hand to the offices of the addressee.

\_\_\_ BY FEDERAL EXPRESS OR OVERNIGHT CARRIER

X  (State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on July 13, 2022, at Los Angeles, California.

Karina Torres   
(Type or Print Name)

Karina Torres   
(Signature)

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**SERVICE LIST**  
**Figueroa, M.D. v. Molina Healthcare of California, Inc., et al.**  
**Case No. BC645344**

Douglas P. Dehler Gregory W. Lyons O'NEIL, CANNON, HOLLMAN, et al. 111 East Wisconsin Ave., Suite 1400 Milwaukee, Wisconsin 53202-4870 Phone: (414) 276- 5000 Fax: (414)276- 6581 <a href="mailto:doug.dehler@wilaw.com">doug.dehler@wilaw.com</a> <a href="mailto:greg.lyons@wilaw.com">greg.lyons@wilaw.com</a>	Attorneys for Plaintiffs Manuel I. Figueroa, M.D., and the Proposed Class
Quyen L. Ta KING & SPALDING LLP 101 Second Street, Suite 1000 San Francisco, California 94105 Telephone: (415) 318-1227 Facsimile: (415) 318-1300 Email: <a href="mailto:qta@kslaw.com">qta@kslaw.com</a>	Attorneys for Defendant Molina Healthcare of California, Inc
Craig H. Bessenger KING & SPALDING LLP 633 West Fifth Street, Suite 1600 Los Angeles, California 90071 Telephone: (213) 443-4355 Facsimile: (213) 443-4310 Email: <a href="mailto:cbessenger@kslaw.com">cbessenger@kslaw.com</a>	Attorneys for Defendant Molina Healthcare of California, Inc