

IMPORTANT LEGAL MATERIALS

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT
Bozarth v. Envision Healthcare Corp., Case 5:17-cv-01935-FMO-SHK
U.S. District Court for the Central District of California

This is a court-ordered notice. You are not being sued.

You are getting this “Notice” because records indicate that you went to an emergency room at an in network hospital in California and were billed for services provided by an out-of-network emergency room doctor.

YOU MAY BE ELIGIBLE TO HAVE THE BILL REDUCED, THE BALANCE FORGIVEN, AND/OR PAYMENTS RETURNED IN A CLASS ACTION SETTLEMENT.

This Notice tells you about a proposed “Settlement” in a case against EmCare Holdings, Inc. and others (called the “Defendants”). This case alleges that the Defendants acted unlawfully by overcharging for out-of-network services and providing insufficient disclosures about emergency room doctors. The Defendants deny that they did anything wrong or violated any laws.

The Settlement must still be approved by the Court. **If it is approved, you may qualify:**

- **to have money refunded to you, or**
- **the amount you owe cancelled, in whole or in part.**

To get a refund or have your debt forgiven, you must send in a Claim Form and supporting documentation by August 30, 2020. The requirements and what you must do to get benefits under the Settlement are explained in more detail below.

Your legal rights will be affected by the Settlement whether you file a claim or do nothing. Please read this Notice carefully for more information about your options and rights.

If you have any questions about this Notice or the Settlement, you may:

- Go to www.CaliforniaERbillingclassactionsettlement.com.
- Call Rust Consulting at (866) 403-6541 *or* call the lawyers who brought this lawsuit on behalf on you and others like you (called “Class Counsel”) at (212) 759-4600.

1. What is this lawsuit about?

This class action lawsuit was brought by Renee MacLaughlan Bozarth and Stella Bell (called the “Plaintiffs”) against Envision Healthcare Corporation, EmCare Holdings, Inc., and EDS-I Practices of California (the “Defendants”). Plaintiffs allege that Defendants provided insufficient disclosures regarding out-of-network emergency room doctors at in-network hospitals and then charged excessive rates for emergency services provided by out-of-network doctors. Plaintiffs say these business practices violated California’s Unfair Competition Law (Cal. Bus. & Prof. Code §§ 17200, *et seq.*), California’s Consumers Legal Remedies Act (Cal. Civ. Code §§ 1750, *et seq.*), and the common law. Defendants

deny that their charges for emergency services were unreasonable, that their disclosures were insufficient, or that the case may properly be brought as a class action.

The name of the case is *Bozarth v. Envision Healthcare Corp.*, Case 5:17-cv-01935-FMO-SHK, and it is currently pending in the United States District Court for the Central District of California (the “Court”). The presiding judge is the Honorable Fernando M. Olguin.

2. Why is there a Settlement?

The Court has not decided in favor of either Plaintiffs or Defendants. Both sides believe they would win if there were a trial in this case, but it might take a long time to resolve the case and cost a lot of money. On May 31, 2019, the Plaintiffs and Defendants entered into a “Settlement Agreement,” which sets forth the terms and conditions of the Settlement. The Settlement Agreement can be viewed at the Settlement website: www.CaliforniaERbillingclassactionsettlement.com.

3. How do I know if I am part of the Settlement?

You are a member of the “Class” and may be entitled to benefits under the Settlement if you went to the emergency room at an in-network hospital in California and were treated by an out-of-network emergency room doctor affiliated with Defendants between August 22, 2013, and May 31, 2019. You received this Notice because Defendants’ records indicate that you are a member of the Class.

4. What if I am not sure whether I am actually a member of the Class?

If you have any questions, you may call Rust Consulting, the “Claims Administrator” responsible for handling the settlement claims process, at (866) 403-6541, or you may call Class Counsel at (212) 759-4600.

5. If I am part of the Settlement, what are my options?

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS		
You May		Due Date
Submit a Claim Form	You must submit a Claim Form to get a refund or write-off under the Settlement. If you send in a Claim Form and supporting documentation, we will determine if you are entitled to a refund or write-off under the Settlement. <i>But</i> you will not be able to sue Defendants on your own about their charges for emergency services or the sufficiency of their disclosures to emergency room patients.	By: August 30, 2020
Opt Out	If you opt out of this case, you will not get any of the benefits of the Settlement; Defendants can continue to assert that you owe the full billed charges. <i>But</i> you will retain the right to sue the Defendants on your own, at your own expense, about their charges for emergency services and/or their disclosures to emergency room patients.	By: April 27, 2020
Object to the Settlement	If you do not like the proposed Settlement, you may write to the Court and explain why. Even if you object to the Settlement, you can still submit a Claim Form as long as you do not opt out. You must submit a Claim Form if you want a refund or write-off.	By: April 27, 2020
Do Nothing	If you do nothing, you will not get any of the benefits of the Settlement, AND you give up all your rights to sue Defendants on your own about their charges for emergency services or the sufficiency of their disclosures to emergency room patients.	N/A

6. What does the Settlement provide?

Write-Offs: If Defendants or a collection agency are billing you, Defendants will write-off the difference between the billed charge and the “Allowable Charge”¹ that your insurance company determined represented reasonable reimbursement for the services, as long as the Allowable Charge is or has been paid.²

Refunds: If you paid more than the Allowable Charge, Defendants will refund any payments that a Class Member made that exceeded the Allowable Charge for the services, including any payments made to a third party, such as a collection agency.³

Disclosures: Defendants have agreed to request, in writing, that hospitals allow certain disclosures to be posted in a prominent place in the emergency room and included in bold print in a document provided to patients who seek treatment at the emergency room. These disclosures would include: the name of the affiliated physician practice providing emergency room services; that they bill separately from, and in addition to, the hospital; that they may not be in-network to the same plans as the emergency room itself; that patients should check with their health benefit plan to determine the network status of the affiliated physician practice; and that patients may call a specified telephone number for information about the physician practice’s network participation and charges.

7. What if I was sent to collections?

A Class Member who was sent to collections may qualify for relief under the Settlement. If a Class Member is eligible, and timely submits a Claim Form and supporting documents, Defendants will make arrangements: (i) to refund any payments that the Class Member made to the collection agency in excess of the Allowable Charge, and/or (ii) to have any outstanding debt for such emergency department medical services satisfied.

Payment of the Allowable Charge for the out-of-network services is required before a Class Member qualifies for relief under the Settlement. Thus, the supporting documentation a Class Member is required to submit may include payment of the Allowable Charge (or any portion thereof not yet paid), even if the account is now with a third party collection agency. You should read the entirety of this Notice and the Claim Form carefully, and do not hesitate to contact the Claims Administrator with questions.

8. How do I get a write-off and/or refund? What supporting documentation is required?

In order to get a write-off or refund, you must be eligible under the terms of the Settlement, and you must submit:

- A completed and signed **Claim Form**
- An **Explanation of Benefits** regarding the claim(s) for out-of-network emergency medical services provided by a physician practice affiliated with Defendants⁴

¹ “**Allowable Charge**” (also sometimes referred to as the “allowed amount,” “approved charge,” “maximum allowable,” “eligible expense,” or “payment allowance,” among other terms) means the maximum allowed reimbursement for the out-of-network emergency services as determined by your insurance company. You may be responsible for paying some amount of the “Allowable Charge” under your plan, such as a copay, coinsurance amount, or plan deductible. The Explanation of Benefits (“EOB”) from your insurance company should show the Allowable Charge, but remember that it may be called something else.

² The following is an example of a Class Member eligible for a write-off: the Class Member was billed \$700 for emergency medical services provided by an out-of-network physician practice affiliated with Defendants. The Class Member’s insurance company determined that the “Allowable Charge” for those services was \$300, and sent the physician practice \$300. The Class Member did not pay anything further on this bill. Under the Settlement, if the Class Member submits a Claim Form and supporting documents, Defendants will write off the \$400 difference and will not send any further bills. *Note: this is a generic example only. It is not meant to be illustrative of all instances in which an eligible Class Member may be entitled to a write-off. Additionally, a Class Member’s cost-sharing obligations under the Class Member’s particular health insurance policy may impact any write-off for which a Class Member may be eligible.*

³ The following is an example of a Class Member eligible for a refund: the Class Member was billed \$700 for emergency medical services provided by an out-of-network physician practice affiliated with Defendants. The Class Member’s insurance company determined that the “Allowable Charge” for those services was \$300 and paid \$300 to the physician practice. The Class Member paid \$100 of the remaining \$400 to the physician group. If the Class Member submits a Claim Form and supporting documents, Defendants will refund the \$100 the Class Member paid and write-off the remaining \$300. *Note: this is a generic example only. It is not meant to be illustrative of all instances in which an eligible Class Member may be entitled to a refund. Additionally, a Class Member’s cost-sharing obligations under the Class Member’s particular health insurance policy may impact any refund for which a Class Member may be eligible.*

⁴ An “**Explanation of Benefits**” (“EOB”) is sent to you by your insurance company and explains how your benefits were applied to a claim. The EOB shows the claim(s) submitted, how much is being covered by the insurance company, and how much the patient owes. The EOB is sometimes accompanied by a benefits check, but an insurer commonly will send payment directly to the medical provider. If you do not have a copy, you can obtain an EOB from the insurance company that processed the claim for the services (i.e., the insurance company you had at the time you received the services).

- Proof of any payments you made for the out-of-network services⁵
- If the Allowable Charge has not been paid, by you and/or your insurance company, then **payment of the Allowable Charge** or the unpaid portion thereof
- If you were sent to collections, **a copy of the invoice(s) from the collection agency and proof of payment made to them, if payment was made**

The Claim Form and supporting documents must be sent to Rust Consulting on or before August 30, 2020. You do not need to submit any medical records or medical information beyond that which may appear on the face of the documents specified above.

9. Am I giving something up if I participate in the Settlement?

Yes, you will be giving up your right to bring your own, individual lawsuit against Defendants challenging the rates charged for out-of-network emergency medical services or the sufficiency of disclosures by Defendants to emergency room patients. These are called the “Released Claims.”

The Released Claims **only** include claims relating to the pricing of emergency department medical services in California or the sufficiency of disclosures by Defendants to emergency department patients in California. **Any claims you may have related to your medical treatment will not be released.**

If you want to preserve your right to bring an individual lawsuit against Defendants relating to the Released Claims, you must “opt out” of the Settlement.

10. What if I do not want to be part of the Settlement?

If you do not want to be part of the Settlement, you can “opt out.” If you opt out, you will not get a write-off or refund, but you will preserve your right to sue Defendants on your own. If a substantial number of Class Members opt out, the Defendants have the right to terminate the Settlement.

To opt out, you must send the completed Opt-Out / Exclusion Form to the Claims Administrator on or before April 27, 2020. Your submitted Opt-Out / Exclusion Form will be provided to counsel for the Plaintiffs and the Defendants.

11. Do I have other options if I do not like the Settlement?

If you do not like the Settlement or some part of it, you can tell the Court by submitting a written objection. If you want to object to the Settlement, you must mail a letter containing the following information: the name and case number of this lawsuit (*Bozarth v. Envision Healthcare Corp.*, Case 5:17-cv-01935-FMO-SHK); your full name and mailing address, and email address or telephone number; what specifically you do not like about the Settlement and your reasons why. You must also provide an EOB regarding a claim for out-of-network emergency services provided by a physician practice affiliated with Defendants or other document(s) that demonstrate you are a member of the Class. Your objection, including the document(s) showing you are a member of the Class, must be mailed, postmarked no later than April 27, 2020, to the Office of the Clerk, United States District Court for the Central District of California, 350 W. 1st Street, Los Angeles, California 90012-4565.

12. What is the difference between opting out of the Settlement and objecting?

Opting out means getting out of the Settlement altogether: you do not receive any benefits, but you are not bound by the terms of the Settlement. Objecting means remaining part of the Settlement, but complaining about some aspect of the Settlement you do not like. You can still receive benefits under the Settlement if you object, but you must submit a Claim Form and supporting documents.

13. Do I have a lawyer in this case?

Yes, Plaintiffs’ attorneys (i.e., Class Counsel) represent the Plaintiffs and the entire Class. You do not have to pay for these lawyers. The Court will decide how much Class Counsel should be paid by Defendants. Defendants have agreed not to

⁵ Proof of payment might include, for example, a copy of a credit card statement or a cleared check. If you made an agreement to make payments totaling the Allowable Charge (for example, you agreed to pay \$25 a month), that agreement will be considered proof of payment of the Allowable Charge and any difference between the billed charge and Allowable Charge will be written off, even if the Allowable Charge has not yet been paid in full. Payments made directly to the provider by your insurance company count toward payment of the Allowable Charge. Because the EOB that you will be submitting may serve as proof of the amount paid by your insurance company, you are only required to submit proof of any payments that you made.

oppose Class Counsel's application for fees not to exceed \$1.85 million to cover their work in this case, but the Court will determine the amount of reasonable fees and expenses to be awarded. Any payment to Class Counsel will **not** reduce the amount of write-offs or refunds available to eligible Settlement Class Members.

If you want to be represented by your own lawyer, you may hire one at your own expense.

14. What do the Plaintiffs get from the Settlement?

Defendants have agreed to pay a collective award of \$3,750 to the named Plaintiffs in this lawsuit, Renee MacLaughlan Bozarth and Stella Bell, for their work in prosecuting this lawsuit, as long as the award is approved by the Court. Any award to the named Plaintiffs will **not** reduce the amount of write-offs or refunds available to the Class. Like other members of the Class, the named Plaintiffs may receive write-offs and/or refunds if eligible.

15. When and where will the Court decide whether to approve the Settlement?

The Court will hold a "Final Approval Hearing" before deciding whether to approve the Settlement. The Final Approval Hearing is scheduled for June 18, 2020, at 10:00 a.m. PT, in Courtroom 6D of the United States District Court for the Central District of California, 350 W. 1st Street, Los Angeles, California. You do not need to attend the Final Approval hearing, but you are welcome to do so.

At the Final Approval Hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them.

16. Where can I get more information?

This Notice contains only a summary of the lawsuit and Settlement. More information is available at www.CaliforniaERbillingclassactionsettlement.com

If you have any questions about this Notice or the Settlement, you may contact Rust Consulting at (866) 403-6541, or by email at info@CaliforniaERbillingclassactionsettlement.com. You may also contact Class Counsel at: Wolf Popper LLP, 845 Third Avenue, 12th Floor, New York, NY 10022, Tel: (212) 759-4600, Fax: (212) 486-2093, Email: info@wolfpopper.com.

DO NOT CALL OR WRITE THE COURT, THE OFFICE OF THE CLERK OF COURT, DEFENDANTS OR THEIR COUNSEL REGARDING THIS NOTICE.

Dated: February 27, 2020

By Order of the Court
United States District Court
Central District of California