

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ALAMEDA

If you received services at a California emergency room from California Emergency Physicians, and were uninsured, you could get your bill completely eliminated as a result of a Class Action Settlement.

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

- The Settlement provides benefits to uninsured patients who received emergency room physician services from California Emergency Physicians (“CEP”) at a California hospital.

Your legal rights will be affected by this settlement, and you have a choice to make now. This notice explains your legal rights and options—and when you must act to exercise them.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

Exclude Yourself (“Opt Out”)	If you do this, you will not receive the 100% bill elimination under this settlement. However, you will preserve your right to independently sue. This is the only option that allows you to ever be part of any other lawsuit against CEP about the same legal claims in this class action. To ask to be excluded (“opt out”), you must act before October 9, 2008.
Object To The Settlement; Go To The Hearing	You may write to the Court with comments in support of or against the settlement. You may also ask to comment on the settlement to the Court at the final fairness hearing on October 27, 2008, though you do not have to do so. To object, you must act before October 9, 2008.
Do Nothing	If you do nothing, you will remain in the Settlement Class and automatically receive 100% bill elimination. You will also give up certain rights. By doing nothing, you will give up any rights to sue CEP about the same legal claims in this lawsuit.

Questions? Call 1-866-626-9203 toll free or visit www.cepsettlement.com

Notificacion en Español es disponible llamando (866) 626-9203.

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I. BASIC INFORMATION

1. Why did I get this notice?

Records from California Emergency Physicians Medical Group (a Professional Corporation also known as CEP America or “CEP”) show that you are a “Class Member,” meaning that (a) you may have received covered emergency room treatment and/or services (“ER Physician Services”) from CEP at a California hospital between December 3, 2003 and July 31, 2008, (b) you were uninsured at the time you received those ER Physician Services, and (c) have not paid CEP any of the amount you owe CEP for those ER Physician Services.

This notice explains that the Court has preliminarily approved the Settlement. The Settlement provides Class Members with 100% bill elimination, erasing your debt to CEP. If you are a Class Member, you have legal rights and options that you may exercise before the Court determines whether to grant final approval to the proposed Settlement at the “Final Fairness Hearing.” The Final Fairness Hearing is the opportunity for the Court to decide whether the proposed Settlement is fair and reasonable, and provides adequate compensation and benefits to the Class Members.

Judge Steven A. Brick of the Superior Court of California, County of Alameda, is in charge of this case. The lawsuit is called *Pamela Hope Cincotta, et al. v. California Emergency Physicians Medical Group, a Professional Corporation, a/k/a CEP-America, et al.*, Alameda Superior Court Case No. RG 07359096.

2. What is this Settlement about?

The Settlement resolves the Plaintiffs’ claims on behalf of all Class Members in this class action lawsuit. The lawsuit claimed that CEP charged uninsured patients too much for treatment or services. The lawsuit also claimed that CEP used unfair and aggressive collection practices against uninsured patients.

To obtain more information about the Plaintiffs’ claims in this lawsuit, you can obtain the Second Amended Complaint from www.cepsettlement.com.

3. What is a class action and who is involved?

In a class action lawsuit, one or more people (“Named Plaintiffs” or “Class Representatives”) sue on behalf of other people (“Class Members”) who have similar claims. In this case, Pamela Hope Cincotta and Joyce Kraus are the Named Plaintiffs or Class Representatives.

California Emergency Physicians Medical Group (“CEP”) is the Defendant.

The Court decides whether the proposed Settlement is fair, adequate, and reasonable for everyone in the Class. This decision is a two-step process: preliminary approval and final approval. The Court has already granted preliminary approval. Once the Class Members receive this Notice and have an opportunity to participate in the Settlement, the Court will decide whether to grant final approval. If the Court grants final approval, the benefits described in this Notice will be distributed to the Class Members. If the Court does not grant final approval, the Settlement will have no effect, and the lawsuit will continue.

4. Why is there a Settlement?

The Court did not rule on either side’s claims or defenses. There was no trial. Instead, both sides agreed to the proposed Settlement, which is a compromise agreement. That way, both sides avoided the cost, delay, and risk of a trial, but the Class Members still get compensation and other benefits. The Class Representative and the lawyers for the Class think that the Settlement is best for all uninsured patients.

The lawyers for the Class thought that the Class would have won money and injunctive relief (to require CEP to change its practices) if there had been a trial, and CEP thought that the Class would have won nothing.

II. WHO IS IN THE SETTLEMENT

You may be affected by this lawsuit.

5. Am I part of this Settlement?

Judge Brick ruled that you are a Class Member if you (1) received ER Physician Services from a CEP between December 3, 2003 and July 31, 2008; (2) you were uninsured at the time of receiving the ER Physician Services; (3) your bill was not paid by the government Emergency Medical Services fund; (4) you have not paid CEP any of the amount you owe CEP for those ER Physician Services.

6. What “ER Physician Services” are included?

“ER Physician Services” generally refers to goods and services that you may have received from CEP at an emergency room, but excluding matters for which you may have been charged separately by the hospital. Thus, “ER Physician Services” includes, for example, visits to an emergency room or trauma center, and additional services provided by CEP from admission through discharge to patients admitted in an emergency room or trauma center, such as laboratory services (such as blood work), diagnostic services (such as x-rays), pharmaceuticals, and most services provided to patients who are admitted to the hospital.

Those goods and services that are not Uninsured ER Physician Services include the following: (a) separately billed hospital services, treatments or procedures; or (b) goods or services covered in whole or in part by any Third-Party Payor.

7. I’m still not sure if I am included.

If you are still not sure whether you are included, you can get help at www.cepsettlement.com, or by calling 1-866-626-9203, or writing to the lawyers in this case, at the addresses listed under question 27.

III. THE SETTLEMENT BENEFITS – WHAT YOU GET

8. What does the Settlement provide?

CEP will:

- (1) completely eliminate the bills of Class members for ER Physician Services by CEP between December 3, 2003 and July 31, 2008;
- (2) maintain a Charity Care Patient Discount Policy to give substantial discounts – up to 50% – to Charity Care patients who are ineligible for EMS coverage; and
- (3) limit the practices for collecting from Charity Care patients.

All of this is explained in more detail, below.

9. What do I get from the Settlement?

(a) **Retrospective Relief: Complete Bill Elimination On Prior Emergency Room Bills**

If you are a Class Member, your bill will be completely eliminated so that you have no more debt to CEP.

(b) **Prospective Relief: Charity Care Policies To Protect The Uninsured**

Under the proposed Settlement, CEP will do the following for four years under the Settlement:

- (1) CEP will follow the Uninsured Patient Prompt Pay Discount Policy, which includes automatic discounts of 50% for Charity Care patients who are ineligible for EMS coverage;
- (2) CEP will limit collections practices against Charity Care patients and monitor its outside collection agents.

The lawyers for the Class believe that these changes will help to protect vulnerable uninsured patients going forward.

IV. GETTING A BILL ELIMINATED

10. How can I get my bill eliminated?

To qualify for bill elimination, you do not need to do anything. Your bill will be eliminated automatically.

11. When will the bill elimination happen?

The Court will hold a hearing on October 27, 2008, to decide whether to grant final approval to the Settlement. If the Court does decide to approve the Settlement, it is possible that someone who is dissatisfied may appeal the Court’s decision. The Settlement will not be implemented until all appeals have been resolved (or, if there are no appeals, the time for someone to appeal has passed). Resolution of appeals can take one or several years.

If the steps set forth in the Settlement approval process go as scheduled, the Court grants final approval, and there are no appeals, the bill elimination should occur in early 2009. But because of the various unpredictable aspects of the Settlement process, there is no guarantee that this will happen.

Updates regarding the Settlement and payment status will be posted at www.cepsettlement.com.

12. What am I giving up to get bill elimination and stay in the Class?

Unless you exclude yourself, you are automatically in the Class. This means that you cannot sue, continue to sue, or be part of any other lawsuit against CEP or related individuals about the legal issues in this case (including about prices for emergency room treatment or services, or collection practices relating to the emergency room bills), ever again for events that happened between December 3, 2003 and July 31, 2008. This applies to your own case and any other case. It also means that all of the Court's orders will apply to you and legally bind you.

The claims that the Class will be releasing include any and all claims, demands, rights, damages, obligations, suits, debts, liens, contracts, agreements and causes of action of every nature and description whatsoever, ascertained or unascertained, suspected or unsuspected, existing or claimed to exist, including unknown claims, of the Plaintiffs and all Class Members that were or could have been brought against CEP, or any of them, in the Complaint, from December 3, 2003 and July 31, 2008, based upon or related to any charges incurred, or any billing, pricing or collection activity arising from facts that were alleged in the Complaint, at any emergency room or medical facility of any kind by CEP. "Released Claims" do not include claims for personal injury or medical malpractice or other claims related to the quality or standard of care provided to patients; claims against collections agencies not based on the reasonableness, fairness, or legality of CEP's pricing for ER Physician Services; or claims involving billing, pricing or collection activity arising from a bill for treatment not issued by CEP.

The complete description of the "Released Claims"—that is, all claims you will be giving up if you stay in the Settlement Class—is in the Settlement Agreement at www.cepsettlement.com.

V. EXCLUDING YOURSELF FROM THE SETTLEMENT

If you want to keep the right to sue or continue to sue CEP on your own about the legal issues in this case, then you must take steps to get out of the Settlement. This is called excluding yourself from (or "opting out" of) the Settlement Class.

13. How do I get out of the Settlement?

To exclude yourself, you must send by mail a letter titled "Exclusion Request," asking to be excluded from the Settlement Class in this case. Be sure to include your name and address and sign the letter, and include the following statement: "I do not want to be part of this legal action against CEP. I understand that I will receive no bill elimination under the settlement."

You must mail your Exclusion Request postmarked by October 9, 2008 to the Claims Administrator at the address listed in question 27.

If you ask to be excluded, you will not get any benefits under the Settlement, and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit. You may be able to sue (or continue to sue) CEP as part of any other lawsuit about the same legal claims that are the subject of this lawsuit. If you do so, you will have to hire and pay for your own lawyer for that lawsuit or represent yourself, and you will have to prove your claims. If you have questions, you should talk to your own lawyer soon because your claims are likely subject to a statute of limitations (meaning that the time limit for you to file a lawsuit is likely running out).

14. If I don't exclude myself, can I sue CEP for the same thing later?

No. If you do not exclude yourself, you give up any right to sue, continue to sue, or be part of any other lawsuit against CEP about the legal issues in *this* case. It also means that all of the Court's orders will apply to you and legally bind you.

If you have a pending lawsuit, speak to your lawyer in that case immediately to determine what to do in this case. You must exclude yourself from this Class to continue your own lawsuit. Remember, the exclusion deadline is October 9, 2008.

15. If I exclude myself, can I get a bill elimination from this Settlement?

No. If you exclude yourself, you cannot get the bill elimination in this lawsuit. However, you may sue, continue to sue, or be part of a different lawsuit against CEP.

16. If I exclude myself, and I change my mind, can I get back into the Settlement?

If you exclude yourself from the Class and Settlement, and later decide that you want to participate in the Settlement, you can withdraw or rescind your exclusion request by submitting a “Rescission of Exclusion Request” to the Claims Administrator. That request consists of a statement that includes your name, address, and telephone number and the following language: “I previously submitted a request to Opt Out of the Settlement of the CEP class action. I have reconsidered and wish to withdraw my request to Opt Out.”

You should sign and date the statement and send it, no later than October 23, 2008 to the Claims Administrator at the address in question 27.

VI. THE LAWYERS REPRESENTING YOU

17. Do I have a lawyer in this case?

The Court decided that the law firm of Lief, Cabraser, Heimann & Bernstein, LLP is qualified to represent the Class, meaning you and all Class Members. The law firm is referred to as “Class Counsel.” The Lief, Cabraser firm is experienced in handling class actions and similar cases on behalf of uninsureds. More information about Class Counsel is available at www.lieffcabraser.com.

18. Should I get my own lawyer?

You do not need to hire your own lawyer because Class Counsel is working on your behalf. If you want your own lawyer, you may hire one at your own expense. For example, you can ask him or her to appear in Court for you if you want someone other than Class Counsel to speak for you. You may also appear for yourself without a lawyer.

19. How will the lawyers be paid?

Class counsel will ask the Court to approve payment of up to \$155,000 to them for attorneys’ fees and expenses. This money is the only compensation they will receive for their work preparing for and litigating this class action. The fees will compensate Class Counsel for time and money spent to investigate the facts, litigate the case, and negotiate the Settlement. Class counsel will also ask the Court to approve payment of \$2,000 each to the Class Representatives (Pamela Hope Cincotta and Joyce Kraus) for their time and services in the lawsuit. The Court may award less than these amounts. Whatever the Court awards will be paid by CEP separately from the benefits to the Class Members described above. In other words, Class Counsel’s fees and expenses will not reduce the benefits available for Class Members in any way. CEP has agreed not to oppose this request for fees and expenses. CEP will also pay the costs to administer the Settlement.

VII. OBJECTING TO THE SETTLEMENT

You can tell the Court what you think of the Settlement, whether your comments are positive or negative. Questions 20-21 address that topic.

20. How do I tell the Court what I think about the Settlement (for example, if I don’t like the Settlement)?

If you are a Class Member, you can send the Court comments about the Settlement. Your right to comment includes the right to object to the Settlement if you do not like any part of it. Objecting means giving reasons why you think the Court should not approve the Settlement, which would result in the parties going back to litigating the case. The Court will consider your views.

To object, you must send a letter to the Claims Administrator saying that you object to the proposed Settlement. Be sure to include your full name, current address and telephone number, and the reasons you object to the settlement. Mail the objection to the Claims Administrator at the address listed in question 27, postmarked no later than October 9, 2008.

21. What's the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to receive benefits from the Settlement and you want to preserve your right to sue CEP on your own. If you exclude yourself, you have no basis to object, because the case no longer affects you.

VIII. THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the Settlement. You may attend, and you may ask to speak, but you do not have to do either.

22. When and where will the Court decide whether to approve the settlement?

The Court will hold a Fairness Hearing at 11:00 a.m. on October 27, 2008 in Department 17 of the Alameda Superior Court, located at Administration Building, 3rd Floor, 1221 Oak Street, Oakland, California 94612.

At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. Judge Brick will listen to people who have asked to speak at the hearing.

After the hearing, the Court will decide whether to approve the Settlement, and how much CEP should pay Class Counsel in fees and expenses. We do not know how long these decisions will take.

23. Do I have to come to the hearing?

No. Class Counsel will answer any questions Judge Brick may have. Of course, you are welcome to come at your own expense. If you send an objection, you don't have to come to Court to talk about it. The Court will consider all timely mailed objections. You may also pay your own lawyer to attend, but it is not necessary.

24. May I speak at the hearing?

You may ask the Court for permission to speak at the Final Fairness Hearing. To do so, you must state in your comment to the Court (described in question 20) that you intend to attend the hearing. You cannot speak at the hearing if you exclude yourself from the Settlement, because you will not be a Class Member.

IX. IF YOU DO NOTHING

25. What happens if I do nothing at all?

If you do nothing, you will get no discount from this Settlement but will receive the benefits of the prospective relief described in paragraph 9. You also will release your rights to pursue your claims, meaning that you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against CEP about the legal issues in this case, ever again.

X. GETTING MORE INFORMATION

26. Are more details about the Settlement available?

Yes. This Notice summarizes the proposed Settlement; more details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by visiting www.cepsettlement.com or by writing to the Claims Administrator at the address in question 27.

27. How do I get more information?

For more information, visit www.cepsettlement.com for answers to common questions, or write to the Claims Administrator at:

CEP Class Action Claims Administrator
Post Office Box 10450
Tallahassee, FL 32302-2450

You may also write to Class Counsel and/or Defense Counsel at:

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Please do not contact the Court for information. All questions about this notice, the Settlement, or the class action should be directed to the Claims Administrator or Class Counsel.

You may also seek the advice and counsel of your own attorney at your own expense, if you desire.

By Order of the Court

Dated: _____, 2008

Hon. Stephen A. Brick
Superior Court Judge