

LOS ANGELES COUNTY SUPERIOR COURT

**IMPORTANT NOTICE ABOUT YOUR
2014 HEALTH NET PPO HEALTH PLAN**

Dear Current and Former Health Net Enrollees:

A proposed settlement of a class action affects you because you were enrolled in a Health Net individual and family Preferred Provider Organization (“PPO”) plan in 2014. **You may be entitled to a payment under the settlement.** The Superior Court of California for the County of Los Angeles authorized this notice. **Please read this notice carefully because it affects your legal rights whether you take action or not.**

QUICK SUMMARY

Who was this class action brought against?	Health Net of California, Inc. and Health Net Life Insurance Company (“Health Net”)
What is the subject of the class action?	Health Net Individual and Family PPO plans. Consumers enrolled in employer-provided plans are not included in the proposed settlement.
Who is a member of the Class?	Consumers who were enrolled in a Health Net individual and family PPO plan in California between January 1, 2014 and December 31, 2014 and received services from an out-of-network medical professional, claims for which were previously submitted to Health Net by the consumer or the out-of-network medical professional.
What is this lawsuit about?	Class Members brought a lawsuit (the “Action”) alleging Health Net misrepresented which medical providers were participating in its individual and family plans’ networks. Some medical professionals (“providers”) represented as “in-network” allegedly were not participating in-network for the health plans and as a result some Class Members incurred higher costs. Health Net denies the allegations.
What did this class action settle for?	Both payments to Settlement Class Members and required changes to keep the issues from occurring again (described on page 2).
What do I have to do?	See table below or website: www.NetworkSettlement.com

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

SUBMIT A CLAIM FORM	The only way to get a payment: Submit the enclosed claim form to the Claims Administrator by June 25, 2018.
EXCLUDE YOURSELF (“Opt-Out”)	You will not receive a payment or other benefits under this settlement. This is the only option that allows you to be part of any other lawsuit against Health Net relating to the legal issues <i>in this Action</i> and the only option through which you can seek a recovery for damages other than the cost of the out-of-network treatment (such as for personal injuries or emotional distress) based on these claims. The deadline to opt-out is June 25, 2018.
OBJECT	You may write to the Court about why you do not like the settlement no later than June 25, 2018.
DO NOTHING	If you do not submit a claim form and do not Opt-Out, you will receive no payment and you will not be able bring a lawsuit against Health Net about the legal issues <i>in this Action</i> for losses incurred in 2014.

**QUESTIONS? CALL (888) 264-1304, OR VISIT WWW.NETWORKSETTLEMENT.COM
SI NECESITA ASISTENCIA EN ESPAÑOL, POR FAVOR LLAME AL (888) 264-1304**

What does this settlement provide?

Actions to Ensure Provider List Accuracy. Health Net has taken and will continue to take the following actions in order to ensure the accuracy of the information in its provider directories:

- Established a dedicated Data Integrity Unit responsible for oversight of activities contributing to data integrity, including accuracy of provider directories;
- Conducts a quarterly participating physician group (PPG) roster review to monitor and track that all rosters are reviewed and identified changes are made in Health Net systems;
- Conducts quarterly Provider Demographic Data Integrity self-audits to measure the accuracy of physician demographic data; and
- Expanded the data integrity process to work with an outside vendor to validate demographic data for directly contracting physicians.

Disclosures Regarding Coverage: for four (4) years from the Settlement Effective Date, Health Net will make certain disclosures with respect to its Health Maintenance Organization (“HMO”) Plans, Exclusive Provider Organization (“EPO”) plans, and Health Care Service (“HSP”) plans. This relief is designed to assist consumers’ understanding of their coverage and support access to care.

Protections Against Unexpected Out-of-Network Charges: Consistent with Insurance Code section 10133.15(q) and Health and Safety Code section 1367.27(q), for four (4) years from the Settlement Effective Date Health Net will treat any out-of-network provider as in-network for billing purposes if that provider is represented as in-network by Health Net and a member relies on that network status when seeking medical services.

Claims Process: Class Members who incurred Out-of-Pocket Expenses in 2014 for medical services from an out-of-network medical professional the Settlement Class Member believed was in-network based on inaccurate information received from Health Net may submit a claim. **The claims process is intended to reimburse you for expenses you incurred in 2014 that you paid to an out-of-network provider.** The settlement does not apply to hospital, facility or lab charges.

Settlement Class Members must submit the enclosed claim form to receive a payment under the settlement. Settlement Class Members who submit the claim form are eligible to receive a payment for 100% compensation of Out-of-Pocket Expenses resulting from any provider network misinformation or confusion for losses incurred in 2014. **To be eligible for payment, you must submit the enclosed claim form to the Claims Administrator by June 25, 2018.**

There is no cap on the fund to pay valid claims submitted so that all Settlement Class Members can recover 100% reimbursement of their Out-of-Pocket Expenses incurred in 2014.

You must submit a valid claim in order to receive payment. The Settlement Administrator may deny your claim if you do not submit the required documentation supporting your claim. You may appeal the denial and that appeal will be decided by an independent reviewer.

The Court in charge of this case still has to decide whether to approve the settlement. Payments will be made after the Court grants final approval of the settlement.

What else should I know?

The Action is named *Rebecca Lehman, et al. v. Health Net of California, Inc., et al.*, Los Angeles County Superior Court Case No.: BC567361. For more information about the Action, the settlement, how to object to or exclude yourself (opt-out) from the settlement, or other important deadlines visit www.NetworkSettlement.com, or call toll-free at (888) 264-1304.

Health Net has agreed to pay Class Counsel fees and costs, which must be approved by the Court, in an amount not to exceed \$625,000. Class Counsel are also requesting an additional amount for the two Plaintiffs who acted as Class Representatives of \$5,000 each, which is also subject to Court approval. These amounts are separate from and will not impact payments to Settlement Class Members.

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Consumers who were enrolled in Health Net's individual and family HMO plans, EPO plans, and HSP plans are not releasing any claims under this settlement.

The Court will hold a Final Fairness hearing **on July 12, 2018 at 11:00 am** to decide whether to approve the settlement. Check **www.NetworkSettlement.com** periodically for updates. The date of the Final Fairness hearing is subject to change. If you wish to contact Class Counsel, please contact:

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