NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND FAIRNESS HEARING

ATTENTION: INDIVIDUALS WITH MOBILITY AND/OR SENSORY

DISABILITIES WHO HAVE VISITED HOSPITALS, CLINICS OR OTHER PATIENT CARE FACILITIES

AFFILIATED WITH SUTTER HEALTH

PLEASE READ THIS NOTICE AS IT MAY AFFECT YOUR LEGAL RIGHTS

I. INTRODUCTION

The purpose of this notice is to inform you of a proposed settlement in a pending class action lawsuit brought against Sutter Health and hospitals, clinics and other patient care facilities affiliated with Sutter Health ("Affiliates") in California on behalf of people with Mobility and/or Sensory Disabilities (collectively "Physical Disabilities"). The lawsuit was filed on behalf of a class of persons by the law firms of Disability Rights Advocates and Goldstein, Demchak, Baller, Borgen & Dardarian ("Class Counsel"). A list of Sutter Health Affiliates covered by this settlement is attached as Exhibit A to this Notice. "Mobility Disability" means any individual who has any impairment or condition that limits or makes difficult the major life activity of moving his or her body or a portion of his or her body. "Sensory Disability" means any individual who has a visual impairment that limits or makes difficult the major life activity of seeing, a hearing impairment that limits or makes difficult the major life activity of hearing, and/or a speech impairment that limits or makes difficult the major life activity of speaking. "Sutter Health" means Sutter Health and its Affiliates listed on Exhibit A.

The proposed class action settlement ("Settlement Agreement"), which must be approved by the Court before it becomes binding, was reached in the matter of *Olson v. Sutter Health, et al.*, Case No. RG06-302354, Superior Court of Alameda County (the "Lawsuit"). The Lawsuit alleges that Sutter Health has violated the Americans with Disabilities Act and other federal and California state disability-related statutes by not providing full and equal access to its facilities and services for persons with Physical Disabilities, as further described in Section II, below. Sutter Health denies these allegations.

If you are an individual with a Physical Disability who has visited or attempted to visit one or more Sutter Health Affiliates since October 27, 2002, you may be a member of the class affected by the Lawsuit. The Court has scheduled a Fairness Hearing on July 11, 2008 at 2:30 p.m. to determine if the parties' Settlement Agreement should be given final approval. Please read this notice carefully because your rights may be affected by the Lawsuit and the Settlement Agreement.

THIS NOTICE SUMMARIZES THE PROPOSED SETTLEMENT AGREEMENT AND ADVISES YOU OF THE STATUS OF THE LAWSUIT, INCLUDING A STATEMENT OF YOUR RIGHTS WITH RESPECT TO THE PROPOSED SETTLEMENT AGREEMENT

II. REASONS FOR SETTLEMENT

The Lawsuit alleges that Sutter Health has not provided equal access to its facilities and services for people with Physical Disabilities. The Lawsuit specifically claims that Sutter Health has not (1) identified and removed architectural barriers at its facilities; (2) provided auxiliary aids and services necessary to ensure effective communication, such as sign language interpreters and written documents in alternative formats; (3) provided auxiliary aids and services necessary to ensure full and equal access to patient care facilities and services, such as accessible medical equipment, for persons with Physical Disabilities; and (4) made reasonable modifications to Sutter Health policies, practices, and procedures to ensure that patients and/or visitors with Physical Disabilities are provided with equal access to facilities, equipment, programs, and services.

After extensive negotiations with Sutter Health, Class Counsel have concluded that the terms and conditions of the Settlement Agreement are fair, reasonable, and in the best interests of the Settlement Class (defined in Section III, below). In reaching this conclusion, Class Counsel have analyzed the benefits of the settlement, the likely outcome of further litigation in the case, and the risks of continued proceedings necessary to prosecute the Lawsuit through trial and possible appeals.

By entering into this Settlement Agreement, Sutter Health does not admit any fault, wrongdoing, or liability. Sutter Health denies any and all liability to the Named Plaintiffs and the Settlement Class for claims raised in the Lawsuit and denies that it has violated any laws or regulations – federal, state, or local – pertaining to access for persons with Physical Disabilities at Sutter Health. No finding of liability has been made in the Lawsuit.

III. DEFINITION OF CLASS

The Court has conditionally defined the Settlement Class as follows:

The Settlement Class consists of all persons with Mobility and/or Sensory Disabilities who have visited, or who have attempted to visit one or more Sutter Health Affiliate facilities in California since October 27, 2002, and were denied full and equal access to Affiliate facilities, equipment, and/or services due to architectural barriers, lack of accessible medical equipment, lack of effective auxiliary aids and services, and/or other inaccessible features and/or policies.

IV. SUMMARY OF SETTLEMENT

The Settlement Agreement resolves all claims for injunctive and declaratory relief raised in the Lawsuit. It also resolves damages claims for the Named Plaintiffs and certain previously-identified Settlement Class members who assisted Class Counsel in the Lawsuit. Damages claims of all other Settlement Class members will not be resolved by the Settlement Agreement.

Under the terms of the proposed Settlement Agreement, Sutter Health has agreed to the following obligations ("Injunctive Relief") in order to improve its services to individuals with Mobility and Sensory Disabilities. Sutter Health will:

- 1. Survey its patient care facilities to identify architectural barriers and develop and implement remediation plans.
- 2. Evaluate the accessibility of medical equipment at patient care facilities, develop plans for the purchase and installation of accessible medical equipment as necessary to improve access to patient care services, provide staff training and develop policies on the use of accessible medical equipment.
- 3. Adopt or revise and implement policies, procedures and staff training programs related to the following subjects: alternative formats; communication access; service animals; scheduling exam room and patient room access; location, maintenance and use of accessible medical equipment; weight measurement; auxiliary aids and services; accessible web-sites; lifting and transferring patients with Physical Disabilities; and maintenance of accessible features, aids and services.
- 4. Monitor compliance with and provide reports to Class Counsel on Sutter Health's compliance with the Settlement Agreement.

Sutter Health has agreed to settle the damages claims of 88 previously identified Named Plaintiffs and Settlement Class members who provided assistance to Class Counsel's prosecution of the case ("Known Class Members") in exchange for a release of their claims. The Settlement Agreement does not otherwise address Settlement Class members' monetary damages claims and does not affect Settlement Class members' rights to bring individual claims for damages.

The Court has approved Disability Rights Advocates and Goldstein, Demchak, Baller, Borgen & Dardarian as Class Counsel. Class Counsel have been prosecuting the Lawsuit on behalf of the Settlement Class. Sutter Health has paid to Class Counsel the sum of \$691,500 for reasonable attorneys' fees and costs associated with the work Class Counsel has performed investigating the facts necessary to pursue the Lawsuit, prosecuting the Lawsuit, and negotiating the Settlement Agreement, through December 31, 2007. Subject to Court approval, Sutter Health has agreed to pay Class Counsel up to \$185,000 in attorneys' fees and costs for all work associated with this matter from January 1, 2008 through April 28, 2008. Sutter Health has also agreed to pay Class Counsel additional reasonable fees for the additional work Class Counsel will undertake to finalize the Settlement Agreement via this approval process and during the Compliance Period. Settlement Class members are not personally responsible for any attorneys' fees, expenses, or other costs associated with the Lawsuit.

V. HEARING ON PROPOSED SETTLEMENT

The Court has scheduled a hearing for July 11, 2008 at 2:30 p.m. in the Courtroom of the Honorable Bonnie Lewman Sabraw, Alameda County Superior Court,

Department 22, 1221 Oak Street, Oakland, California 94612 to determine whether the Settlement Agreement is fair, adequate and reasonable and should be finally approved.

It is not necessary for you to appear at the hearing. If you wish to appear at the hearing in person or through your attorney, you or your attorney must notify Class Counsel in writing, postmarked or emailed by June 19, 2008:

Class Counsel:

Melissa W. Kasnitz, Esq. Disability Rights Advocates 2001 Center Street, 4th Floor Berkeley, CA 94704 mkasnitz@dralegal.org

Or

Linda M. Dardarian, Esq. Goldstein, Demchak, Baller, Borgen & Dardarian 300 Lakeside Drive, 10th Floor Oakland, CA 94612 ldardarian@gdblegal.com

VI. BINDING EFFECT AND RELEASE OF CLAIMS

If the Court gives final approval to the proposed Settlement Agreement, it will bind all Settlement Class members with respect to any and all injunctive relief claims against Sutter Health regarding (1) identification and removal of architectural barriers at its patient care facilities; (2) providing auxiliary aids and services necessary to ensure effective communication, such as sign language interpreters and written documents in alternative formats; (3) providing auxiliary aids and services necessary to ensure full and equal access to patient care facilities and services, such as accessible medical equipment, for persons with Physical Disabilities; and (4) making reasonable modifications to Sutter Health policies, practices, and procedures to ensure that patients and/or visitors with Physical Disabilities are provided with equal access to patient care facilities, equipment, programs, and services. This means that no Settlement Class member will be able to pursue a lawsuit against Sutter Health that asks for injunctive relief that is different from or in addition to the injunctive relief provided in the Settlement Agreement for these issues, during the time period that the Settlement Agreement is in effect. No Settlement Class member can opt-out of the Settlement Agreement.

VII. OBJECTIONS TO THE SETTLEMENT AGREEMENT

If you believe that the Court for any reason should not finally approve the proposed Settlement Agreement, you may object to it. You may object through an attorney, but you do not need to hire an attorney in order to object. If you want to object to the proposed Settlement Agreement, you or your attorney must send an objection in writing to Class Counsel. All written objections must be mailed to Melissa W. Kasnitz,

Esq., Disability Rights Advocates, 2001 Center Street, 4th Floor, Berkeley, California 94704, (or by email to mkasnitz@dralegal.org) OR Linda M. Dardarian, Esq., Goldstein, Demchak, Baller, Borgen & Dardarian, 300 Lakeside Drive, 10th Floor, Oakland, California 94612, (or by email to ldardarian@gdblegal.com) and postmarked or emailed no later than June 19, 2008. All objections must state the name and number of the Lawsuit, which is Olson v. Sutter Health, et al., Case No. RG06-302354, Superior Court of Alameda County. Only Settlement Class members (or their attorneys) who have sent in written objections by the deadline will have the right to present objections orally at the Fairness Hearing, and they will only have the right to do so if they expressly state in their written objection that they wish to appear at the hearing.

Class Counsel will, prior to the hearing, file with the Court all timely-submitted objections.

VIII. ADDITIONAL INFORMATION

The pleadings and other records in the Lawsuit, including complete copies of the Settlement Agreement, may be examined during regular office hours at the office of the Clerk of the Alameda County Superior Court, 1225 Fallon Street Oakland, California 94612. You may also obtain copies of the Settlement Agreement online at www.gdblegal.com or www.dralegal.org. If you have questions about this notice, you may call Class Counsel at 1-866-723-1494.

PLEASE DO NOT CONTACT THE JUDGE DIRECTLY ABOUT THE SETTLEMENT OF THIS LAWSUIT

EXHIBIT A

LIST OF SUTTER AFFILIATES

The following are current Sutter Health Affiliates that provide patient care and are named individually as defendants in *Olson*, et al. v. Sutter Health, Inc., et al., Case No. RG06-302354:

Alta Bates Summit Medical Center

California Pacific Medical Center

Eden Medical Center

Marin General Hospital

Novato Community Hospital

Memorial Hospital Los Banos

Memorial Hospitals Association dba Memorial Medical Center Modesto

Mills-Peninsula Health Services

Sutter Amador Hospital

Sutter Coast Hospital

Sutter Delta Medical Center

Sutter Health Sacramento Sierra Region

Sutter Lakeside Hospital

Sutter Maternity & Surgery Center of Santa Cruz

Sutter Medical Center of Santa Rosa

Sutter Solano Medical Center

Sutter Tracy Community Hospital

Palo Alto Medical Foundation Hospital Corporation

Palo Alto Medical Foundation for Health Care, Research and Education

Sutter Gould Medical Foundation

Sutter North Medical Foundation

Sutter Medical Foundation, Physician Foundation at CPMC

Sutter Regional Medical Foundation

Sutter East Bay Medical Foundation

Sutter Visiting Nurse Association and Hospice

St. Luke's Health Care Center

Mills-Peninsula Senior Focus

Adolescent Treatment Centers, Inc. dba Thunder Road, and Health Ventures, Inc.

In addition to the above-listed Affiliates, St. Luke's Hospital and Sutter Santa Cruz Medical Foundation are named as defendants. St. Luke's Hospital is no longer a separate corporate entity but is now a campus of California Pacific Medical Center. St. Luke's Hospital is not bound by the Consent Decree as a separately identified Affiliate, but is bound through California Pacific Medical Center. Sutter Santa Cruz Medical Foundation is no longer a separate corporate entity but has been incorporated into the Palo Alto Medical Foundation. Sutter Santa Cruz Medical Foundation is not bound by the Consent Decree as a separately identified Affiliate, but is bound through Palo Alto Medical Foundation.