

NOTICE OF CLASS ACTION SETTLEMENT

To: All persons employed by CARE 1ST HEALTH PLAN in the State of California as a Field Sales Representative at any time during the period from September 1, 2011 through October 21, 2016 (the “Settlement Class”).)

*A court authorized this notice. This is not a solicitation.
This is not a lawsuit against you and you are not being sued.
However, your legal rights are affected whether you act or don't act.*

Your rights and each option – and the deadlines to exercise each of them –are explained in this Notice.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
TO RECEIVE A SETTLEMENT PAYMENT	The estimated amount of your Individual Settlement Payment is shown on the Employment Information Sheet enclosed with this Notice. To receive your payment, all you need to do is to keep the Administrator informed of your current mailing address. Once the Court grants final approval of the Settlement, the Administrator will mail your check to the address on file for you.
CHANGE CONTACT INFORMATION	Update your personal information with the Settlement Administrator to ensure your Individual Settlement Payment check is sent to the correct address. (You may use the enclosed Change of Address Form.)
EXCLUDE YOURSELF	You may exclude yourself from the Settlement if you do not wish to participate in the Settlement. If you exclude yourself, you will not receive an Individual Settlement Payment. This is the only option that allows you to pursue your own lawsuit against Care 1st Health Plan about the legal claims in this case.
OBJECT	Write to the Administrator if you think the Settlement is not fair.
GO TO A HEARING	If you sent in an objection, you may ask to speak in Court about why you think the Settlement is not fair at the time of the final approval hearing.

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BASIC INFORMATION

1. Why did I get this notice packet?

You received this notice because the records of Care First Health Plan (“Care 1st”) indicate you worked as an employee of Care 1st in California as a Field Sales Representative sometime during the period from September 1, 2011 through October 21, 2016 (“Settlement Class Member(s)”).

The purpose of this notice is to explain the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the Superior Court of the State of California, County of Alameda. The case is known as Diana Murphy, et al. v. Care 1st Health Plan, Case No. RG15784123 (“Action” or “Lawsuit”).

2. What is this Lawsuit about?

The Lawsuit, originally filed on September 1, 2015, and subsequently amended on October 16, 2015 claims that Care 1st did not reimburse employees for all business expenses, and did not provide accurate wage statements as required by California Labor Code, and by doing so, engaged in unfair competition. The Lawsuit also makes a claim for civil penalties pursuant to the Private Attorneys General Act of 2004.

Care 1st denies the allegations in the Lawsuit and contends that it has complied at all times with the California Labor Code. The settlement is not an admission of any wrongdoing by Care 1st or an indication that any law was violated.

The pleadings and other records in this litigation, including the Settlement Agreement may be examined online on the Alameda County Superior Court’s website, known as ‘DomainWeb,’ at <https://publicrecords.alameda.courts.ca.gov/PRS/>

After arriving at the website, click the ‘Search By Case Number’ link, then enter RG15784123 as the case number and click ‘SEARCH.’ Images of every document filed in the case may be viewed through the ‘Register of Actions’ at a minimal charge.

You may also view images of every document filed in the case free of charge by using one of the computer terminal kiosks available at each court location that has a facility for civil filings.

PLEASE DO NOT TELEPHONE THE COURT OR DEFENDANT’S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIMS PROCESS!

3. Why is this a class action?

In a class action, one or more people called Class Representatives (in this case Ms. Murphy) sue on behalf of themselves and other people who have similar claims. The group of people with similar claims is called a “Class.” Each person covered by the class definition is a “Class Member.” One Court resolves the issues for all Class Members, except for those who request to be excluded from the Class.

4. Why is there a Settlement?

The Court did not decide in favor of Plaintiff, Diana Murphy or Defendant Care 1st. There was no trial. Instead, both sides agreed to a no-fault settlement of the Lawsuit (“Settlement”). That way, they avoid the cost of a trial and the people affected can get compensation from the Settlement. Ms. Murphy, who was appointed the Class Representative, and her attorneys think the Settlement is best for all Settlement Class Members.

5. Who are the Parties in this Lawsuit?

Diana Murphy, the Plaintiff in this Lawsuit, was employed by Care 1st as a Field Sales Representative in California from approximately October 7, 2013 to June 30, 2015.

Care 1st Health Plan is the Defendant in this Lawsuit.

6. Who are the Attorneys for the Parties?

Counsel for Plaintiff and the Class

Robin G. Workman / Aviva N. Roller
Workman Law Firm, PC
177 Post Street, Suite 900
San Francisco, CA 94108
www.workmanlawpc.com

Counsel for Defendant

Betsy Johnson
Ogletree, Deakins, Nash, Smoak
& Stewart, P.C.
400 South Hope Street, Suite 1200
Los Angeles, CA 90071

Becki Graham
Ogletree, Deakins, Nash, Smoak
& Stewart, P.C.
Steuart Tower, Suite 1300
One Market Plaza
San Francisco, CA 94105

If you have questions regarding this Settlement, you should contact Attorneys for Plaintiff or the Settlement Administrator.

THE TERMS OF THE SETTLEMENT

7. What is the Settlement amount, and how will the Individual Settlement Payment be calculated?

The proposed Settlement provides for a cash payment of \$197,500 to fully and finally resolve all claims in the Lawsuit (referred to as the “Maximum Settlement Amount”). Class Counsel will apply to the Court for attorneys’ fees of \$49,375 and litigation costs of up to \$8,000, a Class Representative Service Award of \$5,000 to Ms. Murphy for her work and efforts in prosecuting this case, for undertaking the risks of payment of costs (in the event the outcome of this Lawsuit was not favorable) and a general release of all claims, a payment to the Labor Workforce Development Agency of \$1,000 associated with claimed penalties under the Private Attorney General’s Act, and Settlement Administration Costs estimated to be \$1,500. The exact amount of the attorneys’ fees, litigation costs, Class Representative Service Award, and administration costs will be determined by the Court at a Final Approval Hearing, but will not exceed the amounts set forth above. The remaining portion of the Settlement, the “Net Settlement Amount” or “NSA” is estimated to be approximately \$<<Insert NSA>>. The NSA will be apportioned and paid out entirely, *automatically*, to all Settlement Class Members. “Settlement Class Members” do not include any person who submits a timely and valid request for exclusion (“opts out”). Any portion of the NSA that would have been paid to individuals who timely opt out of the settlement will be paid to the Settlement Class Members who participate in the settlement. In other words, the entire amount of the NSA will be sent for payment to Settlement Class Members.

No portion of the NSA will be returned to Care 1st under any circumstances.

Settlement Class Members who do not opt out of the settlement will receive their share of the NSA based on the number of Compensable Workweeks he or she worked during the period from September 1, 2011 through October 21, 2016, (“Class Period”). The Settlement Administrator will calculate the number of Compensable Workweeks by calculating the number of days each Settlement Class Member was employed during the Class

Period, dividing by seven (7), and rounding up to the nearest whole number. Here's how it works – the NSA will be entirely paid out to all Settlement Class Members (those who do not opt out of the Settlement). The amount allocated to each individual Settlement Class Members will be based on (a) the individual Settlement Class Member's number of Compensable Workweeks worked during the Class Period, (b) divided by the sum of all Compensable Workweeks worked by all Settlement Class Members during the Class Period, and (c) multiplied by the NSA. Based on this formula, you may expect to receive an estimated total of $\$ \llcorner \llcorner \text{Work Week Rate}$, for each Compensable Workweeks you worked during the Class Period.

8. How much will my Individual Settlement Payment be?

The estimated amount of your Settlement Payment is shown on the enclosed Employment Information Sheet. The amount is based on the number of Compensable Workweeks you worked during the Class Period. This is only an estimate. The actual amount you receive may be slightly more or less than the estimated amount shown.

9. What do I do if my dates of employment are wrong?

As described above, the amount of your Individual Settlement Payment will be based on the number of Compensable Weeks you worked as a Settlement Class Member any time during the Class Period. The dates of your employment as a Settlement Class Member are shown on the Employment Information Sheet and determined based upon Care 1st's records. If you believe the dates of employment are not right, you may send a letter or otherwise inform the Settlement Administrator of what you believe to be the right dates. Your letter must be postmarked on or before December 5, 2016 (*30 days of notice mailing*). You should include any documents or other information that support your belief regarding the dates of employment as a Settlement Class Member. The Settlement Administrator will resolve any dispute regarding the dates of employment, or number of Compensable Workweeks based on Care 1st's records and any information you provide. The dates of employment supplied by Care 1st will be presumed correct unless you supply company records from Care 1st showing different dates of employment.

HOW TO GET A PAYMENT

10. How Do I get my Individual Settlement Payment?

If you do nothing, you will automatically receive your Settlement Payment after the Court approves the Settlement at a final fairness/final approval hearing. You must, however, notify the Settlement Administrator of any change in your name, mailing address, and/or telephone number if the information shown on the Employment Information Sheet is not correct. **It is your responsibility to keep the Settlement Administrator informed of any change in your address. Your Individual Settlement Payment will be mailed to the last known address it has on file for you.** A Change of Address Form and pre-printed return is enclosed for your convenience. You may also fax the Change of Address form to the following number: (888) 845-6185. It is **strongly recommended** that you retain a copy of the completed Change of Address form until you receive your Settlement Payment.

Settlement Class Members receiving an Individual Settlement Payment will be responsible for correctly characterizing this compensation for tax purposes and paying taxes due, if any.

11. What am I giving up to get an Individual Settlement Payment?

Unless you request to be excluded from the Settlement, you stay part of the Settlement Class and that means that you cannot sue, continue to sue, or be part of any other lawsuit against Care 1st about the legal issues arising in this case arising during the Class Period. Specifically, you will be giving up or "releasing" the claims described below:

Release of Claims: After the Court has approved the Settlement, each Settlement Class Member who has not submitted a timely and valid request to be excluded from the Settlement will be bound by the approval and judgment and thereby release Care 1st Health Plan and its past, present and/or future, direct and/or indirect, officers, directors, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers (“Released Parties”), from all claims, causes of action or legal theories of relief alleged or otherwise raised in the operative complaint, including all of the following: (a) failure to provide reimbursement for business expenses; (b) failure to provide complete, accurate or properly formatted wage statements; (c) unfair business practices that could have been premised on the claims, causes of action or legal theories of relief described above or any of the claims, causes of action or legal theories of relief pleaded in the operative complaint; (d) all claims under the California Labor Code Private Attorneys General Act of 2004 that could have been premised on the claims, causes of action or legal theories described above or any of the claims, causes of action or legal theories of relief pleaded in the operative complaint; (e) any other claims or penalties under the wage and hour laws pleaded in the Action; and (f) all damages, penalties, interest and other amounts recoverable under said claims, causes of action or legal theories of relief (collectively, the “Released Claims”). The period of the Release shall extend to the limits of the Class Period. The res judicata effect of the Judgment will be the same as that of the Release. The definition of Released Claims shall not be limited in any way by the possibility that Plaintiff or Settlement Class Members may discover new facts or legal theories or legal arguments not alleged in the operative complaint but which might serve as an alternative basis for pursuing the same claims, causes of action, or legal theories of relief falling within the definition of Released Claims.

EXCLUDING YOURSELF FROM THE SETTLEMENT

12. **How do I get out of the Settlement?**

If you wish to pursue your own separate lawsuit against Care 1st for the claims asserted in the Lawsuit, or if you otherwise wish not to participate in the settlement for whatever reason, you should exclude yourself from this case (that is, opt out of the Settlement). To opt out and exclude yourself from the case and the Settlement, you must provide a signed and dated letter to the Settlement Administrator requesting to be excluded. The letter must state in substance:

“I wish to opt out of the settlement of the class action lawsuit entitled: *Diana Murphy, et al. v. Care 1st Health Plan*, Case Number RG15784123, filed in the Superior Court of California, County of Alameda. I understand that by requesting to be excluded from the settlement, I will receive no money from the Settlement described in this Notice.”

The opt out request letter must be signed, and include the case name, case number, your full name, current address, and last four digits of your social security number, and must be postmarked and returned to the Settlement Administrator at the following address on or before December 5, 2016. Requests postmarked after this date may be disregarded.

CARE 1ST HEALTH CARE CLASS ACTION
c/o ILYM Group, Inc.
P. O. Box 2031
Tustin, CA 92781

13. **If I don’t exclude myself, can I sue Care 1st for the same thing later?**

No. Unless you exclude yourself, you give up any right to sue Care 1st for the claims that this Settlement resolves, for the period from September 1, 2011 through October 21, 2016. ***If you have a pending lawsuit speak to your lawyer in that case immediately.*** You must exclude yourself from this Class to continue your own lawsuit. Remember, the Response Deadline is December 5, 2016.

14. If I exclude myself, can I get money from this Settlement?

No. If you exclude yourself, you will no longer be a Settlement Class Member and will not receive an Individual Settlement Payment. The Individual Settlement Payment that you would have been entitled to receive will remain in the Net Settlement Amount and be subject to distribution to the remaining Settlement Class Members.

OBJECTING TO THE SETTLEMENT

15. How do I tell the Court that I don't like the Settlement?

If you don't think the Settlement is fair, you can object to the Settlement and tell the Court that you don't agree with the Settlement or some part of it. The Court will consider your views. To object, you must send a letter to the Administrator, which you sign, saying that you object to the settlement of *Diana Murphy, et al. v. Care 1st Health Plan*, Case Number RG15784123. Be sure to include the case name and case number (as shown in the preceding sentence), your name, the last four digits of your Social Security number and/or your Care 1st employee ID number, address and the specific reasons you object to the terms of the settlement and your signature. If you wish to speak at the Final Approval Hearing, you must also indicate in your objection letter that you intend to appear at the Final Approval Hearing. See, Paragraph 18, below. Mail the objection to the address listed below. The objection must be postmarked on or before December 5, 2016, (*30 days of mailing*).

Mail To:

CARE 1ST HEALTH CARE CLASS ACTION
c/o ILYM Group, Inc.
P. O. Box 2031
Tustin, CA 92781

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

Objecting is simply telling the Court that you don't like something about the Settlement. You may object only if you remain a Settlement Class Member. Excluding yourself is telling the Court that you don't want to be a Settlement Class Member. If you exclude yourself, you have no basis to object because the case no longer affects you.

If you object to any of the terms of the Settlement, the Court will consider your objections when deciding whether to grant final approval to the Settlement.

THE COURT'S FINAL APPROVAL HEARING

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

The Court will hold a Final Approval Hearing in Department 21 of the Superior Court of California, County of Alameda located at 1225 Fallon Street, Oakland, CA 94612 on January 13, 2017, at 11:00 a.m. At this hearing, the Court will determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve Class Counsels' request for attorneys' fees and litigation costs, the Class Representative Service Award, and the Settlement Administrator's costs.

The Court may reschedule the Final Approval Hearing without further notice to Class Members. However, any Class Member who indicated in their objection letter their intention to appear at the Final Approval Hearing will be notified by Class Counsel of any rescheduling of the date and time of the Final Approval Hearing.

18. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Judge may have. But, 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. As long as you have mailed or faxed your written objection on time, the Court will consider it. You may also hire and pay your own lawyer to attend if you so desire.

19. May I speak at the hearing?

You may ask the Court for permission to speak at the Final Approval Hearing. If you wish to speak at the Final Approval Hearing, you must indicate your intention to speak at the Final Approval Hearing in your objection letter. See, Paragraphs 15, 18 above. You cannot speak at the hearing if you have excluded yourself from the Settlement.

GETTING MORE INFORMATION

20. Whom may I contact if I have questions about the Settlement?

You may contact Counsel for Plaintiff, Class Counsel, at the contact information listed above in Paragraph 6 if you have any questions about the Settlement. You may also contact the Court-appointed Settlement Administrator by calling toll free (888) 250-6810, or you may write to the Settlement Administrator, at the address shown in Paragraph 15.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, CARE 1ST MANAGERS, SUPERVISORS, OR THEIR ATTORNEYS FOR INFORMATION.

ADDITIONAL IMPORTANT INFORMATION

A. **Care 1st supports the Settlement and will not retaliate in any manner whatsoever** against any Settlement Class Member who stays in the Class and receives his/her Individual Settlement Payment, requests to be excluded from the Settlement, or objects to the Settlement.

B. **It is your responsibility to ensure that the Settlement Administrator has your current mailing address and telephone number on file**, as this will be the address to which your Individual Settlement Payment will be sent if you did not request to exclude yourself from the case and the Settlement.

C. **Individual Settlement Payment checks must be cashed soon after receipt.** Monies represented by checks that remain uncashed 180 days after the date of issuance will be voided and the monies represented by those uncashed checks will be remitted to the California Industrial Relations Unpaid Wage Fund to handle on your behalf. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

Superior Court of California, County of Alameda
Diana Murphy, et al. v. Care 1st Health Plan
Case No. RG15784123

EMPLOYMENT INFORMATION SHEET

Settlement Class Member's Address on File with the Settlement Administrator:

Name: _____

Address: _____

City, State, Zip Code: _____

Dates of Employment
During Class Period: _____

-
- Care 1st's records indicate that you were employed as a Settlement Class Member from <<Date of Hire>> to << Date of Term>> during the Class Period and worked <<Insertweeks>> Compensable Workweeks during the Class Period. Based on this information, it is estimated that if you stay in the Settlement Class and participate in the Settlement, you will receive approximately \$<<Est.SetAmt>>.
 - You do not have to take any action if you want to participate in the Settlement. Your Individual Settlement Payment will be mailed to you at the address shown above. If your address has changed, you should submit a Change of Name/Address form (enclosed with this Notice) to notify the Settlement Administrator of your correct mailing address immediately by returning in it the enclosed pre-printed return envelope.

Please Note: Individual Settlement Payment checks will be void 180 days after issuance. It is highly recommended you cash your Individual Settlement Payment soon after you receive it. If you lose or misplace your Individual Settlement Payment check, you must call the Settlement Administrator at 1-888-250-6810 to have the check reissued.

CHANGE OF ADDRESS FORM

I wish to change my name and/or mailing address and/or other contact information to the following:

Name: _____

Former Name (if applicable): _____

Street and Apt. No., if any: _____

City, State and Zip Code: _____

Telephone(s): (Home): _____; (Cell): _____

Email: _____

I understand all future correspondence in this Action, including but not necessarily limited to important notices or Individual Settlement Payments, will be sent to the address listed above and not to the address previously used. I hereby request and consent to the use of the address listed above for these purposes.

Submitted by:

DATED: _____, 2016

Print Name: _____

Signature: _____

**PLEASE RETURN THIS FORM IN THE ENVELOPE PROVIDED
OR VIA UNITED STATES FIRST-CLASS MAIL TO:**

CARE 1ST HEALTH CARE CLASS ACTION
c/o ILYM Group, Inc.
P. O. Box 2031
Tustin, CA 92781