

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF CHARLESTON )

IN THE COURT OF COMMON PLEAS

R. Allen Singletary, Jr. and all others )  
similarly situated, )  
 )  
Plaintiff, )

Civil Action No. 04-CP-10-4211

v. )

East Cooper Community Hospital, Inc. )  
d/b/a East Cooper Regional Medical )  
Center, Hilton Head Health System, L.P. )  
d/b/a Hilton Head Regional Medical )  
Center, and Amisub of South Carolina, )  
Inc. d/b/a Piedmont HealthCare System, )  
 )  
Defendants. )

**PRELIMINARY APPROVAL ORDER**

FILED  
2005 MAY 25 PM 1:47  
CLERK OF COURT

FILED

Robert A. Singletary, Sr. and all others )  
similarly situated, )  
 )  
Plaintiff, )

Civil Action No. 04-CP-10-4212

v. )

East Cooper Community Hospital, Inc. )  
d/b/a East Cooper Regional Medical )  
Center, Hilton Head Health System, L.P. )  
d/b/a Hilton Head Regional Medical )  
Center, and Amisub of South Carolina, )  
Inc. d/b/a Piedmont HealthCare System, )  
 )  
Defendants. )

**I. INTRODUCTION**

This matter is before the Court on the joint motion of Plaintiffs and Defendants (collectively referred to as "the Parties") in the above captioned actions for preliminary approval of a class action settlement covering both actions. The Parties have agreed to settle these cases as a consolidated class action, subject to Court review and approval, notice to

absent class members, and adherence to procedures designed to protect absent class members' rights and to afford due process protection to the class.

On May 25, 2006, the Parties, through counsel, appeared before the Court, submitted the class action Settlement Agreement and related documents to the Court for its thorough review, and requested that the Court preliminarily approve the Settlement Agreement, the form of Notice, and the plan for giving persons within the class notice of the settlement and an opportunity to opt out of or object to the class action settlement of this case. Having thoroughly considered the Parties' presentation, the Court consolidates the above captioned cases into one action for the purpose of administering this settlement. The Court also preliminarily approves the settlement, the proposed Notice to the Class, the plan for notifying the Class of the settlement; and establishes the procedures outlined below for giving notice, requesting exclusion from the Class, and making objections; and orders that the Parties proceed as directed below.

## II. THE ACTIONS

The above-captioned consolidated actions (the "Action") were brought against Defendants by Plaintiffs on behalf of themselves and on behalf of classes of similarly situated persons, alleging, among other things, that the Defendants did not provide Plaintiffs and putative class members a statutory discount to which they were allegedly entitled under South Carolina Code Section 38-71-120.

Defendants deny that they acted improperly or wrongfully in any way and deny any and all allegations of wrongdoing, fault, liability, or damage of any kind to Plaintiffs and the putative class. Moreover, Defendants have asserted as a defense in these actions the settlement of hospital pricing claims in Tenet Healthcare Cases II, J.C.C.P. No. 4289, Los Angeles

County Superior Court, and a class action settlement agreement has been approved by court order in that case over the objections of Robert A. Singletary, Sr, R. Allen Singletary, Jr., and others, acting on their own behalf and on behalf of the putative classes in the above-captioned cases, and that order is currently on appeal.

### III. THE CLASS

It is necessary to identify the "Classes" and "Class Members" affected by these Actions. Plaintiffs bring these Actions on behalf of groups of similarly situated persons. The "Class" in the action brought by R. Allen Singletary, Jr. (hereinafter referred to as the "Insured Class") is defined as follows:

WA #3  
All persons who were patients of East Cooper Regional Medical Center, Hilton Head Regional Medical Center, and Piedmont Healthcare System during the period from October 7, 2001 to May 22, 2006, and were insured at the time of treatment.

The class in the action brought by Robert A. Singletary, Sr. (hereinafter referred to as the "Uninsured Class") is defined as follows:

All persons who were patients of East Cooper Regional Medical Center, Hilton Head Regional Medical Center, and Piedmont Healthcare System during the period from October 7, 2001 to May 22, 2006, and were uninsured at the time of treatment.

These definitions more fully describe the classes previously defined in this Courts' Orders granting class certification dated June 20, 2005, and filed June 28, 2005, and the class definitions stated above hereby supplant the definitions contained in this Court's Orders granting class certification.

Further, all persons within the Class who do not elect to exclude themselves from ("opt out of") the Class are referred to as "Class Members."

#### IV. CERTIFICATION OF THE CLASS

By its Orders dated June 20, 2005, and filed on June 28, 2005, this Court granted Plaintiffs' respective motions for class certification.

#### IV. APPROVAL OF SETTLEMENT AGREEMENT AND PLAN OF NOTICE

KK #4  
The Parties have submitted to the Court their Settlement Agreement, with exhibits, including the Notice to be mailed to the Class, and the plan for providing Notice to the Class. The Court will not recite the terms of the Settlement Agreement or plan of notice, but refers to and incorporates them herein. Based upon the Agreement and the record and the proceedings herein, it appears to the Court upon preliminary examination that the Agreement is fair, reasonable, just and adequate; that the Notice and plan for giving Notice constitute the best practicable means of notifying the Class of the action; that absent class members' interests have been adequately represented; that the proceedings to date and as contemplated by Settlement Agreement have afforded and will afford the absent class members all of the requisite protections of due process; and that a final hearing should be held, after notice has been given to the Class, to determine whether the Settlement Agreement is fair, reasonable, and just, and whether Final Judgment should be entered in this Action based upon the Agreement.

The Court further finds that the Notice and proceedings contemplated by the Settlement Agreement are fair and reasonable. The Notice fairly describes the action, the terms and conditions of the Settlement Agreement generally, and the absent class members' rights and how they are to be exercised.

It is hereby **ORDERED** that:

1. The Agreement and the settlement contained therein are preliminarily **APPROVED** as fair, reasonable, just, and adequate.

2. The Agreement is **ADOPTED** by the Court and made a part of this order as if fully set out herein.

3. The two above captioned cases are hereby **CONSOLIDATED** for the purposes of administering this settlement.

4. The class definitions stated in this Court's Orders granting class certification dated June 20, 2005, and filed June 28, 2005 are hereby **MODIFIED** so as to comport with the class definitions stated herein.

5. The proposed plan of providing Notice contained in the Agreement is **APPROVED** and **DEEMED** to be adequate to protect the due process rights of Class Members. Further, the form of the proposed Notice submitted to the Court for approval is hereby **APPROVED**, and it is hereby **ORDERED** that the Notice shall be provided to persons within the Class following the procedures outlined in the Settlement Agreement. No later than June 30, 2006, Defendants shall cause notification of the settlement to be mailed to Uninsured Class Members who were patients of the Hospitals after December 31, 2004. Defendants shall also cause notification of the settlement to be given to all Class Members by way of publication in newspapers of general circulation in the regions where the Hospitals are located. The notice published in the regional newspapers shall be in a format consistent with the publication approved in Tenet Healthcare Cases II, J.C.C.P. No. 4289, Los Angeles County Superior Court.

6. R. Allen Singletary, Jr. and Robert A. Singletary, Sr. are found to be representative parties who will fairly and adequately protect the interests of the respective Classes. The following attorneys are found to be able to fairly and adequately represent the

Class and are designated as Class Counsel: A. Camden Lewis, Gedney M. Howe, III, Michael E. Spears, and Richard A. Harpootlian.

7. A hearing (the "Final Hearing") is scheduled for Aug 29, 2006, at 10:00, at the ~~Charleston County Courthouse, 100 Broad Street, Charleston, South Carolina~~, Chester County Courthouse, Chester SC, to determine whether the proposed settlement of this Action, as set forth in the Agreement, is fair, reasonable, and adequate and should be finally approved. Additional briefs and supporting papers in support of the proposed settlement, if any, and application of Class Counsel for an award of fees and expenses, shall be filed with the Court within at least five business days prior to the date for Final Hearing. After the Final Hearing, the Court may enter a Final Order in accordance with the Agreement.

8. Any person within the Class may exclude himself or herself from the Class by requesting to be excluded. A request for exclusion must be made in writing and must be mailed to the Settlement Administrator on or before July 31, 2006. Any person within the Class wishing to exclude himself or herself from the Class must specifically state the following in the exclusion request: (1) name; (2) address; (3) phone number; and (4) the statement "I wish to opt out of the proposed settlement in the case of Singletery, et al. v. East Cooper Community Hospital, Inc. et al."

9. Any Class Member may object to the proposed settlement or to Class Counsel's petition for fees and costs. An objection must be made in writing, identify the person making it, and state the grounds upon which the objection is based. Any objection must be either mailed or personally delivered to the Clerk of Court for Charleston County on or before July 31, 2006, and must specifically refer to the case captioned Singletery, et al. v. East Cooper Community Hospital, Inc., et al., pending in the Court of Common Pleas for

Charleston County, Civil Action Nos. 04-CP-10-4211 & 04-CP-10-4212. Copies of any written objections must also be served on Class Counsel and Counsel for the Defendants who are identified in the Notice. Any Class Member who files an objection must also appear at the Final Hearing in person or through counsel to show why the proposed settlement should not be approved as fair, reasonable, and adequate. These requirements shall be described in the notice.

10. Any Class Member who does not make his or her objection to the settlement in the manner set forth herein and in the Notice shall be deemed to have waived any such objection, including, without limitation, any assertion of objection to the proposed settlement or any provision of the Agreement, by appeal, collateral attack, or otherwise. Except for good cause shown, any Class Member who has failed to timely file an objection will not be heard at the hearing. Further, any Class Member who does not appear at the hearing may also be deemed to have waived any such objection.

11. Pending final determination of whether the Agreement should be approved, the Named Plaintiffs and Class Members are hereby enjoined and prohibited from prosecuting in any state or federal court, any pending action or filing any new action, either directly, individually, representatively, or in any capacity, asserting any claims against any of the other parties arising out of or relating to the subject matter of this Action.

12. All discovery and other pretrial proceedings in this Action are stayed and suspended except such actions as may be necessary to implement the Agreement and this Order.


13. If the proposed settlement as provided in the Agreement is not given final approval by the Court, or for any reason the parties fail to obtain a Final Order as

contemplated in the Agreement, or the Agreement is terminated pursuant to the terms of the Agreement or Orders of this Court, the Agreement and all Orders entered in connection with it including, but not limited to, this Preliminary Approval Order, shall become null and void and shall be of no further force and effect. In such event, the Agreement and all negotiations, proceedings and orders relating thereto (a) shall be deemed withdrawn without prejudice as to the rights of any and all parties thereto, who shall be restored to their respective positions as of the date of the execution of the Agreement, and (b) shall not be used or referred to for any purposes whatsoever in this or any other action, case or controversy.

**DONE and ORDERED** this 25 day of May, 2006, at Charleston, South Carolina.



The Honorable Kenneth G. Goode  
Presiding Judge

ATTEST: A TRUE COPY  
JULIE J. ARMSTRONG (SEAL)  
CLERK, CP & G.S.  
By   
DEPUTY CLERK