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*Attorney for Plaintiffs*

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**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
OAKLAND DIVISION**

STARLA ROLLINS and PATRICIA  
WILSON, on behalf of themselves,  
individually, on behalf of all others similarly  
situated, and on behalf of the Dignity Plan,

Plaintiffs,

MICHELLE HALL, JENIFER HEINER, and  
CHRISTINE MONTOYA,

Intervenor Plaintiffs,

v.

DIGNITY HEALTH, a California Non-profit  
Corporation, HERBERT J. VALLIER, an  
individual, DARRYL ROBINSON, an  
individual, the Dignity Health Retirement  
Plans Subcommittee, and JOHN and JANE  
DOES, each an individual, 1-20,

Defendants.

Case No: 13-cv-01450-JST

**POST-DISTRIBUTION ACCOUNTING  
OF CLASS ACTION SETTLEMENT  
AND REQUEST FOR ORDER  
RELEASING HOLDBACKS AND  
VACATING CASE MANAGEMENT  
CONFERENCE**

Plaintiffs, by and through their attorneys, respectfully submit the following Post-Distribution Accounting for the Second Restated and Amended Class Action Settlement Agreement (“Settlement”) in accordance with the Court’s Order Granting Motion for Final Approval of Settlement and Motion for Attorneys’ Fees (“Approval Order”), ECF No. 320, and the

Procedural Guidance for Class Action Settlements of the Northern District of California (the “Guidelines”), and request the Court enter its Order approving the Post-Distribution Accounting, providing for further annual reports, and authorizing the payment of the 10% fee holdbacks under the Approval Order.

### **Background**

1. The Court approved the Settlement by its Approval Order on July 15, 2022. ECF No. 320.

2. The Effective Date of the Settlement was August 15, 2022. Settlement at § 1.14.

3. The Settlement provides for, among other things,

a. the annual deposit of funds in the Dignity Health Pension Plan (“Plan”) Trust for a period of five (5) years for the benefit of all 116,334 class members

(Settlement ¶¶ 7.1.2, 7.1.3, ECF No. 310-1);

b. the payment, within 30 days of the Effective Date, of an aggregate of \$825,000 apportioned among the 1,050 members of the “PEP Plus Subgroup” (*id.* ¶ 7.1.7); and

c. the payment, within 30 days of the Effective Date, of an aggregate of \$950,000 apportioned among the 3,282 members of the Vesting Subclass (*id.* ¶ 7.1.6).

4. Checks were sent out to the members of the PEP Plus Subgroup and the Vesting Subclass beginning on the Effective Date. Declaration of Denise Earle (“Angeion Decl.”), Exhibit B hereto, at ¶¶ 5, 6. Because the financial benefit of the Settlement to the other class members does not include a direct payment to them, but rather is conferred by deposits to the Plan Trust itself, no checks were sent out to the other members of the class.

5. Dignity Health has made the cash contributions to the Plan Trust required to date

pursuant to Section 7.1.2 and 7.1.3 of the Settlement Agreement, as follows:

<b>Deposits to Plan Trust</b>	<b><u>Required</u></b>	<b><u>Actual</u></b>
Calendar year 2020	\$ 50,000,000.00	\$ 53,600,000.00
Calendar year 2021	\$ 142,410,000.00	\$ 147,600,000.00
Calendar year 2022	\$ 105,900,000.00	\$ 153,875,000.00
Plan Trust deposits to date		\$ 355,075,000.00

Declaration of Elizabeth Meckenstock (“Meckenstock Decl.”), Exhibit C, hereto, ¶ 3. Additional cash contributions to the Plan Trust will be made pursuant to the Settlement for the 2023 and 2024 calendar years. Meckenstock Decl. ¶ 4.

6. Payment of approved Case Contribution Awards and Class Counsel and Vesting Subclass Counsel’s fees and expenses, less a 10% fee holdback pursuant to the Approval Order, has been timely made. The balance of \$576,619.31 of Class Counsel’s fees, and \$5,000.00 of Vesting Subclass Counsel’s fees, are held by Dignity Health pending further order of this Court. Meckenstock Decl. ¶ 7.

7. The Court has set a case management conference for January 24, 2023, which the Court has indicated may be vacated if the Post-Distribution Accounting has been filed and the Court has entered its Order releasing the remaining attorneys’ fees. Approval Order at 21.

### **Post-Distribution Accounting**

8. Attached hereto as Exhibit A is a chart containing the information required by the Guidelines, to the extent applicable to this Settlement. The information in Exhibit A is supported by this Post-Distribution Accounting and the declarations submitted herewith. Pursuant to the Approval Order, we address the following additional matters.

9. Benefit of injunctive or non-monetary relief. As described in the Final Approval Motion, ECF No. 306, at 8-9, the Settlement also establishes certain equitable protections for Plan participants. With respect to the administration of the Plan, participants and beneficiaries will have

(or continue to have) access to:

- Summary Plan Descriptions (“SPDs”) that identify the Plan Sponsor, Plan Administrator, and participating employers, and describe how benefits are paid, the pension formula, vesting requirements, requirements for participating in the Plan, and claims review procedures. Settlement § 8.4.1. The “Plan Claims Review Procedure” will identify who makes the initial determinations of rights to a benefit, provide for written notice of any denial along with a statement of reasons for the denial, and provide a reasonable opportunity for a review of a denial. *Id.* § 8.4.4.
- A summary annual report identifying the Plan by name and EIN number, and stating the Plan year dates, funding arrangements, number of participants, and value of net assets. *Id.* § 8.4.2.
- Accrued Benefits information, including an online tool for projecting a Participant’s future benefits. *Id.* § 8.4.3.
- As an additional safeguard, during the five years after the Effective Date of the Settlement, Dignity Health has appointed two members of the Dignity Health Retirement Plans Sub-Committee who are not employees of Dignity Health or its affiliates. *Id.* § 8.4.5; Meckenstock Decl. ¶ 9. One has recently retired and will be replaced in mid-January, 2023. *Id.*
- The Settlement also provides significant protection from cutbacks and forfeitures. Specifically, for ten years, the Settlement ensures that the existing Accrued Benefit of a Plan participant will not be reduced as a result of a transfer, merger, or consolidation of the Plan with another plan. *Id.* § 8.1. In the same vein, the Settlement provides that an amendment to the Plan will never reduce a participant’s Accrued Benefit and that upon termination the Plan all benefits will be 100% vested. *Id.* § 8.2.

10. Significant or recurring concerns from class members since final approval, and resolution thereof. Since the Effective Date of the Settlement on August 15, 2022, Class Counsel have received approximately 125 contacts from Class members. Sixty-eight (68) sought, and received, general information about the status of the Settlement. Eight (8) contacts were from claimants who were entitled to cash distributions as either Vesting Subclass members or PEP Plus claimants, and who requested replacement checks or provided updated addresses. In addition, 41 contacts were from claimants inquiring whether they were entitled to a cash distribution. To the extent the claimants desired more information about their individual claims than was available to Class Counsel, these inquiries were referred to Dignity Health. Declaration of

1 Christopher Graver, Exhibit D, hereto.

2 11. Dignity Health has reviewed and responded to questions by 49 claimants that were  
3 referred by Class Counsel. Approximately 41 individuals inquired whether they were entitled to a  
4 cash distribution as a PEP Plus claimant. Dignity Health reviewed these claims with information  
5 provided by the Plan's actuaries and confirmed that these claimants did not meet the definition of a  
6 PEP Plus claimant, either because they were not accruing benefits under the PEP Plus formula on  
7 January 1, 2014, or because they had not been negatively impacted under the PEP Plus formula as  
8 changed effective January 1, 2014. Questions referred by Class Counsel that dealt with updating  
9 addresses or lost checks were referred to Angeion. Meckenstock Decl. ¶ 8.

10  
11 12. Angeion has investigated and responded to inquiries forwarded by Class Counsel or  
12 Dignity Health counsel with respect to replacement checks or updated addresses. Angeion has  
13 requested affidavits from claimants who requested replacement checks, and as of December 5,  
14 2022, had mailed one replacement check. Angeion Decl. ¶ 9.

15  
16 13. Since the Effective Date of the Settlement, Vesting Subclass Counsel received and  
17 responded to approximately 21 inquiries concerning the settlement terms, timing of payment, and  
18 cashing settlement distribution checks. Several inquiries were from persons who were not  
19 members of the Vesting Subclass, and those inquiries were referred to Class Counsel. Declaration  
20 of Oren Faircloth, Exhibit E, hereto, ¶ 4, 5.

21  
22 14. Issues in settlement administration, and resolution thereof. Other than dealing with  
23 inquiries as described above, there have been no issues with administration of the Settlement.  
24 Angeion Decl. ¶ 10,

25 15. Defendants and Vesting Subclass Counsel have reviewed the Post-Distribution  
26 Accounting and concur in its filing and the relief requested herein.

**Request for Order**

Plaintiffs request that the Court enter its order as follows:

- (1) Accepting this Post-Distribution Accounting;
- (2) Providing for the annual filing of a notice of deposit of additional settlement funds into the Plan Trust for the calendar years 2023 and 2024, pursuant to the Settlement Agreement § 7.1.3;
- (3) Authorizing and directing Dignity Health to promptly release to Class Counsel the \$576,619.31 in fees held back pursuant to the Approval Order;
- (4) Authorizing and directing Dignity Health to promptly release to Vesting Subclass Counsel the \$5,000 in fees held back pursuant to the Approval Order;
- (5) Vacating the January 24, 2023 case management conference; and
- (6) Granting such other and further relief to which the parties may be entitled.

DATED December 9, 2022.

KELLER ROHRBACK L.L.P.

By: s/ Christopher Graver

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