

19TH JUDICIAL DISTRICT COURT
PARISH OF EAST BATON ROUGE
STATE OF LOUISIANA
GOVERNMENTAL BUILDING
222 ST. LOUIS STREET

BATON ROUGE, LA., 10/21/2002

TO: DAVID S. RUBIN ON BEHALF OF GENERAL HEALTH SYSTEM, INC.
P.O. BOX 2997
BATON ROUGE, LA 70821 2997

RECEIVED
OCT 21 2002
KARL E. WEAVER & BETZEL (APLC)

CASE NAME: J. ROBERT WOOLEY V. GULF SOUTH HEALTH PLANS, INC.

CASE NUMBER: 485005

CIVIL DOCKET: "N"

JUDGE: JEWEL E. WELCH, JR.

ROOM: 705

YOU ARE HEREBY NOTIFIED OF THE FOLLOWING ACTION FOR THE AFOREMENTIONED CASE

ON: 11/07/2002 AT: 09:30 AM FOR: MOTION

HEARING ON MOTION TO APPROVE SETTLEMENT WITH PROVIDER
FILED OBO GULF SOUTH HEALTH PLANS, INC. AND GENERAL
HEALTH SYSTEM

MEMO IN OPPOSITION TO BE SUBMITTED TO THE JUDGE NO LATER
THAN (8) EIGHT DAYS PRIOR TO HEARING...

YOURS VERY TRULY,

SUSAN BOUDREAUX

DEPUTY CLERK OF COURT FOR
DOUG WELBORN, CLERK OF COURT

NOTIFIED:

CLAIRE I. LEMOINE ON BEHALF OF J. ROBERT WOOLEY
CASSANDRA A. SIMMS ON BEHALF OF J. ROBERT WOOLEY
SUE BUSER ON BEHALF OF J. ROBERT WOOLEY
J. WENDELL CLARK ON BEHALF OF GULF SOUTH HEALTH PLANS, INC.
DAVID S. RUBIN ON BEHALF OF GENERAL HEALTH SYSTEM
CLAUDE REYNAUD, JR. ON BEHALF OF OUR LADY OF THE LAKE
JAY M. SIMON ON BEHALF OF GASTROENTEROLOGY ASSOCIATES
ACADIAN HEALTH CARE ALLIANCE IN PROPER PERSON
DONNA D. FRAICHE ON BEHALF OF ADVENTIST HEALTH SYSTEM
RICHARD C. STANLEY ON BEHALF OF CONRAD INDUSTRIES, INC.
DONNA P. CURRAULT ON BEHALF OF CHALMETTE MEDICAL CENTER
J. ASHLEY MOORE ON BEHALF OF DYNACARE LABORATORIES, INC.
DAVID FOURRIER, M.D. IN PROPER PERSON
THOMAS J. CORTAZZO ON BEHALF OF BEARDEN & GUIBAULT, INC.
MICHAEL R. C. RIESS ON BEHALF OF WOOD RESOURCES, INC.

COPIES \$32.
✓ #42469
001 (2002

WT

NINETEENTH JUDICIAL DISTRICT COURT BY _____

PARISH OF EAST BATON ROUGE

STATE OF LOUISIANA

J. ROBERT WOOLEY, AS ACTING	*	NUMBER: 485,005
COMMISSIONER OF INSURANCE FOR	*	
THE STATE OF LOUISIANA	*	
VERSUS	*	
GULF SOUTH HEALTH PLANS, INC.	*	DIVISION: N

MOTION COMBINED WITH MEMORANDUM OF LAW TO APPROVE SETTLEMENT WITH PROVIDER

CERTIFIED TRUE COPY

261050

NOW INTO COURT, through undersigned counsel, comes GULF SOUTH HEALTH PLANS, INC. and GENERAL HEALTH SYSTEM, and with respect represents as follows.

PARTIES FILING THIS MOTION

1.

Gulf South and General Health are the joint movers in this Joint Motion.

NATURE OF RELIEF SOUGHT

2.

The Gulf South wind up has been continuing in accordance with the orders of this Court, under the administrative regulation of DOI. On May 3, 2002, this Court entered its Approval and Settlement Order. The Approval and Settlement Order granted, among other relief, final approval to the General Health Proposal. This Motion seeks approval of a settlement with OLOLRMC.

DEFINITIONS USED IN THIS MOTION

3.

"Adjudication and Allowance Process" means the process by which Gulf South, under the administrative regulation of DOI, determines the principal amount of each provider's claim against Gulf South, or by which Gulf South and a provider otherwise agree to the provider's principal claim amount.

"Approval and Settlement Order" means Order Granting Final Approval of Proposal to Fund Wind Up Plan, Approving Settlements With Certain Participating Providers, Amending the Wind Up Plan, and Authorizing and Approving Notice to Other Participating Providers of the Opportunity to Settle Their Claims on the Same Terms and Conditions dated May 3, 2002.

"Commissioner" means J. Robert Wooley, as Acting Commissioner of Insurance for the State of Louisiana.

19th JUDICIAL DISTRICT
PARISH OF EAST BATON ROUGE
LA 70001

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"Commissioner's Wind Up Plan" or "Wind Up Plan" means the Wind Up Plan for Gulf South submitted by the Commissioner and filed with the Wind Up Petition and which was approved by the Court's Consent Order for the Wind Up of the Affairs of a Health Maintenance Organization signed by the Court on June 19, 2001, with all amendments thereto.

"Court" means the Nineteenth Judicial District Court for the Parish of East Baton Rouge.

"Definitive Settlement Agreement" means the Agreement of Settlement, Compromise, and General Release to be entered into by OLOLRMC, General Health, and Gulf South.

"DOI" means the Louisiana Department of Insurance.

"DOI et al." means DOI, the Commissioner, and all of its agents, officers, attorneys, employees, representatives, and each of their successors and assigns.

"Effective Settlement Date" means September 23, 2002.

"General Health" means General Health System.

"General Health et al." means General Health and its agents, officers, attorneys, employees, representatives, and each of their successors and assigns.

"General Health Proposal" means the contribution proposal submitted by General Health whereby General Health proposes to make contributions to Commissioner's Wind Up Plan and which is attached as Exhibit 1 to General Health's Intervention Petition in the Wind Up Proceeding.

"Gulf South" means Gulf South Health Plans, Inc.

"Gulf South et al." means Gulf South, Gulf South Administrators Inc. and their agents, officers, attorneys, employees, representatives, and each of their successors and assigns.

"Gulf South Consent Order" means the Order for the Wind Up of the Affairs of a Health Maintenance Organization signed by the Court on June 19, 2001.

"OLOL Claims" means all claims of any nature whatsoever of OLOLRMC against General Health, Gulf South, Gulf South Administrators, Inc., or DOI arising out of or in any way connected with (a) the Wind Up Proceeding, (b) with claims for payment for services provided by OLOLRMC to Gulf South enrollees and members, (c) with the processing, adjudication, allowance and/or payment of such claims, and/or (d) in connection with the General Health Proposal, regardless if any of the OLOL Claims sound in contract or tort, and includes, but is not limited to, all claims for attorneys fees, interest, court costs, any litigation costs or expert fees, penalties, or reversion to billed charges.

"OLOL et al." means OLOLRMC and each of their respective agents, officers, employees, representatives, attorneys and each of their successors and assigns.

"OLOLRMC" means Our Lady of the Lake Hospital, Inc. d/b/a Our Lady of the Lake Regional Medical Center, Our Lady of the Lake Ascension Community Hospital, Inc. d/b/a St. Elizabeth's Hospital (formerly Riverview Medical Center), Our Lady of the Lake Regional Medical Center d/b/a Primary Care Physicians, Convenient Care, L.L.C. d/b/a Lake After Hours-Perkins and Lake After Hours-O'Neal, Our Lady of the Lake Regional Medical Center d/b/a Lake After Hours-Butler, Our Lady of the Lake Regional Medical Center d/b/a Lake After Hours-Ascension, Our Lady of the Lake Regional Medical Center d/b/a Lake ICU Services, Our Lady of the Lake Ascension, LLC, Lake Ascension Physicians, Nuclear Imaging L.L.C. d/b/a Lake PET Imaging Center, The Family Center, and Our Lady of the Lake Regional Medical Center d/b/a Pediatric ICU, and any other subsidiaries or affiliates of OLOLRMC.

"OLOL Settlement" means the settlement between General Health, Gulf South, and

OLOLRMC.

“OLOL Settlement Amount” means the amount to be paid to OLOLRMC for a release of the OLOLRMC Claims.

“Participating Provider” means a provider (such as a physician, hospital, skilled nursing facility, home health agency, or other duly licensed institution or health professional) under contract with Gulf South to provide professional and/or hospital services, within the scope of his/her/its license, to Gulf South members, enrollees, and subscribers (but excluding governmental agencies, their successors or assigns).

“Settlement Motion for OLOL” means this Motion.

“Wind Up Petition” means the Commissioner’s Petition for Wind Up of the Affairs of Gulf South Health Plans, Inc., filed in this matter on June 18, 2001.

“Wind Up Proceeding” means the proceeding for the Wind Up of the Affairs of Gulf South Health Plans, Inc., bearing docket number 485,005 on the docket of the Court.

Other terms may be defined elsewhere in this Settlement Motion.

THE COMMISSIONER’S WIND UP PETITION

4.

On June 18, 2001, the Commissioner filed the Wind Up Petition in this matter. The Wind Up Petition confirms that the Commissioner prepared a proposal for the wind up of Gulf South pursuant to La. R.S. 22:2010(G), the Commissioner’s Wind Up Plan. In connection with the filing of the Wind Up Petition, DOI submitted the Commissioner’s Wind Up Plan which constitutes its plan for the wind up of Gulf South pursuant to La.R.S.22:2010(G). On June 19, 2001, this Court signed the Gulf South Consent Order, which Order placed Gulf South under the administrative regulation of DOI, and further approved the Commissioner’s Wind Up Plan.

5.

The Commissioner’s Wind Up Plan incorporates the General Health Proposal.

6.

The Commissioner’s Wind Up Plan provides in part as follows:

It is anticipated that the claims of participating providers will be paid at agreed upon contract rates, or settled for amounts below agreed upon contract rates with the consent of the providers...

Thus, the Commissioner’s Wind Up Plan and the General Health Proposal contemplate that settlements may be made with Participating Providers.

7.

Since the filing of the Wind Up Petition, Gulf South has been winding up its affairs in accordance with the Commissioner’s Wind Up Plan as approved by the Gulf South Consent Order and applicable law, under the administrative regulation of DOI. On May 3, 2002, the Court entered its

Approval and Settlement Order. As a result, Gulf South sent settlement offers to its Participating Providers, and approximately 95% of the Participating Providers which responded to the settlement offer have accepted the settlement offer.

8.

The deadline for filing oppositions to the General Health Proposal was October 1, 2001. OLOLRMC filed an intervention in the Wind Up Proceeding and timely filed opposition and objections to the General Health Proposal. Further, OLOLRMC timely submitted claims for payment of various sums (which claims were revised as more information became available) against Gulf South. Further, OLOLRMC made other claims and took other actions in this proceeding, including but not limited to alleging that General Health should be required to alter the General Health Proposal in one or more particulars. General Health and Gulf South have opposed virtually all of the claims made and actions taken in the Wind Up Proceeding by OLOLRMC.

9.

This Motion seeks Court approval to settle the OLOL Claims. As this Court is aware, a trial was scheduled to commence on September 23, 2002 with respect to the objections of OLOLRMC to the General Health Proposal and the determination of the monetary amount of the OLOL Claims. Prior to the commencement of trial, and with the assistance of the Court, Gulf South, General Health, and OLOLRMC reached a global settlement of all issues and disputes arising out of or in connection with the OLOL Claims and the Wind Up Proceeding. Settlement of the OLOL Claims will eliminate complex, time-consuming undertakings for both Gulf South and OLOLRMC of determining the amount of each individual underlying claim for charges related to services rendered to the insureds of Gulf South that collectively comprise the total of the OLOL Claims. In determining individual claim amounts for each claim for each service to each Gulf South member by each of OLOLRMC, the claims must be individually reviewed to determine the appropriate allowable reimbursement rates under the contract with Gulf South. Some claims may require medical review. The large number of entities included within OLOLRMC makes reconciliation of their claims difficult. Moreover, OLOLRMC has alleged that Gulf South denied claims and/or failed to timely pay claims, and as such the OLOLRMC entities allege that they have a right for their claims to be treated as provided for in their provider contracts with Gulf South. Gulf South and General Health expressly deny any liability for such increased amounts. Nonetheless, each underlying claim for each service rendered by each of the OLOLRMC entities to each insured/patient of OLOLRMC would have to be examined and reconciled between OLOLRMC and Gulf South. The parties estimate that approximately 7,000 individual claims would

need to be examined during the process. The settlement proposed herein allows the parties to save the continued expense of the Adjudication and Allowance Process, at least as to the OLOL Claims, thus reducing the requirement of further continued claims review, processing, and adjudication. This would have the consequent benefit of saving overall administrative expenses which would inure to the benefit of all Gulf South creditors and providers. Inasmuch as the General Health Proposal requires General Health to fund the administrative costs of the Wind Up Proceeding as a priority payment, a savings of administrative costs has the result of increasing the amount of funds available for all providers. Further, as noted, the OLOLRMC entities are also objectors to the General Health Proposal, as set forth in their objections. OLOLRMC, General Health, and Gulf South have engaged in substantial discovery with respect to the objections. Resolution of the objections of OLOLRMC allows the parties to save continued costs of litigation and possible appeals, further fostering the goal of expediting payments to all providers and making progress toward the conclusion of this Wind Up Proceeding.

10.

Gulf South and General Health believe that the settlement achieved with OLOLRMC is fair and equitable to all parties. Further, based on the settlement, no other providers of Gulf South will be adversely impacted, inasmuch as Gulf South currently believes, based on available information, that all providers are still likely to be paid within a time period not materially different from the original time frame estimated in the General Health Proposal.

11.

Gulf South, General Health, and OLOLRMC have confidentially disclosed the OLOL Settlement Amount to DOI and to the Court. The settlement with OLOLRMC does not alter the General Health Proposal in any manner, is consistent with the Wind Up Plan and the General Health Proposal, and there is no need for the Court to modify the Approval and Settlement Order. Thus, if the OLOLRMC Settlement is approved by the Court, OLOLRMC will be paid the OLOLRMC Settlement Amount in the rank and order as a settling provider as set forth in the Wind Up Plan, as amended and given final approval by the Approval and Settlement Order (that is, after payments to providers who accepted the previously approved settlement prior to the Effective Settlement Date and ahead of non-settling providers).

12.

Gulf South, General Health, and OLOLRMC will enter into a confidential Definitive Settlement Agreement after approval of this motion. The Definitive Settlement Agreement will include recitations, terms, and conditions standard in matters such as this, and will specifically include a complete

settlement of the OLOLRMC Claims, dismissal of all of the objections of OLOLRMC to the General Health Proposal and withdrawal of the intervention of OLOLRMC, and mutual releases of OLOL et al., Gulf South et al., General Health et al., and DOI et al. OLOLRMC will also waive their right to appeal from entry of the order approving the OLOL Settlement.

THE COURT SHOULD APPROVE THE OLOL SETTLEMENT BECAUSE IT IS FAIR AND EQUITABLE AND IS IN THE BEST INTEREST OF GULF SOUTH AND ALL OF THE CREDITORS AND PROVIDERS OF GULF SOUTH

13.

Settlements are expressly provided for in Civil Code Article 3071:

“A transaction or compromise is an agreement between two or more persons, who, for preventing or putting an end to a lawsuit, adjust their differences by mutual consent, in a manner which they agree on, and which everyone of them prefers to the hope of gaining, balanced by the danger of losing.”

14.

Settlements are favored under Louisiana Law. *Graham v. Willis-Knighton Medical Center*, 699 So.2d 365 (La. 1997); *Pendleton v. Barrett*, 675 So.2d 720 (La. 1996); *Acadian Bank of Thibodeaux v. Bates*, 470 So.2d 898 (La. App. 2 Cir. 1995); *McKowen v. Gulf States Utilities Co.*, 358 So.2d 675 (La. App. 1 Cir. 1978). “Unquestionably the settlement of litigation and the compromise of disputed claims are favored by the courts.” *Lewis v. S.S. Baume*, 534 F.2d 1115 (5th Cir. 1976).

15.

Louisiana’s scheme for liquidating insolvent domestic insurers is very similar to proceedings in bankruptcy. *LeBlanc v. Bernard*, 554 So.2d 1378 (La.App. 1 Cir. 1989), writ denied, 559 So.2d 1357 (La.1990). *Crist v. Benton Casing Service*, 572 So.2d 99 (La. App. 1 Cir. 1990). Federal bankruptcy case law is highly developed in the area of settlements within the context of insolvency proceedings. Settlements and compromises are “a normal part of the process of reorganization,” *Protective Committee v. Independent Stockholders of TMT Trailer Ferry, Inc. v. Anderson*, 390 U.S. 414, 424, 88 S.Ct. 1157, 1163 (1968), and are “oftentimes desirable and wise methods of bringing to a close proceedings otherwise lengthy, complicated and costly.” *In re Jackson Brewing Co.*, 624 F.2d 599, 602 (5th Cir. 1980). Settlements have a “salutary effect.” *In the Matter of Cajun Electric Power Cooperative, Inc.*, 119 F.3d 349 (5th Cir. 1997).

16.

A court is required to make an “informed and independent judgment” as to whether a proposed settlement agreement is fair and equitable and in the best interests of a bankrupt estate. *Protective*

Committee for Independent Stockholders of TMT Trailer Ferry, Inc. v. Anderson, 390 U.S. 414, 424 (1968), *reh'g denied*, 391 U.S. 909 (1968); *Foster Mortg. Corp.*, 68 F.2d at 917; *United States v. AWECO, Inc. (In re AWECO, Inc.)*, 725 F.2d 293 (5th Cir. 1984). An informed and independent judgment is made by the court when it apprizes itself of "all facts necessary for an intelligent and objective opinion of the probabilities of ultimate success should the claim be litigated[.]" *TMT Trailer*, 390 U.S. at 424; *AWECO*, 725 F.2d at 299; *In re Jackson Brewing Co.*, 624 F.2d 599, 609 (5th Cir. 1980); see also *Foster Mortg. Corp.*, 68 F.2d at 917. It is well established, however, that in making an informed and independent judgment, a Court is not required to conduct a "mini trial." *United States v. Alaska National Bank (In re Walsh Construction, Inc.)*, 669 F.2d 1325 (9th Cir. 1982). The reason for not requiring a "mini-trial" is obvious: "Any virtue which may reside in a compromise is based on doing away with the very need for deciding with exactness what would have been the outcome had no settlement been made or approved." *In re Riggi Brothers Company*, 42 F.2d 174, 176 (2d Cir. 1930).

17.

A court does not decide any of the issues in dispute. "[T]he bankruptcy court must review the facts supporting a compromise, yet not decide the merits of the individual issues. Rather, the bankruptcy court determines whether the settlement is fair and equitable as a whole." *Watts v. Williams (In re Watts)*, 154 B.R. 56, 59 (S.D. Tex. 1993). Moreover, "[T]he test [is] whether the terms of the proposed compromise fall within the reasonable range of litigation possibilities." *In re Energy Cooperative, Inc.*, 156 F.2d 921, 929 (7th Cir. 1989); *In re New York, N.H. & H.R. Co.*, 632 F.2d 955, 960 (2d Cir.), *cert. Denied sub nom*, 449 U.S. 1062, 101 S.Ct. 786 (1980); *In re Penn Central Transp. Co.*, 596 F.2d 1102, 1114 (3d Cir. 1979).

18.

The OLOL Settlement that has been achieved between Gulf South, General Health, and OLOLRMC meets, indeed exceeds, the foregoing standards. Among other benefits, the OLOL Settlement (a) will end costly litigation between the parties, (b) will save significant legal costs and expenses, (c) will save Gulf South and OLOLRMC the ongoing expense and delays of the Adjudication and Allowance Process with respect to the OLOL Claims (which is also to the benefit of all providers and creditors of Gulf South), (d) eliminates any risk that the Court would determine the monetary amount of the OLOL Claims to be significantly higher than the amount of the settlement, (e) is fair and equitable as a whole to the parties and to the Gulf South estate, (f) achieves the goal of completing the Wind Up Proceeding as soon as possible and conserving judicial resources, and (g) does not detrimentally affect any other provider. Further, the OLOL Settlement is consistent with the settlements

previously approved in the Approval and Settlement Order. OLOLRMC, Gulf South, and General Health each have determined that the proposed settlement is fair to the respective parties and is in their mutual best interest.

**SUGGESTION AS TO PROCEDURE FOR HEARING ON THIS MOTION
AND CONTENTS OF NOTICE**

19.

Gulf South and General Health will provide notice to all interested counsel of record of this Motion. In addition, Gulf South and General Health will provide notice to certain providers of Gulf South in order that they may also receive notice of the filing of this Motion. A form of proposed notice is attached, and court approval of this form of notice is requested. Gulf South and General Health believe that such notice will be adequate under the circumstances of this case, particularly in light of the notices which were given prior to the hearing on and entry of the Approval and Settlement Order.

20.

In order to provide an orderly process with respect to any objections that may be filed, Gulf South and General Health will provide in their notice the following:

- a. Any objection to the Motion must be in writing, filed with the Clerk not later than six (6) calendar days prior to the hearing date, and copies provided to the Court, counsel for Gulf South, counsel for General Health, and counsel for OLOLRMC. Each objection must set forth in clear and concise language the basis on which the objection is made.
- b. If any objector intends to offer testimony in support of an objection, the objector shall disclose the name and address of each person who will or may testify at the hearing, a general description of the expected nature of the testimony, and the anticipated length of the objector's presentation to the Court.

WHEREFORE, Gulf South and General Health move for approval of the OLOL Settlement with OLOLRMC as set forth herein, and approval of the form of notice and procedures for filing objections to this Motion.

DATED this 12 day of October, 2002.

By Attorneys:

ADAMS AND REESE
451 Florida Street
19th Floor North Tower
Baton Rouge, LA 70801
Telephone: 225/336-5200
Telecopier: 225/336-5220

By: J. Wendell Clark / J. P. Seiter
J. Wendell Clark (#4150)
Patrick D. Seiter (#22153)

**COUNSEL FOR GULF SOUTH HEALTH PLANS,
INC.**

KANTROW, SPAHT, WEAVER & BLITZER
(A PROFESSIONAL LAW CORPORATION)
P. O. Box 2997
Baton Rouge, Louisiana 70821-2997
Telephone: 225/383-4703
Telecopier: 225/343-0630

By: David S. Rubin / W. Scott Keaty
David S. Rubin (#11525)
W. Scott Keaty (#23151)

COUNSEL FOR GENERAL HEALTH SYSTEM

CERTIFICATE OF SERVICE

I hereby certify that on the 12 day of October, 2002, a true and correct copy of the foregoing pleading was served on Ms. Sue Buser, Adair, Schuerman & White, 1518 Highway 30 East, Gonzales, LA 70737-4766; Ms. Claire Lemoine, Louisiana Department of Insurance, P. O. Box 94214, Baton Rouge, LA 70804-9214; Mr. Claude F. Reynaud, Breazeale, Sachse & Wilson, P. O. Box 3197, Baton Rouge, LA 70821-3197; Donna D. Fraiche, Locke, Liddell, and Sapp, LLP, Suite 2400, Pan American Life Center, 601 Poydras St., New Orleans, LA 70130-6036; Mrs. Arlene Knighten, Office of Attorney General, 301 Main Street, Suite 1250A, Baton Rouge, LA 70801-1916; and all entities shown on the attached Exhibit.

David S. Rubin
David S. Rubin

87467v3

NINETEENTH JUDICIAL DISTRICT COURT

PARISH OF EAST BATON ROUGE

STATE OF LOUISIANA

J. ROBERT WOLEY, AS ACTING * NUMBER: 485,005
 COMMISSIONER OF INSURANCE FOR *
 THE STATE OF LOUISIANA *
 VERSUS *
 GULF SOUTH HEALTH PLANS, INC. * DIVISION: N

QUE COPY
 24
 DEPUTY CLERK OF COURT

ORDER FOR HEARING

19th JUDICIAL DISTRICT
 OF EAST BATON ROUGE PARISH, LA
 FILED
 2002 OCT 31 3:45 PM
 DEPUTY CLERK OF COURT

CONSIDERING the foregoing Motion of Gulf South Health Plans, Inc. and General Health System to Settle With The OLOL Hospital Entities,

IT IS HEREBY ORDERED that a hearing will be held before the Court on November 7, 2002, at 9:30 o'clock a.m. in Room 705 of the 19th Judicial District Court for the Parish of East Baton Rouge.

IT IS FURTHER ORDERED that, good cause appearing therefor, the form of notice attached to the Motion is hereby approved, and the following procedures shall apply to the hearing on the Motion:

- a. Any objection to the Motion must be in writing, filed with the Clerk not later than six (6) calendar days prior to the hearing date, and copies provided to the Court, counsel for Gulf South, counsel for General Health, and counsel for the OLOL Hospital Entities. Each objection must set forth in clear and concise language the basis on which the objection is made.
- b. If any objector intends to offer testimony in support of an objection, the objector shall disclose the name and address of each person who will or may testify at the hearing, a general description of the expected nature of the testimony, and the anticipated length of the objector's presentation to the Court.

SO ORDERED at Baton Rouge, Louisiana this ___ day of September, 2002.

JUDGE, 19th JUDICIAL DISTRICT COURT

NINETEENTH JUDICIAL DISTRICT COURT

PARISH OF EAST BATON ROUGE

STATE OF LOUISIANA

J. ROBERT WOOLEY, AS ACTING *
 COMMISSIONER OF INSURANCE FOR *
 THE STATE OF LOUISIANA *
 VERSUS *
 GULF SOUTH HEALTH PLANS, INC. *

NUMBER: 485,005

 DIVISION: N

19th JUDICIAL DISTRICT COURT
 EAST BATON ROUGE PARISH, LA
 FILED
 2002 OCT 3 7 PM 3:45
 DEPUTY CLERK OF COURT

ORDER FOR HEARING

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- b. If any objector intends to offer testimony in support of an objection, the objector shall disclose the name and address of each person who will or may testify at the hearing, a general description of the expected nature of the testimony, and the anticipated length of the objector's presentation to the Court.

SO ORDERED at Baton Rouge, Louisiana this ___ day of September, 2002.

JUDGE, 19th JUDICIAL DISTRICT COURT

NOTICE OF HEARING
WIND UP OF GULF SOUTH HEALTH PLANS, INC.
DOCKET NUMBER 485,005 - DIVISION N
19TH JUDICIAL DISTRICT COURT FOR THE PARISH OF EAST BATON ROUGE (the "Court")

A motion has been filed by Gulf South Health Plans, Inc. ("Gulf South") and General Health System ("General Health"), to settle the claims made by Our Lady of the Lake Hospital, Inc. d/b/a Our Lady of the Lake Regional Medical Center, Our Lady of the Lake Ascension Community Hospital, Inc. d/b/a St. Elizabeth's Hospital (formerly Riverview Medical Center), Our Lady of the Lake Regional Medical Center d/b/a Primary Care Physicians, Convenient Care, L.L.C. d/b/a Lake After Hours-Perkins and Lake After Hours-O'Neal, Our Lady of the Lake Regional Medical Center d/b/a Lake After Hours-Butler, Our Lady of the Lake Regional Medical Center d/b/a Lake After Hours-Ascension, Our Lady of the Lake Regional Medical Center d/b/a Lake ICU Services, Our Lady of the Lake Ascension, LLC, Lake Ascension Physicians, Nuclear Imaging L.L.C. d/b/a Lake PET Imaging Center, The Family Center, and Our Lady of the Lake Regional Medical Center d/b/a Pediatric ICU (collectively "OLOLRMC"), and any other subsidiaries or affiliates of OLOLRMC against Gulf South and General Health. A copy of the Motion is attached.

YOU ARE HEREBY NOTIFIED that a hearing will be held on the Motion on **Thursday, November 7, at 9:30 am in Room 705 of the Court, 222 St. Louis St., Baton Rouge, LA 70802**. In accordance with an order signed by the Court, the following procedures are applicable to any objections that may be filed to the Motion:

- a. Any objection to the Motion must be in writing, filed with the Clerk not later than six (6) calendar days prior to the hearing date, and copies provided to the Court, counsel for Gulf South, counsel for General Health, and counsel for OLOLRMC. Each objection must set forth in clear and concise language the basis on which the objection is made.
- b. If any objector intends to offer testimony in support of an objection, the objector shall disclose the name and address of each person who will or may testify at the hearing, a general description of the expected nature of the testimony, and the anticipated length of the objector's presentation to the Court.

FURTHER INFORMATION

If you want further information about Gulf South Health Plans, Inc. and/or this legal proceeding, contact your own legal counsel. If your legal counsel has questions, he/she may contact legal counsel for Gulf South or General Health.

Please see various important documents concerning Gulf South's WindUp Proceeding and the settlement offer available at www.gulfsouth.com and at the Clerk of Court, 19th Judicial District, East Baton Rouge Parish, LA.

GULF SOUTH HEALTH PLANS, INC.
P. O. Box 14449
Baton Rouge, LA 70898
(225) 237-1700
Fax (225) 237-1816
www.gulfsouth.com

Legal Counsel for Gulf South: J. Wendell Clark, Esq., Adams and Reese, LLP, 225-336-5200.
Legal Counsel for General Health: David S. Rubin, Esq., Kantrow, Spaht, Weaver & Blitzer (APLC),
225-383-4703