STATE OF CALIFORNIA--HEALTH AND WELFARE AGENCY

PETE WILSON Governor

DEPARTMENT OF HEALTH SERVICES
714/744 P Street
P.O. Box 942732
Sacramento, CA 94234-7320
(916) 657-2941

August 20, 1998

TO: All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons
All County Public Health Directors

Letter No.: 98-35

Quilling v. Belshé - Notice to Class of Class Action Settlement

As you may know, the Department of Health Services and the Department of Alcohol and Drug Programs are defendants in the above-referenced lawsuit. The purpose of this letter is to instruct counties to post the enclosed notice in all Medi-Cal office lobbies where Medi-Cal applicants and beneficiaries would have an opportunity to see it. In order to conduct the settlement hearing before the court on September 24, 1998, the notice must be posted no later than August 21, 1998, and must remain posted until September 25, 1998.

If you have any questions on this issue, please call Sharyl Shanen-Raya at (916) 657-2942.

Sincerely,

ORIGINAL SIGNED BY

Glenda Arellano
Angeline Mrva, Chief
Medi-Cal Eligibility Branch

Enclosure

NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION LAWSUIT

(Quilling, et al. V. Belshe, et al.)

TO MEDI-CAL RECIPIENTS WHO PAID FOR METHADONE MAINTENANCE TREATMENT SERVICES DURING THE PERIOD OF JULY 1, 1993 - JUNE 30 1994:

You may be eligible for reimbursement of a part or all of these costs under the terms of a proposed settlement agreement in the Lisa Quilling, et al.v. S. Kimberly Belshe, et al. lawsuit.

YOU DO NOT NEED TO RESPOND TO THIS NOTICE TO BE ELIGIBLE TO RECEIVE BENEFITS UNDER THIS SETTLEMENT.

The proposed settlement provides that those persons who were:

1. Eligible for Medi-Cal between July 1, 1993 and June 30, 1994, and

2. Paid for methadone maintenance treatment services at a Medi-Cal certified clinic between July 1, 1993 and June 30, 1994,

are eligible to apply for reimbursement of these payments. The proposed settlement establishes a fund of $500,000.00 (one-half million dollars) from which to pay these claims. If the sum total of all approved claims are equal to or less than this fund, all approved claims for reimbursement will be fully paid. If the sum total of all approved claims exceeds the amount available through this fund, each shall be paid a pro rata share of the available fund except for the three plaintiffs who originally brought this action who shall be eligible to receive full reimbursement for the period July 1, 1992 - June 30, 1994.

This settlement is being made in exchange for all claims brought in the lawsuit.

The full terms of the settlement are on file with the Clerk of Court, San Francisco County Courthouse, 400 McAllister Street, San Francisco, California 94102. You can get a copy of the settlement by writing to the California Department of Alcohol and Drug Programs, 1700 "K" Street, Sacramento, California 95814.

A hearing will be held on this proposed settlement on September 24, 1998, at 9:30 am in Courtroom 302 of the San Francisco Superior Court, San Francisco County Courthouse, 400 McAllister St., San Francisco, California, at which time the San Francisco Superior Court will decide whether to approve this final settlement.

If you agree with the settlement, you do not have to do anything. If you disagree with

the settlement, you must write a letter to the Clerk of the San Francisco Superior Court, 400 McAllister Street, San Francisco, California 94102 and give the case name Quilling v. Belshe, the case number 979404, and your reasons for objecting to the proposed settlement. **Do Not Call.** Your letter must be postmarked no later than September September 19, 1998.

Any member of the class who does not make and file her or his written objections in the manner provided above shall be deemed to have waived such objections and shall forever be foreclosed from making any objections (by appeal or otherwise) to the proposed settlement.