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FILED
 Superior Court of California
 County of Los Angeles

09/06/2022

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20
 21 **SUPERIOR COURT OF CALIFORNIA**
 22 **COUNTY OF LOS ANGELES**
 23

21 PASADENA HOSPITAL ASSOCIATION LTD.,
 22 d/b/a HUNTINGTON HOSPITAL, CEDARS-
 23 SINAI HEALTH SYSTEM,

24 Plaintiffs and Petitioners,

25 v.

26 CALIFORNIA DEPARTMENT OF JUSTICE and
 27 ROB BONTA, in his official capacity as Attorney
 28 General

Defendants and Respondents.

-1-

Case No. 21STP000978

STIPULATION AND ~~PROPOSED~~
 ORDER

*Filed pursuant to the Court's Order
 reserving jurisdiction under Civil Code
 §664.6*

Date: September __, 2022

Dept.: 85

Judge: Hon. James C. Chalfant

Action Filed: March 30, 2021

1 Respondents the California Department of Justice and Attorney General Rob Bonta
2 (together, the “Office of the Attorney General”) and Petitioners Pasadena Hospital Association,
3 Ltd., and Cedars-Sinai Health System (collectively, “the Parties”), and the Court-appointed
4 compliance monitor, Frank Stevens of Berkeley Research Group, LLC, hereby submit, through
5 their undersigned counsel of record, the following Stipulation and Proposed Order.

6 WHEREAS, on July 19, 2021, this Court entered an Order (“July 19 Order”) approving a
7 Joint Stipulation among the Parties, approving settlement of the matter; vacating the trial date set
8 in the matter; replacing the then-existing conditions with the competitive impact conditions
9 attached as Exhibit A to the July 19 Order (“Competitive Impact Conditions”); and retaining
10 jurisdiction to enforce the Competitive Impact Conditions.

11 WHEREAS, this Court entered an amended dismissal of this matter on January 14, 2022,
12 and retained jurisdiction pursuant to Civil Procedure section 664.6 and the July 19 Order.

13 WHEREAS, pursuant to Corporations Code section 5920 *et seq.*, on December 10, 2020,
14 the Attorney General conditionally approved a proposed change in governance and control of the
15 Pasadena Hospital Association, Ltd., operating Huntington Memorial Hospital, pursuant to the
16 terms of an Affiliation Agreement dated July 15, 2020 between the Parties. The approval included
17 specific competitive impact conditions.

18 WHEREAS, on March 30, 2021, Pasadena Hospital Association, Ltd. and Cedars-Sinai
19 Health System (“Hospitals”) filed a Petition for Writ of Mandate with this Court, challenging the
20 competitive impact conditions and naming the Office of the Attorney General as Defendants and
21 Respondents.

22 WHEREAS, on January 12, 2022, the Court approved Frank Stevens of Berkeley Research
23 Group, LLC as the Monitor to oversee compliance with the Competitive Impact Conditions.

24 WHEREAS, the Monitor may exercise the powers set forth in the Competitive Impact
25 Conditions, including to take complaints from “Payers” (as defined in the July 19 Order) and the
26 Parties; to inspect records and compel disclosure of confidential documents subject to any
27 demonstrated legally recognized privilege and appropriate confidentiality protections; to interview
28 witnesses; to hire staff and experts; and to make recommendations concerning enforcement to

1 the Office of the Attorney General and to the Court. (July 19 Order, Exhibit A, p. 5.)

2 WHEREAS, inasmuch as disclosure and presentation of evidence to the Monitor may
3 involve the production of confidential, proprietary, or private information for which special
4 protection from public disclosure and from use for any purpose other than that provided for in the
5 July 19 Order may be warranted, the Parties and Monitor propose this Stipulation and Protective
6 Order.

7 **IT IS HEREBY STIPULATED** by and between the Parties and the Monitor, by and
8 through their respective counsel of record, that in order to facilitate the exchange of information
9 and documents which may be subject to confidentiality limitations on disclosure due to federal
10 laws, state laws, and privacy rights, the Parties stipulate as follows:

11 Inasmuch as disclosure and presentation of evidence to the Monitor may involve the
12 production of confidential, proprietary, or private information for which special protection from
13 public disclosure and from use for any purpose other than that provided for in the July 19 Order
14 may be warranted, the Parties and Monitor propose this Stipulation and Protective Order.

15 Payers, not being parties to the underlying litigation matter that is the subject of the July
16 19 Order, shall be required to sign this Protective Order to take advantage of its express
17 confidentiality protections when a Payer submits complaints or other information to the Monitor
18 in connection with the Competitive Impact Conditions. Payers that become signatories to this
19 Protective Order do not thereby become parties to the underlying settlement.

20 **1. DEFINITIONS AND SCOPE OF CONFIDENTIAL INFORMATION**

21 1.1 As used in this Order:

22 (a) “Disclosing Party” means any person furnishing Confidential Information
23 (as herein defined) to the Monitor, a Party, a Payer, or the Court.

24 (b) “Payer” has the same meaning as given the term in the Competitive Impact
25 Conditions.

26 (c) “Receiving Party” means any person who is the recipient of Confidential
27 Information.

1 1.2 The following categories of information shall be considered “Confidential
2 Information” under this Order:

3 (a) documents and information (regardless of how it is generated, stored, or
4 maintained) furnished to the Monitor by the Plaintiffs, Office of the Attorney General,
5 Payers, or any third party concerning:

6 (i) the terms or negotiation of Payer contracts, including (without
7 limitation) contracts and amendments, data, analyses, reports, testimony, and
8 communications, whether in draft or final form and in whatever form (oral, hard
9 copy, or electronic) presented to the Monitor;

10 (ii) the payment of claims by a Payer, including (without limitation),
11 claims files, medical record information or other supporting documentation
12 (including any personal health information contained therein), and claims
13 summaries and reports;

14 (b) communications between any person and the Monitor or his staff, assistants,
15 experts, and counsel, concerning compliance with the July 19 Order; and

16 (c) records created by and constituting work product of the Monitor or his staff,
17 assistants, experts, and counsel, whether or not derivative of any of the information
18 described in Section 1.2(a)-(b), including (without limitation) all analyses and reports,
19 whether in draft or final form and whether maintained electronically or in hard copy.

20 1.3 For the avoidance of doubt, the protections conferred by this Protective Order apply
21 not only to Confidential Information but also to any reproduction, written or oral, in any format,
22 of any or all of the content of Confidential Information, including any summary or analysis
23 containing or derived from the Confidential Information.

24 1.4 Notwithstanding Section 1.2, the protections conferred by this Protective Order do
25 not extend to information that is in the public domain at the time of disclosure to a Receiving Party
26 or becomes part of the public domain after its disclosure to a Receiving Party as a result of
27 publication not involving a violation of this Order, including becoming part of the public record
28 through trial or other proceeding.

1 1.5 Confidential Information must be clearly so designated before the material is
2 disclosed or produced, or in the case of an inadvertent failure to designate information or items, as
3 soon as practicable following the discovery of the inadvertent failure. Competitively sensitive
4 Confidential Information not regarding and not known to Plaintiffs or Payers, as applicable, prior
5 to the disclosure must be clearly designated as “Confidential Information – Outside Counsel Only”
6 before the material is disclosed or produced, or in the case of an inadvertent failure to designate
7 information or items, as soon as practicable following the discovery of the inadvertent failure.

8 1.6 Nothing in this Protective Order shall restrict the ability of the Monitor or the
9 Parties to provide any information, whether deemed Confidential Information or not, to the Court,
10 subject to any requests to seal information pursuant to California Rules of Court Rule 2.550, *et*
11 *seq.*

12 **2. DURATION**

13 Notwithstanding any document destruction obligations contained herein, the
14 confidentiality obligations imposed by this Protective Order shall remain in effect until the
15 expiration of the Competitive Impact Conditions, or until otherwise ordered by this Court.

16 **3. USE AND SECURITY OF CONFIDENTIAL INFORMATION**

17 3.1 The Monitor may use Confidential Information solely as required to discharge the
18 Monitor’s duties under the July 19 Order, subject to the provisions and limitations of this Section.
19 The Monitor may not use Confidential Information for any other purpose.

20 3.2 In furtherance thereof, the Monitor may disclose Confidential Information to legal
21 advisers and experts retained by the Monitor in connection with the Monitor’s performance of his
22 duties under the July 19 Order. Upon prior notice of an intended disclosure to the Disclosing
23 Party, the Monitor may also disclose Confidential Information to any of the following persons:

- 24 (a) the Court and its personnel;
- 25 (b) the Office of the Attorney General, its employees and independent expert
- 26 advisers, provided a representative of any expert adviser shall have signed the
- 27 “Acknowledgement and Agreement to Be Bound” that is attached hereto as Exhibit A (“Exhibit
- 28 A”);

1 (c) the Plaintiffs' in-house and external legal counsel and independent expert
2 advisers; provided that any Confidential Information designated as "Confidential Information –
3 Outside Counsel Only" may be disclosed only to the Plaintiffs' external legal counsel and/or
4 independent expert advisers, who shall have signed Exhibit A and who shall not disclose the
5 Confidential Information to the Plaintiffs. Notwithstanding the foregoing in this subsection (c),
6 the Monitor, in his sole discretion, may disclose a Payer's Confidential Information to Plaintiffs
7 and their in-house counsel, only to the extent required for the Monitor to investigate a complaint
8 or compliance with the Competitive Impact Conditions (including as necessary for Plaintiff to
9 respond to a complaint based upon such Confidential Information), provided the Monitor shall
10 notify the Payer in advance of an intended disclosure.

11 (d) a Payer's in-house and external legal counsel and independent expert
12 advisers; provided that any Confidential Information designated as "Confidential Information –
13 Outside Counsel Only" may be disclosed only to the Payer's external legal counsel and/or
14 independent expert advisers, who shall have signed Exhibit A and who shall not disclose the
15 Confidential Information to the Payer. Notwithstanding the foregoing in this subsection (d), the
16 Monitor, in his sole discretion, may disclose Plaintiffs' Confidential Information to a Payer and
17 its in-house counsel only to the extent required for the Monitor to investigate a complaint or
18 compliance with the Competitive Impact Conditions, provided the Monitor shall notify the
19 Plaintiffs in advance of an intended disclosure.

20 (e) any other person, but only with the prior written consent of, and upon terms
21 acceptable to, the Disclosing Party.

22 3.3 Notwithstanding the foregoing Section 3.2, the Monitor shall not disclose any
23 Payer's Confidential Information to another Payer. The preceding statement shall not prohibit the
24 Monitor from disclosing a Payer's Confidential Information in a summarized, redacted, or
25 aggregated form in which the identity of the Disclosing Party (Payer) is not ascertainable.

26 3.4 The Monitor may make such other disclosures as may be required by law or legal
27 process, provided that the Monitor shall notify the Disclosing Party in advance of the intended
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1 disclosure (unless such advance notice is prohibited by law) so as to permit the Disclosing Party
2 to seek further protection for its Confidential Information.

3 3.5 A Receiving Party shall use Confidential Information solely in connection with
4 purposes related to the July 19 Order, and shall not further disclose such Confidential Information
5 other than to such Receiving Party's employees, in-house and external legal counsel, and external
6 expert advisers who have a need for access to such information for such authorized purpose,
7 subject to the limitations of Section 3.2, and provided that each Receiving Party (and, if applicable,
8 each of such Receiving Party's in-house and external legal counsel and external advisers) shall
9 have been informed of the terms of this Protective Order and shall have executed Exhibit A.

10 3.6 The Monitor and any Receiving Party shall store and maintain Confidential
11 Information at a location and in a secure manner that ensures that access is limited to the persons
12 authorized under this Protective Order.

13 3.7 Nothing in this Protective Order shall be interpreted to restrict the ability of the
14 Parties or Payers to provide any information, including Confidential Information, to the Monitor
15 for purposes related to the July 19 Order.

16 **4. UNAUTHORIZED DISCLOSURE OF CONFIDENTIAL INFORMATION**

17 If a Receiving Party learns that, by inadvertence or otherwise, that Confidential
18 Information has been disclosed to any person, or disclosed under circumstances, not authorized
19 under this Protective Order, the Receiving Party shall immediately: (a) notify the Monitor and the
20 Disclosing Party in writing of the unauthorized disclosure; (b) use its best efforts to retrieve all
21 unauthorized copies of the Confidential Information; (c) inform the person or persons to whom
22 unauthorized disclosures were made of all the terms of this Order; and (d) request such person or
23 persons to execute Exhibit A.

24 **5. INADVERTENT PRODUCTION OF PRIVILEGED OR OTHERWISE**
25 **PROTECTED MATERIAL**

26 If a Disclosing Party gives notice to the Monitor and/or Receiving Party of the inadvertent
27 production of material that is subject to a claim of privilege or other protection, such inadvertent
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1 production shall not constitute a waiver of privilege pursuant to California Evidence Code section
2 912. The obligations of the Receiving Parties are those set forth in *State Comp. Ins. Fund v. WPS*
3 *Inc.* (1999) 70 Cal.App.4th 644, and Code of Civil Procedure section 2031.285.

4 **6. MISCELLANEOUS**

5 6.1 Right to Further Relief. Nothing in this Protective Order abridges the right of any
6 Party or other person to seek its modification by the Court in the future.

7 6.2 Right to Assert Other Objections. By stipulating to the entry of this Protective Order
8 no Party waives any right it otherwise would have to object to disclosing or producing any
9 information or item on any ground not addressed in this Protective Order.

10 6.3 Filing Protected Material. Without written permission from the Disclosing Party or
11 a court order secured after appropriate notice of all interested persons, a Receiving Party may not
12 file any Confidential Information in the public record of this action. Confidential Information may
13 only be filed under seal pursuant to a court order authorizing the sealing of the specific Confidential
14 Information at issue. If a Receiving Party's request to file Confidential Information under seal
15 pursuant to CRC 2.550 *et seq.* is denied by the court, then the Receiving Party may file the
16 Confidential Information in the public record pursuant to CRC 2.551(b)(6) unless otherwise
17 instructed by the court.

18 6.4 Scope of Protective Order. This Protective Order governs the use of Confidential
19 Information produced and utilized in connection with the July 19 Order. All Parties and the
20 Monitor reserve the right to petition the Court for appropriate protective orders or modifications
21 to this Protective Order to be issued during the duration of the July 19 Order.

22 **7. RETURN OR DESTRUCTION OF CONFIDENTIAL INFORMATION UPON** 23 **EXPIRATION OF THE JULY 19 ORDER**

24 7.1 Not later than 90 days after expiration of the term of the July 19 Order, each
25 Receiving Party shall return all Confidential Information to the Monitor and/or Disclosing Party,
26 as the case may be, or use best efforts to destroy such material and shall certify the same to the
27 Monitor and/or Disclosing Party. As used in this Section 7, "all Confidential Information" includes
28 all copies, abstracts, compilations, summaries, and any other format reproducing or capturing any

1 of the Confidential Information. Whether the Confidential Information is returned or destroyed,
2 the Receiving Party must submit a written certification to the Monitor by the 90-day deadline
3 affirming that the Receiving Party has used best efforts not to retain any copies, abstracts,
4 compilations, summaries, or any other format reproducing or capturing any of the Confidential
5 Information.

6 7.2 Notwithstanding Section 7.1, the Parties, the Monitor, and their respective counsel
7 are entitled to retain copies of all materials containing Confidential Information, which shall
8 remain subject to this Protective Order, and access (physical and electronic) to Confidential
9 Information in any such materials shall be restricted to those who have continuing need for such
10 access in connection with compliance with the July 19 Order and have signed Exhibit A.

11 This Stipulation and Protective Order may be executed in counterparts.

12 IT IS SO STIPULATED, THROUGH COUNSEL OF RECORD

13 Respectfully Submitted on Behalf of the Court-Appointed Monitor,

14
15 Dated: August 30, 2022

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[PROPOSED] ORDER

GOOD CAUSE APPEARING, the Court hereby approves this Stipulation and Protective Order

IT IS SO ORDERED.

DATED 09/06/2022, 2022



A handwritten signature in black ink, appearing to read "J. Chalfant".

James C. Chalfant / Judge

The Hon. James C. Chalfant, Judge of the
Superior Court of the State of California for the
County of Los Angeles

1 **EXHIBIT A**

2 **ACKNOWLEDGMENT AND AGREEMENT TO BE BOUND**

3 On behalf of [PARTY] _____, I, _____ [print or type full name], of
4 _____ [print or type full address], declare under penalty of perjury
5 that I have read in its entirety and understand the Stipulation and Protective Order that was
6 approved by the California Superior Court for the County of Los Angeles on
7 _____ in connection with the July 19, 2021, Joint Stipulation and Order entered
8 in *Pasadena Hospital Association Ltd. d/b/a Huntington Hospital et al. v. California Department*
9 *of Justice et al.*, Case No. STCP000978. [PARTY] agrees to comply with and to be bound by all
10 the terms of this Protective Order and understands and acknowledges that failure to so comply
11 could expose [PARTY] to Court imposed sanctions. [PARTY] solemnly promises not to disclose
12 in any manner any information or item that is subject to this Stipulation and Protective Order to
13 any person or entity except in strict compliance with the provisions of this Stipulation and
14 Protective Order.

15 [PARTY] further agrees to submit to the jurisdiction of the California Superior Court for
16 the County of Los Angeles for the purpose of enforcing the terms of this Stipulation and Protective
17 Order, notwithstanding that such enforcement proceedings may occur after expiration of the July
18 19, 2021, Joint Stipulation and Order.

19 [PARTY] hereby appoints _____ [print or type full name] of
20 _____ [print or type full address and telephone number] as
21 my California agent for service of process in connection with this matter or any proceedings related
22 to enforcement of this Stipulation and Protective Order.

23
24 Date: _____

25 City and State where sworn and signed: _____

26 Printed name: _____

27 Signature: _____

DECLARATION OF SERVICE BY E-MAIL

Case Name: **Pasadena Hospital Association LTD dba Huntington Hospital and Cedars-Sinai Health System v. California Department of Justice, et al.**

No.: **21STCP00978**

I declare:

I am employed in the Office of the Attorney General, which is the office of a member of the California State Bar, at which member's direction this service is made. I am 18 years of age or older and not a party to this matter. I am familiar with the business practice at the Office of the Attorney General for collection and processing of correspondence for mailing with the United States Postal Service. In accordance with that practice, correspondence placed in the internal mail collection system at the Office of the Attorney General is deposited with the United States Postal Service with postage thereon fully prepaid that same day in the ordinary course of business.

On August 31, 2022, I served the attached **STIPULATION AND [PROPOSED] ORDER** by transmitting a true copy via electronic mail as follows:

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I declare under penalty of perjury under the laws of the State of California and the United States of America the foregoing is true and correct and that this declaration was executed on August 31, 2022, at Sacramento, California.

Eileen A. Ennis
Declarant


Signature