

Yolanda Garza, individually and
on behalf of others similarly situated,
Plaintiff,

v.
Nationwide Mutual Insurance Company, et al.,
Defendants. /

IN THE DISTRICT COURT OF
NUECES COUNTY, TEXAS
148TH JUDICIAL DISTRICT

Cause No. 02-06322-E

Macaela Cashman, a single woman
Plaintiff,

v.
Allied Property and Casualty Insurance Company, et al.,
Defendants. /

IN THE UNITED STATES DISTRICT COURT,
FOR THE DISTRICT OF ARIZONA

Case No. CIV-05-415-TUC-RCC

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND FAIRNESS HEARING

If you are or were covered under Medical Expense Coverage (see definition below) issued by Nationwide/Allied (see definition below), which are often referred to as “Nationwide Insurance” or “Allied Insurance,” or you provided medical services to such a covered person, &

If your medical charges submitted from December 1, 1992 through November 8, 2007 were paid by Nationwide/Allied in an amount less than the full amount charged,

YOU COULD GET A PAYMENT FROM A PROPOSED CLASS ACTION SETTLEMENT.

- This notice explains a proposed class action settlement that could entitle you to payments and may affect and release your rights.
- The settlement resolves lawsuits over whether Nationwide/Allied improperly reduced charges based upon a reasonableness or usual and customary charge review or based upon application of agreed pricing under a PPO or similar type pricing agreement.
- Your legal rights are affected whether you act or don’t act. **Read this notice carefully.**

“**Medical Expense Coverage**” means and includes (for purposes of the settlement, the Release attached to this notice as Appendix A, and as used in this notice) personal injury protection, medical payments, workers’ compensation, or other no-fault or first party medical expense coverages.

“**Nationwide/Allied**” means and includes (for purposes of the settlement, the Release attached to this notice as Appendix A, and as used in this notice) the named defendants in the Lawsuits, Nationwide Mutual Insurance Company, Nationwide Property and Casualty Insurance Company, Nationwide General Insurance Company, Allied Property and Casualty Insurance Company, Allied Insurance and AMCO Insurance Company, and each and all of their present and former affiliates, related companies, parent companies, subsidiaries, predecessors, successors or assigns, whether or not named herein, including Nationwide Mutual Fire Insurance Company, Nationwide Insurance Company of America, Nationwide Life Insurance Company, Nationwide Assurance Company f/k/a Colonial Insurance Company, Nationwide Indemnity Company, Nationwide Corporation, Nationwide Insurance, Nationwide Affinity Insurance Company of America, National Casualty Company, Nationwide International Underwriters, Nationwide Lloyds, Depositors Insurance Company, CalFarm Insurance Company, Colonial County Mutual Insurance Company, Farmland Mutual Insurance Company, Lone Star General Agency, Inc., Allied Group, Inc., Allied General Agency Company, Colonial Insurance Company of California, Colonial Insurance Company of Wisconsin, Titan Indemnity Company, Titan Insurance Company and each and all of their respective past, present or future officers, directors, associates, stockholders, controlling persons, representatives, employees, attorneys, accountants, financial or investment advisors or agents, heirs, executors, trustees, general or limited partners or partnerships, personal representatives, estates or administrators.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

Submit a Claim Form	The only way to get a payment.
Exclude Yourself	Get no payment. This is the only option that allows you to ever be part of any other lawsuit about the legal claims proposed for settlement.
Object	Write to the Court about what you don’t like about the settlement.
Go to a Hearing	Ask to speak in court about the fairness of the settlement.
Do Nothing	Get no payment. Give up rights and release legal claims.

- These rights and options -- **and the deadlines to exercise them** -- are explained in this notice.
- The Courts in charge of the cases still have to decide whether to approve the settlement. Claims and payments will be processed if the Courts approve the settlement and after any appeals are resolved. Please be patient.
- Additional information and updates regarding the settlement are available by toll free number, on the Internet, or by writing the Settlement Administrator as indicated in this notice under “Getting More Information.”

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BASIC INFORMATION

Why did I get this notice?

You have been identified by a review of records available to Nationwide/Allied as having made a claim for insurance benefits under Medical Expense Coverage to Nationwide/Allied, or as a medical provider to a Nationwide/Allied insured. Such Medical Expense Coverage claims were often made under auto policies providing personal injury protection or medical payments coverages, but were also made under other types of coverages. One or more of the medical bills submitted by you or on your behalf have also been identified as containing charges for services that may have been reduced based upon a medical bill review or audit that indicated the amount charged exceeded the reasonable or usual and customary charges for the region where the services were provided or the charges were subject to agreed pricing under a preferred provider organization (“PPO”) or similar agreement. When such reductions were made, they were typically identified in explanations of reimbursement, review, or benefits with explanations such as (but not limited to):

- * The amount allowed is based on provider charges within the provider’s geographic region.
- * Charge exceeds the reasonable amount for this procedure in the region where the service was provided.
- * This bill has been evaluated against the prevailing billing practices for medical providers within your geographic area. The reimbursement rate may therefore be different than the amount billed.
- * Allied Group Insurance has a contract with CorVel Corporation to review charges according to a usual & customary database. The reimbursement rate may therefore be different than the amount billed. Please do not balance bill the patient.
- * Repriced per CorVel PPO. Do not balance bill.

The Courts directed that you be sent this notice because you have a right to know about a proposed settlement of four class action lawsuits, and about all of your options, before the Courts decide whether to approve the settlement. If the Courts approve the settlement and after any objections and appeals are resolved, a neutral administrator (the “Settlement Administrator”) appointed by the Courts will process claims and make the payments that the settlement allows.

The “Courts” presiding over the proposed settlement are the District Court of Nueces County, Texas, 148th Judicial Circuit in the case known as Yolanda Garza v. Nationwide Mutual Insurance Company et al., Cause No. 02-06322-E (the “Garza Action”) and the United States District Court, District of Arizona in the case known as Macaela Cashman v. Allied Property and Casualty Insurance Company, et al., Case No. CIV-05-415-TUC-RCC (the “Cashman Action”). Also being settled are two cases pending in the Circuit Court, Third Judicial Circuit, in and for Madison County, Illinois: Mark J. Eavenson, D.C., d/b/a Multi-Care Specialists, P.C. v. Allied Property and Casualty Insurance Company, et al., Case No. 03 L 1469 and Gerald H. Bemis, Sr., D.C., et al. v. AMCO Insurance Company, et al., Case No. 04 L 1006. These four cases are collectively referred to in this notice as the “Lawsuits.” The people or companies who sued are called the Plaintiffs, and the companies they sued are called the Defendants.

What are the Lawsuits about?

The Lawsuits claim that Nationwide/Allied improperly reduced or denied insurance benefits for medical or rehabilitative services after submitting medical bills to medical review vendors. Specifically, the Lawsuits challenge payment reduction of those services based upon a reasonableness or usual and customary charge review or based upon application of agreed pricing under a PPO or similar type of pricing agreement administered by CorVel Corp. Among other things, the Lawsuits challenge Nationwide/Allied’s right to conduct such bill review under the applicable policies, the disclosure that such bill review will be conducted, or the manner in which the bill review was conducted. Nationwide/Allied denies any wrongdoing, and contends that review of medical bill pricing protects against excessive charges and helps to preserve insurance benefits. The Courts have made no final rulings on the merits of claims or defenses made in the Lawsuits.

The Courts have preliminarily approved the claims to proceed as a class action for settlement purposes only. If the settlement is not approved, the courts presiding over the Lawsuits will have to decide whether any of the Lawsuits should be treated as a class action for the purpose of addressing the merits and possibly conducting trials of the Lawsuits.

Why is this a class action?

In a class action, one or more people called class representatives sue on behalf of people who they believe have similar claims. All of these people are a class or class members. The Courts in charge of the Garza Action and Cashman Action will resolve the issues for all class members, except for those who exclude themselves from the class.

The “Class Representatives” appointed by the Courts to represent the interests of all class members are the Plaintiffs who filed the Lawsuits: Yolanda Garza, Acuna, P.T., Gerald H. Bemis, Sr., D.C., Mark J. Eavenson, D.C., d/b/a Multi-Care Specialists, P.C., and Macaela Cashman. Ms. Garza and Ms. Cashman are persons who were insured by Nationwide/Allied under Medical Expense Coverage. The other Class Representatives are medical providers who provided medical services to persons insured by Nationwide/Allied under Medical Expense Coverage.

Why is there a settlement?

The Courts did not decide in favor of Plaintiffs or Defendants. Instead, both sides agreed to a settlement. That way, they and the Settlement Class Members (defined below) avoid the risk, delay, and expense of continuing the Lawsuits, and the Settlement Class Members will be eligible to receive compensation. The named Plaintiffs, on their own behalf and on behalf of all Settlement Class Members, have entered into a Stipulation of Class Action Settlement (“Settlement Agreement”) with Nationwide/Allied, which has been preliminarily approved by the Courts. The Class Representatives and Class Counsel think the settlement is best for all Settlement Class Members. This notice summarizes the terms of the Settlement Agreement, your rights and obligations thereunder, and the process by which the Courts will determine whether or not to enter a final approval of the Settlement Agreement.

Can I file my own lawsuit or demand?

No, unless you follow the procedures set forth in this notice to submit a Request for Exclusion from the Settlement Class. As part of the Courts’ preliminary approval of the proposed settlement, the Courts issued the following preliminary injunction/stay order effective November 8, 2007:

Except as expressly excluded in the following paragraph, all Settlement Class Members, unless and until they have timely excluded themselves from the Settlement Class, are hereby preliminarily enjoined: (i) from filing, commencing, prosecuting, intervening in, or participating as a plaintiff, claimant, or class member in any other lawsuit or administrative, regulatory, arbitration, or other proceeding in any jurisdiction based on, relating to, or arising out of the claims and causes of action, or the facts and circumstances relating thereto, in the Lawsuits and/or the Released Claims; (ii) from filing, commencing, or prosecuting a lawsuit or administrative, regulatory, arbitration, or other proceeding as a class action on behalf of any Settlement Class Members who have not timely excluded themselves (including by seeking to amend a pending complaint to include class allegations or seeking class certification in a pending action), based on, relating to, or arising out of the claims and causes of action, or the facts and circumstances relating thereto, in the Lawsuits and/or the Released Claims; and (iii) from attempting to effect an opt out of a class of individuals in any lawsuit or administrative, regulatory, arbitration, or other proceeding based on, relating to, or arising out of the claims and causes of action, or the facts and circumstances relating thereto, in the Lawsuits and/or the Released Claims.

The Stay Order shall not apply to actions filed in a court of competent jurisdiction prior to the date of this Order to the extent that the action(s) assert claims of Settlement Class Members individually and on their own behalf only, except that the Stay Order will apply to such actions as of the deadline for submitting a Request for Exclusion from the Settlement Class if the Settlement Class Member fails to submit a timely and complete Request for Exclusion from the Settlement Class complying with this Order. The Stay Order shall expire ten (10) business days after submission of a Request for Exclusion, as indicated by the postmark date of such request submitted to the Settlement Administrator, as to any Settlement Class Member that submits a timely, written request for exclusion from the Settlement Class complying with this Order.

All Settlement Class Members are subject to the Stay Order and cannot independently pursue claims except as allowed by the Courts. Upon final approval of the proposed settlement, all Settlement Class Members who have not excluded themselves from the Settlement Class will be permanently barred from pursuing Released Claims against Released Parties (as set forth in the Release attached as Appendix A).

WHO IS COVERED BY THE SETTLEMENT

How do I know if I am covered by the settlement?

You are a member of the “Settlement Class” and a “Settlement Class Member” covered by the settlement if you fall within the following class definition adopted by the Courts:

All persons, and their medical providers, who were covered under personal injury protection, medical payments, workers’ compensation, or other no-fault or first party medical expense coverages pursuant to an insurance policy issued by a Nationwide/Allied company or one of their affiliates in Covered States:

- (a) who made an insurance claim to Nationwide/Allied under one or more of the foregoing insurance coverages;
- (b) who during the Class Period submitted, directly or indirectly, to Nationwide/Allied charges for payment of medical bills that were reviewed or audited; and
- (c) who received or were tendered payment by Nationwide/Allied in an amount less than the full amount charged under a policy where the applicable coverage limits were not exhausted.

“Covered States” means and includes all states within the United States, except the following excluded states: Delaware, Florida, Hawaii, New Jersey, New York and Pennsylvania.

“Class Period” means the period from December 1, 1992 through November 8, 2007.

Excluded from the Settlement Class are: (i) Nationwide/Allied, any entities in which Nationwide/Allied has a controlling interest, and all of their legal representatives, heirs and successors; (ii) members of the judiciary; and (iii) any claims resolved and/or discharged or released prior to November 8, 2007.

You or someone located at your address were identified as a probable Settlement Class Member. You should assume that you are a Settlement Class Member unless you can determine without a doubt that you are not. All Settlement Class Members will be bound by the settlement, unless they timely request exclusion.

THE SETTLEMENT BENEFITS – WHAT YOU GET

What does the settlement provide?

Payments (“Settlement Payments”) will be made to Settlement Class Members who timely submit Claim Forms as explained below. The settlement also protects insureds of Nationwide/Allied from certain claims and balance billing from their medical providers as explained in the Release attached to this notice as Appendix A.

How much would my Settlement Payment be?

Settlement Class Members who do not exclude themselves from the settlement and who submit a valid Claim Form will be eligible to receive the following Settlement Payments:

- **Medical providers** who submit a valid “Provider Claim Form” will be eligible to receive:
 - (i) for bills for medical services or products reduced under a PPO Covered Claim, 80% of the difference between the amount of such charges submitted and the amount previously allowed or paid by Nationwide/Allied for those charges;
 - (ii) for bills for medical services or products otherwise reduced under a Covered Claim, 50% of the difference between the amount of such charges submitted and the amount previously allowed or paid by Nationwide/Allied for those charges.
- **Insureds** who submit a valid “Insured’s Claim Form” will be eligible to receive a Settlement Payment for medical services or products reduced under a Covered Claim of 50% of the difference between the amount of such charges submitted and the amount previously paid or allowed by Nationwide/Allied for those charges.

Amounts claimed must be supported by documentation and/or a sworn statement sufficient to verify and quantify the amount claimed and are subject to the limitations set forth in the Settlement Agreement (as summarized in this notice and the Claim Form instructions).

“Covered Claim” means: (i) claims where the amount paid was a reduced amount based upon a review of the price or the amount charged for medical or rehabilitative services or products, including without limitation reduction of amounts paid based upon reasonableness, usual and customary charges, or geographic scope determinations; and (ii) claims where the amount paid was a reduced amount based upon the application of the CorVel PPO network or other pricing arrangements administered through CorVel Corporation. Expressly excluded from Covered Claims are charges reduced or denied based upon: coverage denials, exhaustion of policy limits, application of a government sanctioned fee schedule, necessity or relatedness of treatment, independent medical examination, peer review, and insured deductible, co-pay or other contribution requirements under applicable law or policy terms.

The amount of Settlement Payments on all valid Claim Forms arising under any insured’s Medical Expense Coverage claim shall not exceed the amount of available unpaid coverage limits, if any, in effect for the underlying Medical Expense Coverage claim. And any such Settlement Payments may be applied against remaining unpaid coverage. In the event valid claims submitted exceed the available unpaid coverage, then all such valid claims shall be paid pro rata based upon the amount of remaining unpaid coverage limits.

Any amounts claimed but not supported by documentation sufficient to verify all amounts claimed and due as a Settlement Payment shall be deemed an Undocumented Claim Form. Settlement Payments on Undocumented Claim Forms shall not exceed the greater of \$50.00 or the documented portion of the Covered Claim.

There is no cap on the aggregate amount of claims Nationwide/Allied will pay under the Settlement Agreement. Claims will not be reduced or paid pro rata based on the total amount of claims submitted under the proposed settlement.

The above Settlement Payments shall be the only payments to which any Settlement Class Member may be entitled.

HOW YOU GET A PAYMENT – SUBMITTING A CLAIM FORM

How can I get a Settlement Payment?

To qualify for a Settlement Payment, you must send in a Claim Form. A Claim Form is included with this notice. If you have multiple claims, you may use copies of the provided Claim Form. You may also get a Claim Form on the Internet at www.NationwideAlliedSettlement.com. Read the instructions carefully, fill out the form, include all the documents the form asks for, sign it, and mail it by the deadline set forth below.

Your completed Claim Form(s) must be sent by First-Class Mail, postage prepaid, and postmarked no later than June 20, 2008 and must be addressed to the Settlement Administrator at: Settlement Administrator, c/o Rust Consulting, Inc. P.O. Box 158, Minneapolis, MN 55440-0158. Any extensions of the claim deadline will be posted at www.NationwideAlliedSettlement.com and by recorded message at 1-877-625-9426.

When would I get my Settlement Payment?

Claims will be reviewed by the Settlement Administrator and payments issued only after the settlement is approved by the Courts and any appeals are resolved. Please be patient, this process could take a long time. Updates will be provided on the Internet at www.NationwideAlliedSettlement.com and the toll free number 1-877-625-9426.

THE LAWYERS REPRESENTING YOU – CLASS COUNSEL

Do I have a lawyer in this case?

The Courts have appointed the following law firms to represent you and the other Settlement Class Members: Feazell & Tighe LLP, Freed & Weiss LLC, The Lakin Law Firm, P.C., and McNamara, Goldsmith, Jackson & Macdonald, P.C. These lawyers are called “Class Counsel.” You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

How will the lawyers be paid?

You will not be charged for the services of Class Counsel. As part of the consideration provided to you and the other Settlement Class Members, Nationwide/Allied will pay Class Counsel’s fees and expenses up to the amount approved by the Courts.

Class Counsel will ask the Courts to approve payment of attorneys’ fees and expenses. Class Counsel will ask the Courts to approve a total collective payment to their firms of attorneys’ fees and expenses up to \$7,800,000. Class Counsel will also ask the Courts to approve payments of \$5,000 each to Yolanda Garza, Acuna, P.T., Gerald H. Bemis, Sr., D.C., Mark J. Eavenson, D.C. d/b/a Multi-Care Specialists, P.C., and Macaela Cashman for their services as Class Representatives. The fees and payments would pay Class Counsel and the Class Representatives for investigating the facts and litigating the Lawsuits, as well as negotiating the settlement and monitoring your rights during approval and administration of the settlement. Nationwide/Allied has agreed not to oppose these payments. These amounts will not come out of the funds for payments to Settlement Class Members. The Courts may award less than the amount requested.

RELEASE OF YOUR RIGHTS AND DISMISSAL OF THE LAWSUITS

IF YOU DO NOT EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS ACCORDING TO THE STEPS IN THIS NOTICE, YOU WILL BE BOUND BY THE SETTLEMENT, INCLUDING THE DISMISSAL WITH PREJUDICE, INJUNCTIVE RELIEF, AND THE RELEASE SET FORTH AS APPENDIX A TO THIS NOTICE, WHETHER OR NOT YOU SUBMIT A CLAIM FORM. YOU SHOULD READ THE RELEASE VERY CAREFULLY, BECAUSE IT WILL AFFECT YOUR RIGHTS IF YOU REMAIN IN THE SETTLEMENT CLASS.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want settlement relief from this settlement, but you want to keep the right to sue, on your own, about the legal issues released and dismissed by this settlement, then you must take steps to get out. This is called excluding yourself -- or is sometimes referred to as “opting out” of the Settlement Class.

How do I get out of the settlement?

You cannot exclude yourself by phone or e-mail. To exclude yourself from the Settlement Class, you must make your request in writing. A request for exclusion must contain the following: (1) the Settlement Class Member’s name, and any former names under which the Settlement Class Member may have been insured by Nationwide/Allied (if insured) or any former names, fictitious names, or other names under which medical bills may have been submitted to Nationwide/Allied (if a provider); (2) the Settlement Class Member’s policy number or last four digits of the Settlement Class Member’s Social Security Number (if a person) or Tax I.D. number (if an entity); (3) the Settlement Class Member’s address; (4) the Settlement Class Member’s expression of the desire to opt out or be excluded from the Settlement Class; and (5) the Settlement Class Member’s signature or the signature of an authorized representative of the Settlement Class Member. A separate request for exclusion must be submitted for each person or entity who wants to be excluded from the settlement.

Your written request for exclusion must be sent by First-Class Mail, postage prepaid, and postmarked no later than February 21, 2008 and must be addressed to the Settlement Administrator at: Settlement Administrator, Rust Consulting, Inc., P.O. Box 158, Minneapolis, MN 55440-0158.

If I exclude myself, can I get money from the settlement?

No. If you ask to be excluded, you will not be eligible for any Settlement Payment, and you cannot object to the settlement. You will not be legally bound by the settlement or anything that happens in the Lawsuits.

If I don’t exclude myself, may I sue for the same thing later?

No. If you do not exclude yourself, you will give up the right to bring or continue claims or lawsuits resolved by this settlement. If you have a pending lawsuit, speak to your lawyer in that case immediately about this notice.

OBJECTING TO THE SETTLEMENT

How do I object to the settlement?

If you are a Settlement Class Member, you can object to the settlement if you don't like any part of it. You can give reasons why you think the Courts should not approve it. The Courts will consider your views.

To object, you must submit a writing containing the following: (1) a prominent identifying reference to the case as follows "Nationwide/Allied Medical Expense Coverage Settlement"; (2) the Settlement Class Member's name; (3) the Settlement Class Member's policy number or last four digits of the Settlement Class Member's Social Security Number (if a person) or Tax I.D. number (if an entity); (4) the Settlement Class Member's address; (5) a statement of each objection being made and any supporting documents; (6) a statement indicating whether the Settlement Class Member intends to appear at the Fairness Hearing to be held by the Court presiding over the Garza Action; and (7) a list of witnesses whom the Settlement Class Member may call by live testimony and copies of any documents or papers that the Settlement Class Member plans to submit.

You must submit your objection to the Settlement Administrator, Class Counsel, and Counsel for Nationwide/Allied, as identified below, by First-Class Mail, postage prepaid, postmarked no later than February 21, 2008, as follows:

Address For Filing With
Settlement Administrator
Settlement Administrator
Rust Consulting, Inc.
P.O. Box 158
Minneapolis, MN 55440-0158

Class Counsel
Austin Tighe, Esquire
Feazell & Tighe LLP
6300 Bridgepoint Parkway
Bridgepoint 2, Suite 220
Austin, TX 78730

Counsel for Nationwide/Allied
Edward K. Cottrell, Esquire
Fowler White Boggs Banker P.A.
50 N. Laura Street, Suite 2200
Jacksonville, FL 32202

The Settlement Administrator will file objections with the Courts for their consideration. Your objection will not be considered by the Courts if you do not follow these procedures.

What is the difference between objecting and excluding?

Objecting is simply telling the Courts that you do not like something about the settlement. You can object only if you stay in the Settlement Class. Even if you object, you may still submit a Claim Form and you will still be bound by the settlement if it is approved by the Courts. If you exclude yourself, you have no basis to object because the settlement no longer affects you.

THE COURTS' FAIRNESS HEARINGS

The Courts will hold hearings to decide whether to finally approve the settlement. You may attend and you may ask to speak, but you do not have to attend.

When and where will the Courts decide whether to approve the settlement?

The Court in the Garza Action will hold a Fairness Hearing at 1:30 p.m. on March 6, 2008, at the Nueces County Courthouse, Courtroom of the Honorable Marisela Saldaña, 901 Leopard Street, Corpus Christi, Texas 78401. The Court in the Cashman Action will hold a Fairness Hearing at 1:30 p.m. on March 17, 2008, at the Evo A. DeConcini U.S. Courthouse, Courtroom of the Honorable Raner Collins, 405 W. Congress Street, Tucson, AZ 85701-5010. At these hearings, each Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Courts will consider them. Persons who have followed the procedures described below may appear and be heard by the Court in the Garza Action. The Court in the Cashman Action will be provided a transcript of the Fairness Hearing conducted in the Garza Action. The Courts may also decide how much to award Class Counsel and the Class Representatives. After the hearings, the Courts will decide whether to approve the settlement. It is not known how long these decisions will take.

Do I have to come to the hearings?

No. Class Counsel will answer questions the Courts may have. But, you are welcome to come at your own expense. If you send an objection, you don't have to come to the Courts to talk about it. As long as you mailed your written objection on time, the Courts will consider it. You may also pay your own lawyer to attend and observe, but it is not necessary.

May I or my lawyer speak at the hearings?

You may ask the Court for permission to speak at the Fairness Hearing in the Garza Action if you have timely objected to the settlement. To do so, you must notify the Court in charge of the Garza Action and the parties in writing. The writing must contain: (1) a prominent identifying reference to the case as follows "Nationwide/Allied Medical Expense Coverage Settlement, Cause No. 02-06322-E" and "Notice of Intent to Appear"; (2) the Settlement Class Member's full name, address, telephone number, and signature (and, if an entity, its Tax I.D. number); and (3) if a lawyer will appear on the Settlement Class Member's behalf, the lawyer's full name, address, telephone number, and bar number. The Court in charge of the Cashman Action will be provided a transcript of the Fairness Hearing in the Garza Action, but will not allow appearances absent a showing of good cause. This will allow both Courts to consider the same submissions and information. **You cannot speak at either Fairness Hearing if you exclude yourself from the Settlement Class.**

You must file your Notice of Intent to Appear with the Court in charge of the Garza Action, and send copies by First-Class Mail, postage prepaid, to Class Counsel and counsel for Nationwide/Allied postmarked no later than February 21, 2008, at the three addresses set forth below:

Court
District Clerk of Nueces County
901 Leopard Street, Room 313
Corpus Christi, TX 78401

Class Counsel
Austin Tighe, Esquire
Feazell & Tighe LLP
6300 Bridgepoint Parkway
Bridgepoint 2, Suite 220
Austin, TX 78730

Counsel for Nationwide/Allied
Edward K. Cottrell, Esquire
Fowler White Boggs Banker P.A.
50 N. Laura Street, Suite 2200
Jacksonville, FL 32202

WHAT IF I DO NOTHING

If you do nothing, you will get no money from the settlement. But, unless you exclude yourself, you won't be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Nationwide/Allied and the Released Parties about the legal issues in the Lawsuits and the Released Claims, ever again.

TAX CONSEQUENCES

The Settlement Payments described above could have tax consequences for you. Those tax consequences may vary, depending upon your individual circumstances. You should consult your own tax advisor regarding any tax consequences of the settlement, including any Settlement Payments or benefits provided under the settlement, and any tax reporting obligations you may have with respect thereto. The parties make no representations, and assume no responsibility, with respect to any tax consequences that may occur.

GETTING MORE INFORMATION

This notice summarizes the proposed settlement. More details are in a Settlement Agreement. You can get a copy of the Settlement Agreement by writing to the Settlement Administrator or visiting the website below.

You can call 1-877-625-9426 toll free; write to Settlement Administrator, c/o Rust Consulting, Inc., P.O. Box 158, Minneapolis, MN 55440-0158; or visit the website at www.NationwideAlliedSettlement.com, where you will find answers to common questions about the settlement, documents concerning the settlement, a claim form, plus other information to help you determine whether you are a Settlement Class Member and whether you are eligible for a Settlement Payment. Updates regarding the settlement will be posted on the website and summarized in a message provided on the toll free number.

PLEASE DO NOT WRITE OR TELEPHONE THE COURTS OR NATIONWIDE/ALLIED FOR INFORMATION ABOUT THE PROPOSED SETTLEMENT OR THE LAWSUITS. ALL INQUIRIES SHOULD BE DIRECTED TO THE SETTLEMENT ADMINISTRATOR AS INDICATED ABOVE.

**HONORABLE RANER COLLINS
UNITED STATES DISTRICT JUDGE,
District of Arizona**

**HONORABLE MARISELA SALDAÑA
DISTRICT COURT JUDGE,
Nueces County, Texas**

APPENDIX A -- RELEASE

The Named Plaintiffs, and all other Settlement Class Members who have not been recognized as excluded from the Settlement Class, hereby expressly acknowledge and agree, on their own behalf and on behalf of each of their respective heirs, trustees, executors, administrators, principals, beneficiaries, representatives, agents, and present and former officers, directors, employees, insureds, attorneys, contractors, predecessors, successors, parent companies, subsidiaries, divisions, affiliates, and assigns, and/or anyone claiming through them or acting or purporting to act for them or on their behalf, that they release and discharge the Released Parties of and from all Released Claims and shall not now or hereafter initiate, maintain, or assert against any of the Released Parties, either directly or indirectly, derivatively, on their own behalf, on behalf of the Settlement Class, or on behalf of any other person or entity any right, liability, claim, or cause of action arising out of or relating to the Released Claims.

“Released Parties” means Nationwide/Allied (as defined in the Settlement Agreement and set forth on page 1 of this notice), any person or entity covered or insured by Nationwide/Allied, and any third party that provided medical bill review or audit services to Nationwide/Allied.

“Released Claims” mean and include any and all rights, claims for relief or causes of action pursuant to any theory of recovery, including but not limited to claims based in contract or tort, common law or equity, and federal, state, or local law, statute, ordinance, rule or regulation, whether known or unknown, alleged or not alleged in the Lawsuits, suspected or unsuspected, contingent or matured, which the Named Plaintiffs or any Settlement Class Member had, now has, or may in the future have with respect to any conduct, act, omissions, facts, matters, transactions, or oral or written statements or occurrences on or prior to November 8, 2007, involving, based on, arising out of, related to, or in any way connected with, directly or indirectly, the price or sum allowed or paid for medical or rehabilitative services or products, including without limitation reduction of amounts allowed or paid based upon reasonableness, usual and customary charges, geographical scope, and PPO or other negotiated or contractual pricing arrangements whether direct or through third parties.

Included as Released Claims, by example and without limitation, are claims for breach of contract, breach of the duty of good faith and fair dealing, negligence, bad faith, willful and wanton conduct, breach of statutory duties, actual or constructive fraud, intentional or negligent misrepresentations, fraudulent inducement, outrageous conduct, statutory and consumer fraud, breach of fiduciary duty or quasi-fiduciary duty, unfair or deceptive business or trade or insurance acts or practices, insurance premium overcharges or a refund or rebate of premiums, anticipatory repudiation, restitution, rescission, reformation, injunctive or declaratory relief, claims for compensatory, consequential, and punitive or exemplary damages, damages based on statutory violations, remedies, or penalties, damages in excess of actual damages, damages for physical or bodily injury, or other injuries to person, property, or psyche, damages for emotional distress or mental anguish, lost wages, loss of income, attorneys’ fees, interest, costs, penalties, and any other damages.

Expressly excluded from Released Claims are charges reduced or denied based upon: coverage denials, exhaustion of policy limits, application of a government sanctioned fee schedule, necessity or relatedness of treatment, independent medical examination, peer review, and insured deductible, co-pay or other contribution requirements under applicable law or policy terms.

The Named Plaintiffs and the Settlement Class Members expressly acknowledge that they are familiar with principles of law such as Section 1542 of the Civil Code of the State of California, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

To the extent that, notwithstanding the choice of law provisions in the Stipulation, California or other law may be applicable, the Named Plaintiffs and the Settlement Class Members hereby expressly agree that the provisions, rights, and benefits of Section 1542 and all similar federal or state laws, rights, rules, or legal principles of any other jurisdiction which may be applicable herein, are hereby knowingly and voluntarily waived and relinquished by the Named Plaintiffs and the Settlement Class Members to the fullest extent permitted by law solely in connection with unknown claims constituting Released Claims, and the Named Plaintiffs and the Settlement Class Members hereby agree and acknowledge that this is an essential term of this Release. In connection with this Release, the Named Plaintiffs and the Settlement Class Members acknowledge that they are aware that they may hereafter discover claims presently unknown or unsuspected, or facts in addition to or different from those which they now know or believe to be true with respect to the matters released herein. Nevertheless, the Named Plaintiffs and the Settlement Class Members acknowledge that a portion of the consideration received herein is for a release with respect to future damages and complaints, whether resulting from known injuries and consequences or from unknown injuries or unknown consequences of known or unknown injuries and state that it is the intention of the Named Plaintiffs and the Settlement Class Members in executing this Release fully, finally, and forever to settle and release all matters, known or otherwise, and all claims relating thereto, which exist, hereafter may exist, or might have existed (whether or not previously or currently asserted in any action) constituting Released Claims.

Medical provider Settlement Class Members, on their own behalf and on behalf of each of their respective heirs, trustees, executors, administrators, principals, beneficiaries, representatives, agents, and present and former officers, directors, employees, insureds, attorneys, contractors, predecessors, successors, parent companies, subsidiaries, divisions, affiliates, and assigns, and/or anyone claiming through them or acting or purporting to act for them or on their behalf, release and discharge each insured Settlement Class Member from whom the medical provider Settlement Class Member received valid written assignments of the claims that fall within the scope of Released Claims pursuant to this Release, and agree not to initiate or to discharge or dismiss with prejudice, as appropriate, any balance billing, credit reporting, collection activities, liens, actions or other proceedings arising out of or relating to such Released Claims, whether or not the medical provider Settlement Class Member has been paid in full for its charges.

Nothing in this Release shall preclude any action to enforce the terms of the Settlement Agreement, including participation in any of the processes detailed herein.

INSTRUCTIONS FOR SUBMITTING AN PROVIDER CLAIM FORM

These Instructions are provided to assist you in completing your Provider Claim Form, and do not modify the terms of the Settlement Agreement. Capitalized terms shall have the meaning provided in the Notice of Proposed Class Action Settlement and Fairness Hearing (the "Class Notice").

Your completed Provider Claim Form must be sent by First-Class Mail, postage prepaid, and postmarked no later than June 20, 2008 and addressed to the Settlement Administrator, c/o Rust Consulting, Inc., P.O. Box 158, Minneapolis, MN 55440-0158. Any extensions of the claim deadline or other general notices regarding claims will be posted at www.NationwideAlliedSettlement.com and by recorded message at 1-877-625-9426.

To be eligible for a Settlement Payment, you must submit a valid Claim Form. A Claim Form submission will be deemed valid only if it is completed and timely submitted with supporting documentation as provided in the Settlement Agreement and explained below. A separate Claim Form and supporting documentation must be timely submitted for each separate underlying claim for insurance benefits (i.e., distinct claim number, patient/claimant, or date of loss) for which a Settlement Payment is sought. Multiple dates of service and bills may be submitted with the same Claim Form as long as they all pertain to the same underlying claim for insurance benefits. A Claim Form will be deemed a Documented Claim Form or an Undocumented Claim Form as provided in the Settlement Agreement and as set forth below.

A VALID CLAIM FORM MUST INCLUDE THE FOLLOWING:

PART I: IDENTIFICATION

In the box labeled Part I: Identification, please provide the following information: the medical provider's Name, the current Address to which any correspondence or payment should be directed including City, State, and Zip Code, and its Tax I.D. Number.

PART II: CLAIMANT INFORMATION

In the space provided, please list the name of the patient and the Medical Expense Coverage claim number and/or insurance policy number for which this Claim Form is being submitted.

PART III: DOCUMENTATION

You are required to submit with this Claim Form documentation and/or an affirmation (a sworn affidavit) showing the medical provider Settlement Class Member: (1) submitted a claim or claims for payment of medical charges to Nationwide/Allied related to a Nationwide/Allied insured's Medical Expense Coverage claim; (2) had that claim submitted to a form of bill review or audit; and (3) received a payment from Nationwide/Allied for a medical service or product, but in an amount less than the amount charged for the medical service or product due to a Covered Claim reason (as described in the Class Notice).

Provider Claim Forms fully supported by documentation (for example, Explanations of Benefits, Explanations of Reimbursements, Explanations of Review, and/or payment receipts) sufficient to verify and quantify the full amount claimed as due as a Settlement Payment shall be deemed Documented Claim Forms. In addition to showing amounts charged and paid for each medical service or product (i.e., each CPT coded procedure), documentation should show the reason for the reduction of any service or product for which amounts are claimed due under the settlement.

If you are not able to support any amounts claimed with sufficient documentation, then you must submit a sworn affidavit. The affidavit must set forth, to the extent not shown by submitted documentation, the amount billed, the amount paid, any reduction and the reason provided by Nationwide/Allied for the reduction.

Any claim not supported by documentation sufficient to verify all amounts claimed and due as a Settlement Payment shall be deemed an Undocumented Claim Form. Settlement Payments on Undocumented Claim Forms shall not exceed the greater of \$50.00 or the documented portion of the Covered Claim.

The Settlement Administrator will evaluate each timely Claim Form submission and calculate the amount due as a Settlement Payment. You will be notified of any defects in your Claim Form submission that preclude or limit the award of a Settlement Payment, and will be provided 60 days to cure your claim.

PART IV: AFFIRMATIONS

You must sign the Claim Form attesting to the affirmations set forth therein that show you are eligible for a Settlement Payment. The Claim Form does not need to be notarized. All claims are subject to verification.

PROVIDER CLAIM FORM

(Copies of this form may be made and used for submission of additional claims.)

PART I: IDENTIFICATION

Settlement Class Member's Name: _____

Address: _____

City: _____ State: ____ Zip Code: ____

Tax I.D. Number: ____ - ____

PART II: CLAIMANT INFORMATION

1. Name of Patient: _____

2. Medical Expense Coverage claim number or policy number: _____

PART III: DOCUMENTATION

To be eligible for a Settlement Payment as set forth in the Class Notice, you are required to submit with this Claim Form copies of documentation sufficient to verify and quantify the full amount claimed and due as a Settlement Payment, including but not limited to Explanations of Benefits, Explanations of Reimbursements, Explanations of Review, and/or payment receipts, as described in the Instructions for Submitting a Provider Claim Form. If you believe that you are eligible for a Settlement Payment but do not possess sufficient documentation (as described above), you must include with your Claim Form a sworn affidavit on behalf of the medical provider setting forth or explaining the amounts billed, the amounts allowed or paid, any reduction, and the reason provided by Nationwide/Allied for the reduction.

PART IV: AFFIRMATIONS

The undersigned affirms and attests that the following is true and correct:

- I have reviewed the Notice of Proposed Class Action Settlement and Fairness Hearing, and reasonably believe that I am, or the person or entity on whose behalf I am acting is, a Settlement Class Member entitled to relief under the proposed settlement.
- The Settlement Class Member is a medical provider who provided medical services to the patient entitled to receive Medical Expense Coverage benefits under the Nationwide/Allied insurance policy identified above.
- The medical provider submitted a claim or claims for payment of medical charges to Nationwide/Allied related to a Nationwide/Allied insured's Medical Expense Coverage claim.
- The medical provider received a payment from Nationwide/Allied for a medical service or product, but in an amount less than the amount charged for the medical service or product due to a Covered Claim reason.
- The enclosed documentation is a true and accurate representation of the amount billed, allowed or paid, and the reasons for reductions or denials by Nationwide/Allied, and therefore of the amounts due under the settlement, as of the date of the signature below. To the extent the documentation enclosed does not reflect all amounts billed, allowed or paid, or reduced or denied by Nationwide, I have included with this Claim Form an affidavit providing such required information executed and prepared in accordance with the laws of the state in which it was signed.
- No rights or claims asserted by this Claim Form have been resolved, discharged or released.
- The medical provider is the legal holder of the right to receive the insurance benefits provided for the above patient and insurance claim, and that right has not been assigned or otherwise transferred to another person or entity.

Pursuant to 28 U.S.C. § 1746, I certify under the penalty of perjury that the foregoing is true and correct.

Executed on _____, 200__ .

Signature _____ Print Name _____