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13 SUPERIOR COURT OF THE STATE OF CALIFORNIA
14 COUNTY OF ORANGE

16 ASSOCIATION OF PRESBYTERIAN
17 MEMBERS OF HOAG and GEORGE HOAG
18 FAMILY FOUNDATION,

18 Plaintiffs,

19 v.

20 PROVIDENCE ST. JOSEPH HEALTH and
21 ST. JOSEPH HEALTH SYSTEM,

21 Defendants,

22 and

23 COVENANT HEALTH NETWORK, INC.,

24 Nominal Defendant,

25 and

26 THE ATTORNEY GENERAL OF THE
27 STATE OF CALIFORNIA,

28 as an indispensable party.

Case No. 30-2020-01144444-CU-MC-CJC

**STIPULATION AND ORDER
CONFIRMING THE DISAFFILIATION
OF HOAG MEMORIAL HOSPITAL
PRESBYTERIAN FROM PROVIDENCE
ST. JOSEPH HEALTH**

Judge: Hon. David A. Hoffer
Dept: C42

Complaint Filed: May 1, 2020
Trial Date: April 11, 2022

FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF ORANGE
CENTRAL JUSTICE CENTER

JAN 10 2022

DAVID H. YAMASAKI, Clerk of the Court

BY:  , DEPUTY

1 **STIPULATION**

2 **WHEREAS**, the Association of Presbyterian Members of Hoag and the George
3 Hoag Family Foundation (together, the “Hoag Plaintiffs”) filed this action on behalf of Hoag
4 Memorial Hospital Presbyterian (“Hoag”) (collectively, the “Hoag Parties”) against Providence St.
5 Joseph Health (“Providence”), St. Joseph Health System and Covenant Health Network (“CHN”)
6 (together, the “Providence Defendants”) (all parties collectively referred to herein as the
7 “Parties”); and

8 **WHEREAS**, the Parties have been engaged in good faith settlement discussions,
9 including a mediation proceeding with the Honorable Daniel Weinstein (ret.); and

10 **WHEREAS**, the Parties reached a settlement-in-principle on November 23, 2021,
11 and on November 29, 2021, the Court approved the Parties’ Stipulation and Order, staying all
12 outstanding discovery, deadlines and hearings through January 31, 2022, including but not limited
13 to all depositions, motion to compel deadlines, and hearings, so that the Parties could focus their
14 efforts on completing the settlement process; and

15 **WHEREAS**, the Parties have now agreed to the terms of a final, definitive and
16 confidential settlement agreement that would result in the amicable end of the affiliation they
17 established in 2012, with the two organizations agreeing to separate and Hoag becoming
18 independent from Providence and CHN, the structure that governs the affiliation; and

19 **WHEREAS**, after nearly a decade together, the leaders from Providence and Hoag
20 believe a separation is the best path forward for each organization, and both remain deeply
21 committed to improving the well-being of residents in Orange County and beyond by ensuring
22 access to high quality, affordable health care; and

23 **WHEREAS**, the Attorney General of California is not a party to the settlement
24 agreement, does not object to the separation described above, subject to the condition specified
25 herein.

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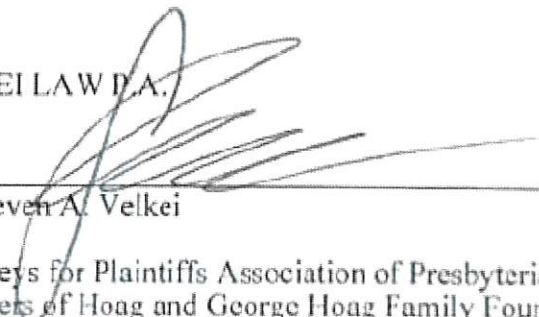
IT IS HEREBY STIPULATED BY AND BETWEEN THE PARTIES THAT:

1. Hoag and Providence have settled their existing dispute pursuant to confidential settlement terms under which Hoag will become independent from Providence and CHN, the structure that governs the affiliation, and all claims in this action will be dismissed with prejudice against all defendants by the Hoag Plaintiffs pursuant to a voluntary dismissal form;
2. The Attorney General, as an indispensable party to this litigation, does not object to the referenced separation of Hoag from Providence and CHN, subject to Hoag's commitment to restore and expand clinical programs post-separation that support comprehensive reproductive health for women (as described in Attachment A hereto) and to ensure the full range of family planning services are made available through Hoag. This separation between affiliates does not require review by the Attorney General under Corporations Code section 5920, et seq.
3. Hoag hereby commits to restore and expand clinical programs post-separation that support comprehensive reproductive health for women (as described in Attachment A hereto) and to ensure the full range of family planning services are made available through Hoag;
4. Hoag's separation from Providence and CHN, pursuant to the confidential terms of the Parties' definitive settlement agreement, is hereby deemed effective and complete as of January 31, 2022. No further action is necessary or required from the Attorney General's office or the Court; and

1 5. Subject to and consistent with the dispute resolution provisions under the terms of the
2 Parties' definitive settlement agreement, the Court will retain jurisdiction over any
3 potential issues that may require court involvement.

4 Dated: January 3, 2022


VELKEI LAW P.A.

5
6 By: 
Steven A. Velkei

7
8 Attorneys for Plaintiffs Association of Presbyterian
Members of Hoag and George Hoag Family Foundation
and Hoag Memorial Hospital Presbyterian

9 Dated: January 3, 2022

COOLEY LLP

10
11 By: 
Michael C. Tu

12
13 Attorneys for Defendants Providence St. Joseph Health
and St. Joseph Health System and Nominal Defendant
Covenant Health Network

14 Dated: January 3, 2022

ROB BONTA
ATTORNEY GENERAL OF CALIFORNIA

15
16 Sandra Barrientos Digitally signed by Sandra
Barrientos
Date: 2022.01.03 13:34:47 -08'00'

17 By: _____
Tania M. Ibanez
Sandra Barrientos

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19 Attorneys for Attorney General, State of California
Charitable Trusts

20
21 **ORDER**

22 Based on the stipulation of the Parties, and good cause appearing, **IT IS SO ORDERED.**

23
24 Dated: 1/10/22


HON. DAVID A. HOFFER
JUDGE OF THE SUPERIOR COURT

EXHIBIT A

Hoag's Commitment to Comprehensive Women's Health Care

Clinical & Programmatic Aspects:

- I. **Fertility and Reproductive Medicine** – Offer complete care and the full range of fertility treatment options including leading treatments for infertility, fertility options for women and the LGBTQ+ community, third party reproduction (surrogacy, gestational carrier), fertility preservation for cancer patients (oncofertility) and for transgender patients using advanced reproductive technology.
- II. **Family Planning, Contraception & Management of High Risk Pregnancies** – Offer complete care and the full range of family planning services, including education and counseling services, screening and treatment for sexually transmitted infections, reproductive life planning (e.g., preconception counseling, genetic testing, advanced imaging, prenatal diagnosis, pregnancy reduction or termination, fetal diagnostics), birth control options, pregnancy loss care and facilitated access to embryo, sperm and egg freezing. Contemplates a multi-disciplinary team of expert obstetricians & gynecologists, MFM, neonatologists, reproductive endocrinologists, genetic counselors, and reproductive psychiatrists.
- III. **Maternal Fetal Medicine** – Provide advanced maternity care for women with high risk or complicated pregnancies (due to pre-existing conditions like diabetes, high blood pressure, autoimmune diseases or problems that arise in the mother during pregnancy or problems which arise in the baby such as growth, structural or genetic abnormalities). Investment in the MFM program at Hoag will include recruitment of MFM specialists of national renown.
- IV. **Specialized Primary Care** – Using the Hoag Medical Group (HMG) platform we will provide specialized primary care for women of all ages and life stages, including gender-affirming holistic care for the LGBTQ+ community.
- V. **Specialty Care** – For gynecologic conditions (fibroids, endometriosis, incontinence, prolapse, pelvic pain), menopause, gynecologic cancers (uterus, ovary, cervix, vagina, vulva and breast), sexual medicine including care for the LGBTQ+ community, adolescent gynecology, reproductive psychiatry and women's mental health.

Physician Recruitment:

Recruitment of nationally-recognized and expert clinicians in the field of Comprehensive Women's Health to form the Hoag Women's Medical Group under the Hoag Specialty Clinic.

Recruited specialists will include those in the fields of family planning, contraception and management of high-risk pregnancies (Ryan Fellows or Residents), reproductive psychiatry, adolescent gynecology, gender-affirming primary and specialty care, MFM, sexual medicine, and surgeons with expertise in complex minimally invasive gynecologic surgery.

Education, Training, Engagement and Alignment of the Entire Medical Staff, Hoag Employees, Board, Founders, Presbytery, and the Community At Large

Facilities:

Expansion of the delivery of Hoag's women health services throughout the Hoag enterprise, including urgent care centers, health centers, physician offices, and the new Women's Hospital & Outpatient Pavilion in Irvine opening in 2025.

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PROOF OF SERVICE

ASSN. OF PRESBYTERIAN MEMBERS OF HOAG, et al. v. PROVIDENCE ST. JOSEPH HEALTH, et al.
Case No. 30-2020-01144444-CU-MC-CJC

At the time of service, I was over 18 years of age and not a party to this action. I am employed in the County of Los Angeles, State of California. My business address is 1801 Century Park East, Suite 2500, Los Angeles, CA 90067.

On January 10, 2022, I caused to be served true copies of the following document(s) described as:

**STIPULATION AND [PROPOSED] ORDER CONFIRMING THE
DISAFFILIATION OF HOAG MEMORIAL HOSPITAL PRESBYTERIAN FROM
PROVIDENCE ST. JOSEPH HEALTH**

on the interested parties in this action as follows:

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*Attorneys for Indispensable Party
The Attorney General for the State of
California*

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BY E-MAIL OR ELECTRONIC TRANSMISSION: Based on a court order or an agreement of the parties to accept service by e-mail or electronic transmission, I caused the document(s) to be sent from e-mail address lhouts@velkeilaw.com to the persons at the e-mail addresses listed above. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on January 10, 2022, at Los Angeles, California.



Leo Houts [lhouts@velkeilaw.com]