

EXHIBIT B

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

**IN RE USC STUDENT
HEALTH CENTER
LITIGATION**

Case No. 2:18-cv-04258-SVW

**DECLARATION OF JENNIFER M.
KEOUGH REGARDING
SETTLEMENT ADMINISTRATION
STATUS AND TIER 1, 2, AND 3
CLAIM AWARD DISTRIBUTION**

I, JENNIFER M. KEOUGH, declare as follows:

1. I am the Chief Executive Officer (“CEO”) of JND Legal Administration LLC (“JND”), the company retained to serve as Notice and Settlement Administrator¹ in this case. This Declaration is based on my personal knowledge, as well as information provided to me by experienced JND employees and Counsel and if called upon to do so, I could and would testify competently thereto.

¹ Capitalized terms used and not otherwise defined in this Declaration shall have the meanings given such terms in the Second Amended Settlement Agreement.

1 Approval Order”), dated February 25, 2020, Docket No. 172. Among other
2 tasks, JND has continued to maintain the Settlement website and handle
3 Settlement program communications by phone and email.² In addition, we
4 assisted the Panel with Tier 2 and 3 claim adjudication including scheduling
5 Tier 3 interviews and building a secure portal for the Special Master’s Team to
6 review Tier 2 and 3 claims and conduct Tier 3 interviews. Per Section 5.10 of
7 the Second Amended Settlement Agreement, we are also continuing lien
8 resolution for Tier 1, 2, and 3 claimants. As further detailed below, JND also
9 completed the Tier 1 Claim Award distribution.
10

11
12 **EXCLUSION REQUESTS**

13
14 4. Since my last Supplemental Declaration was filed, JND was able to
15 match additional individuals who submitted exclusions to Pre-Identified and
16 Potential Class Members on the Notice List using additional information provided
17

18
19 ² As of March 18, 2021, there were a total 609,083 total views of the Settlement
20 Website pages and documents and 82,239 unique visitors to the Settlement
21 Website. The Settlement Program has handled 11,424 email communications
22 received to the Settlement email address. JND has also received 7,628 calls to
23 the IVR and JND’s female Claim Assistance Center team has handled 7,299 live
24 calls from Pre-Identified and Potential Class Members or other individuals. In
addition, JND also received 269 voicemails and 130 emails for Class Counsel,
which does not include those who contacted Class Counsel by phone and email
directly.

1 by Counsel. In addition, two invalid exclusions and one late exclusion was
2 subsequently accepted by Counsel.

3 5. As of March 18, 2021, JND has received 804 timely and valid
4 exclusions and 5 invalid exclusions. Of the 804 timely and valid exclusions, 557
5 match to Pre-Identified Class Members on the Notice List, 233 match to Potential
6 Class Members on the Notice List, and 14 are self-identified individuals who
7 cannot be matched to the Notice List based on the information provided in the
8 exclusion request. Of the 5 invalid exclusions, 3 match to Pre-Identified Class
9 Members on the Notice List and 2 match to Potential Class Members on the Notice
10 List. Updated lists of the timely and valid and invalid exclusions are available on
11 request.
12
13

14 **TIER 1, 2, AND 3 CLAIM STATUS**

15
16 6. As of March 18, 2021, JND has received a total of 5,316 timely
17 Statement of Settlement Class Membership Forms (Tier 1),³ 1,837 timely Tier 2
18 claims, and 1,332 timely Tier 3 claims.
19

20 _____
21 ³ Per the terms of the Second Amended Settlement Agreement, Statement of
22 Settlement Class Membership Forms were required to be submitted by Potential
23 Class Members on the Notice List and Self-Identified individuals not on the
24 Notice List, who were not Pre-Identified as Class Members based on existing
USC records, to validate that they met Settlement eligibility requirements.

1 7. As of March 18, 2021, JND has received a total of 208 late claims
2 postmarked or received after the November 8, 2019 claims deadline (114 Tier 1,
3 51 Tier 2, and 43 Tier 3).

4 8. Since my last Supplemental Declaration was filed, JND completed
5 its de-duplication analysis of timely and untimely claims and additional claims
6 were de-duplicated by name and address, USC Identification Number, and other
7 unique data fields to remove duplicate claims filed by individuals through
8 multiple submission methods (e.g., online and by mail) and/or Pre-Identified
9 Class Members who erroneously filed a Statement of Settlement Class
10 Membership. In total, 558 timely and late claims were confirmed as duplicates
11 and removed from the total pending Settlement claims (380 Tier 1, 142 Tier 2,
12 and 36 Tier 3). After de-duplication, JND received a total of 5,050 unique
13 Statement of Settlement Class Membership Forms (Tier 1), 1,746 unique Tier 2
14 claims, and 1,339 unique Tier 3 claims.
15
16

17 9. Per Section 6.6 of the Second Amended Settlement Agreement,
18 Judge Gonzalez considered the 186⁴ de-duplicated late claims (99 Tier 1, 46 Tier
19

20
21
22 ⁴ Of the 208 total late claims submitted as detailed in Paragraph 7 above, 22 were
23 duplicates (15 Tier 1, 5 Tier 2, and 2 Tier 3).

1 2, and 41 Tier 3), in consultation with the Panel team, and accepted the majority
2 (91 Tier 1, 38 Tier 2, and 40 Tier 3).

3 A. CLAIM VALIDATION ANALYSIS OF POTENTIAL AND SELF-IDENTIFIED TIER 1
4 CLAIMS

5 10. Per Section 6.4(a) of the Second Amended Settlement Agreement,
6 Class Members that were not Pre-Identified based on existing USC records were
7 required to submit a Statement of Settlement Class Membership to validate that
8 they met Settlement eligibility requirements. As further detailed in my December
9 23, 2019 Supplemental Declaration Regarding Notice Program and Settlement
10 Administration, JND received Statement of Settlement Class Membership Forms
11 for Tier 1 from claimants who received direct mail and/or email notice as
12 Potential Class Members who were matched to the Notice List and Self-
13 Identified individuals who were not matched to the Notice List.
14

15 11. JND has completed its claim validation analysis of these Potential
16 and Self-Identified Tier 1 claims to confirm that these claimants met Settlement
17 eligibility requirements. Of the 5,050 de-duplicated Potential and Self-Identified
18 claimants who filed a Statement of Settlement Class Membership for Tier 1,
19 1,297 were determined ineligible. Of the 1,297, 1,274 could not be matched to
20 the USC Notice List and self-identified as Class Members. JND was unable to
21
22

23
24 No. 2:18-cv-04258-SVW

DECLARATION OF JENNIFER M. KEOUGH
REGARDING SETTLEMENT ADMINISTRATION
STATUS AND TIER 1, 2, AND 3 CLAIM AWARD
DISTRIBUTION - 6

1 verify USC attendance and/or the circumstances by which these claimants
2 alleged they were treated at the USC Student Health Center after multiple
3 methods of research and inquiry including sending a deficiency letter to these
4 claimants requesting additional information. Another 23 claimants were
5 determined ineligible because they did not meet Settlement eligibility
6 requirements or failed to cure a claim deficiency.
7

8 12. Of these 1,297 ineligible claimants, 109 also filed a Tier 2 claim
9 (91) or Tier 3 claim (18). These claims were also determined ineligible and not
10 provided to the Panel for review and determination. Eligibility was verified for
11 the remaining 3,753 Potential (3,749) and Self-Identified (4) claimants. Of the
12 3,753 eligible Tier 1 claimants, 917 also filed a Tier 2 claim (532) or Tier 3 claim
13 (385).
14

15 B. PRE-IDENTIFIED CLASS MEMBERS

16 13. A total of 13,671 Pre-Identified Class Members were issued direct
17 notice by mail and email.⁵ Another 4 Pre-Identified Class Members were not
18 issued direct notice due to insufficient notice information but were confirmed as
19 Pre-Identified Class Members after contacting JND directly. Of those 13,675
20

21 _____
22 ⁵ Of the 13,671 Pre-Identified Class Members issued direct notice by mail,
23 11,836 were also issued direct notice by email.

1 Pre-Identified Class Members, 557 submitted a timely and valid exclusion. Of
 2 the remaining 13,118 Pre-Identified Class Members that did not request
 3 exclusion, 852 mailed Pre-Identified Class Member Notice Packets were
 4 returned undeliverable and/or JND lacks sufficient information to conduct lien
 5 resolution after multiple attempts to obtain an updated address or additional
 6 information through advanced address search(es) and mail and/or email outreach.
 7 Of the remaining 12,266 Pre-Identified Class Members, 2,059 filed a Tier 2 claim
 8 (1,123) or Tier 3 claim (936).
 9

10 14. Below is a de-duplicated summary of Tier 1, 2, and 3 claimants as
 11 of March 18, 2021:
 12

<u>CLAIM TYPE</u>	<u>DE-DUPLICATED CLAIMANTS</u>
Tier 1 (Pre-Identified or eligible Statement of Settlement Class Membership Form Submitted):	16,019
Tier 2:	1,655
Tier 3:	1,321

TIER 1 CLAIM AWARD DISTRIBUTION

1
2
3 15. Pursuant to Section 6.4(a) of the Second Amended Settlement
4 Agreement, all Pre-Identified Class Members and all confirmed Class Members
5 who filed a Statement of Settlement Class Membership Form will receive an
6 initial guaranteed minimum \$2,500 Tier 1 Claim Award payment.

7
8 16. Per Section 6.4(a)(i) of the Second Amended Settlement
9 Agreement, JND began issuing Tier 1 Claim Awards (15,006 awards issued by
10 mail and wire) on April 6, 2020 (10 days after the Settlement Effective Date).
11 Additional distributions of Tier 1 Claim Awards issued in July 2020, August
12 2020, October 2020, December 2020, January 2021, and March 2021 to Tier 1
13 claimants whose potential Tier 1 liens were resolved and/or who cured a claim
14 form deficiency. In total, 16,017⁶ Tier 1 Claim Awards have been issued or are
15 in the process of being issued totaling \$40,042,500.

16
17 17. Of those 16,017 Tier 1 Claim Awards, 14,351 or 89.6% have been
18 negotiated totaling \$35,877,500. 1,637 Tier 1 Claim Awards (or 10%) were
19 mailed, not negotiated, and are now stale totaling \$4,092,500. 29 Tier 1 Claim
20

21 ⁶ Two eligible Tier 1 claimants were not issued their Tier 1 Claim Award (one
22 by request to receive one total Tier 3 Claim Award and another due to a Tier 1
23 claim form deficiency that was not cured). These two claimants will not receive
24 the \$2,500 deduction from their Tier 3 Claim Award when issued.

1 Awards were recently issued or reissued and are still active (not expired) totaling
2 \$72,500. Of the 1,637 Tier 1 Claim Award checks that are stale, 1,597 claimants
3 are Tier 1 only (did not file a Tier 2 or 3 claim) and 40 filed a Tier 2 or 3 claim
4 and will not receive the \$2,500 deduction from their Tier 2 or 3 Claim Award
5 when issued. For the 1,597 Tier 1 only stale checks, the majority were issued in
6 April 2020⁷ and no check reissue request has been received. Per our discussion
7 with Counsel, the \$3,992,500 Tier 1 Claim Award funds for the 1,597 stale Tier
8 1 only checks have been voided and these funds will be redistributed to
9 Settlement Class Members as part of the *Pro Rata* Adjustment as detailed below.
10

11
12 **TIER 2 AND 3 CLAIM AWARD DISTRIBUTION**

13 18. As detailed above, a total of 2,976 claimants filed Tier 2 (1,655) and
14 Tier 3 (1,321) claims. Of those 2,976, 2 Tier 2 claims were determined ineligible
15 due to claim form deficiencies after multiple outreach attempts to cure the
16 deficiency by email, mail, and phone. The remaining 2,974 claims were provided
17 to the Panel for review (1,653 Tier 2 and 1,321 Tier 3).
18

19
20
21 ⁷ Of these 1,597 Tier 1 stale checks, 1,540 were issued April 6, 2020, 46 were
22 issued July 2, 2020, 7 were issued August 31, 2020, and 4 were issued October
23 8, 2020.

1 19. The Panel completed its determination of Tier 2 and 3 Claim
2 Awards in February 2021. Of the 2,974 eligible claimants who filed Tier 2 claims
3 (1,653) and Tier 3 claims (1,321), the Panel determined that 2,925 (1,606 Tier 2
4 and 1,319 Tier 3) or 98% were entitled to an enhanced damages award per
5 Section 6.4 (b) and (c) of the Second Amended Settlement Agreement. The
6 remaining 49 claimants or 2% were determined not eligible for an enhanced
7 damages award (47 Tier 2 and 2 Tier 3). Pursuant to the Section 6.4 (b) and (c)
8 of the Second Amended Settlement Agreement, the 49 claimants determined not
9 eligible for an enhanced damages award retain their Tier 1 Claim Award and will
10 receive a *Pro Rata* Adjustment as detailed below.
11

12 20. For the 1,606 claimants who filed a Tier 2 claim and qualified for
13 an enhanced damages award, the Panel awarded a total of \$19,539,000 and the
14 average award was \$12,166.25. For the 1,319 claimants who filed a Tier 3 claim
15 and qualified for an enhanced damages award, the Panel awarded a total of
16 \$127,060,000 and the average award was \$96,330.55. In total, the Panel awarded
17 \$146,599,000 in Tier 2 and 3 Claim Awards.
18
19
20
21
22
23

PRO RATA ADJUSTMENT

1
2
3 21. Pursuant to Section 6.5(d) of the Second Amended Settlement
4 Agreement, once all Tier 2 and Tier 3 Claim Awards have been determined by
5 the Panel the total sum of all the Claim Awards will be compared to the total
6 amount remaining in the Settlement Fund. If the total sum of the Claim Awards
7 is less than the total amount in the Settlement Fund, a *Pro Rata* Increase will be
8 calculated and applied to all Tier 1, Tier 2, and Tier 3 Claim Awards by the
9 same percentage until the total sum of all Claim Awards equals the Settlement
10 Fund, or until all Claim Awards have been increased by 50%, whichever occurs
11 first.
12

13 22. As of March 18, 2021, \$29,819,540 remains in the \$215,062,360
14 Settlement Fund after deducting \$40,042,500 issued for Tier 1 Claim Awards,
15 \$146,599,000 the Panel awarded for Tier 2 and 3 Claim Awards, \$5,848,871
16 paid for Administrative Expenses (through January 2021), \$3,247,449 reserved
17 for Administrative Expenses through December 2021, \$35,000 reserved to
18 resolve remaining Tier 1 Government Payor liens, \$770,000 reserved for the 50
19 Class Representative Service Awards, and adding back \$3,992,500 for the 1,597
20 stale Tier 1 only checks, and \$7,307,500 for the 2,923 Tier 2 and 3 claimants
21
22

23
24 No. 2:18-cv-04258-SVW

DECLARATION OF JENNIFER M. KEOUGH
REGARDING SETTLEMENT ADMINISTRATION
STATUS AND TIER 1, 2, AND 3 CLAIM AWARD
DISTRIBUTION - 12

1 who were issued their Tier 1 Claim Award and are receiving a Tier 2 and 3
2 Claim Award.⁸

3 23. Based on the above estimates, \$205,161,040 remains in the
4 Settlement Fund after deducting Administrative Expenses and reserves as
5 detailed in Paragraph 22 above. The resulting aggregate award amount is
6 \$175,341,500 and all Claim Awards would receive a *Pro Rata* Adjustment
7 upward of approximately 17% as detailed below:
8

9 **Calculation to Determine Remaining Settlement Fund:**

Total Settlement Fund:	\$215,062,360 ⁹
Administrative Expenses ¹⁰ (as of January 2021):	\$5,848,871
Administrative Expenses Reserve (through December 2021):	\$3,247,449
Tier 1 Government Payor Lien Reserve:	\$35,000
Class Representative Service Awards Reserve:	\$770,000

10
11
12
13
14
15
16
17
18 ⁸ These 2,923 claimants filed a Tier 2 or 3 claim, are receiving a Tier 2 or Claim Award, and were previously issued a Tier 1 Settlement payment of \$2,500 as part of the Tier 1 Claim Award Distribution.

19 ⁹ This amount includes approximately \$62,360 in interest that would have been accumulated from July 2019 to March 29, 2021, including the “the interest that would have been earned on the remaining \$160 million of the Settlement Fund had it been held in the Escrow Account from 10 days after the Effective Date of the Settlement Agreement until the date of actual deposit” per Section 4.5 of the Second Amended Settlement Agreement.

20
21
22 ¹⁰ These Administrative Expenses include fees and costs for Settlement Administration and Notice, the Panel, and Special Master’s Team.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

Total Remaining Settlement Fund:	\$205,161,040
----------------------------------	---------------

Calculation to Determine Total Aggregate Award Amount:

16,017 Tier 1 x \$2,500:	\$40,042,500
1,606 Tier 2 Claim Awards:	\$19,539,000
1,319 Tier 3 Claim Awards:	\$127,060,000
Tier 1 Offset for 2,923 Tier 2 and 3 claimants previously issued a \$2,500 Tier 1 payment:	(\$7,307,500)
Tier 1 Offset for 1,597 Pre-Identified and Tier 1 claimants who were issued a \$2,500 Tier 1 payment and did not negotiate:	(\$3,992,500)
<u>Total Aggregate Award Amount:</u>	\$175,341,500

Calculation to Determine *Pro Rata* Adjustment Amount:

Total Remaining Settlement Fund	\$205,161,040
Total Aggregate Award Amount	\$175,341,500
Percentage Difference	~17% Increase

1 **Calculation to Apply *Pro Rata* Adjustment:**

2 11,497 Tier 1 Negotiated (\$28,742,500 x 17%)	\$4,886,225
3 1,606 Tier 2 (\$19,539,000 x 17%)	\$3,321,630
4 1,319 Tier 3 (\$127,060,000 x 17%)	\$21,600,200
5 <u>Total Aggregate Award Amount:</u>	\$175,341,500
6	
7 <u>Total Estimated Aggregate Award Amount Plus</u>	\$215,050,875 ¹¹
8 <u>~17% <i>Pro Rata</i> Increase:</u>	

9
 10 24. Based on the approximate *Pro Rata* Increase of 17%, the Tier 1 *Pro*
 11 *Rata* Increase will be approximately \$425. For a Tier 2 Claim Award of \$20,000,
 12 the 17% *Pro Rata* Increase is approximately \$3,400 resulting in a Total 2 Claim
 13 Award of \$23,400. For a Tier 3 Claim Award of \$250,000, the 17% *Pro Rata*
 14 Increase is approximately \$42,500 resulting in a Total Tier 3 Claim Award of
 15 \$292,500.

16 25. After deducting the \$7,307,500 offset for the 2,923 Tier 2 and 3
 17 claimants who were already issued their Tier 1 Claim Award, the combined Tier
 18 1 *Pro Rata* Increase distribution to 11,497 Tier 1 only Class Members and the
 19

20
 21 ¹¹ When the final *pro rata* calculation occurs, the *Pro Rata* Increase percentage
 22 will calculate to exactly the amount remaining in the Settlement Fund including
 23 the final interest amount accumulated prior to the distribution.

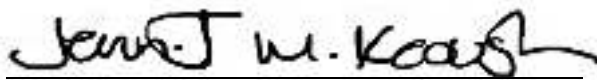
1 Tier 2 and 3 Claim Award distribution to 2,925 Class Members is approximately
2 \$169 million. After these distributions, approximately \$4 million will remain in
3 the Settlement Fund in reserve for Administrative Expenses and Tier 1 liens.

4 26. JND expects to issue the Tier 1 Pro Rata Increase distribution and
5 Tier 2 and 3 Claim Awards to claimants without Tier 2 and 3 lien holds by April
6 2021. The remaining Tier 2 and 3 Claim Awards will continue to issue thereafter
7 as potential Tier 2 and 3 liens are resolved.

8 27. JND will continue to administer the Settlement through all phases
9 of Settlement administration, as required by the Preliminary Approval Order,
10 Second Amended Settlement Agreement, Final Approval Order, and pursuant to
11 any future Orders of this Court.

12 I declare under penalty of perjury under the laws of the United States of
13 America that the foregoing is true and correct.

14 Executed on March 22, 2021, in Seattle, Washington.

15
16
17
18 

19 JENNIFER M. KEOUGH

20
21
22
23
24 No. 2:18-cv-04258-SVW

DECLARATION OF JENNIFER M. KEOUGH
REGARDING SETTLEMENT ADMINISTRATION
STATUS AND TIER 1, 2, AND 3 CLAIM AWARD
DISTRIBUTION - 16