

# NOTICE OF CLASS ACTION

*Lake, et al. v. State Health Plan of N.C., et al.*  
12-CVS-1547 (Gaston)

This Notice Advises You that the N.C. Superior Court Has Certified a Class with Regard to Changes Made to Your Retirement Health Benefits Received Through the N.C. State Health Plan.

This Notice May Affect Your Legal Rights. Please Read it Carefully.

See Reverse Side for Details and Information

Visit [www.LakeClassCase.com](http://www.LakeClassCase.com) for additional information or call (704) 790-6030.

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<p><b>Who is a Class Member?</b></p>	<p>(1) All members of the N.C. Teachers' and State Employees' Retirement System ("TSERS") who retired before January 1, 1988; (2) TSERS members who retired on or after January 1, 1988, were hired before October 1, 2006 and have 5 or more years of contributory service with the State and (3) certain surviving spouses of former state employees or retirees provided that the death of the employee or retiree occurred prior to October 1, 1986.</p>
<p><b>What is this case about?</b></p>	<p>The Plaintiffs contend that the class members are contractually entitled to a premium-free 80/20 health benefit for the duration of their retirement and to a 90/10 health benefit that requires a premium. The Defendants contend that the State Health Plan is allowed to adjust the premiums and coinsurance as necessary in order to provide appropriate health benefits to all members.</p>
<p><b>What is at stake for me?</b></p>	<p>If the Court rules in favor of the Plaintiffs, you may be entitled to recovery of some previously paid premiums or out-of-pocket healthcare expenses and to certain healthcare benefits going forward.</p>
<p><b>Who is representing the class?</b></p>	<p>The Court has appointed the law firms of Gray Layton Kersh Solomon Furr &amp; Smith, PA and The Jackson Law Group as class counsel to represent the class. You may contact them for information using the website and phone number listed below. You may also retain your own attorney.</p>
<p><b>What happens next?</b></p>	<p>The Court has scheduled a hearing on summary judgment for November 14, 2016 at the Forsyth County Courthouse. If the case is not resolved fully at summary judgment, a trial date will likely be set. You should contact class counsel for questions about the case. The Court, the State Health Plan and TSERS cannot discuss the litigation with you.</p>
<p><b>What do I need to do to participate?</b></p>	<p>Nothing. If you want to be included in the class, you do not need to do anything. You will automatically be a member of the class and will be able to participate in any recovery or settlement. You will also be bound by any decision of the Court with respect to the issues in the case.</p>
<p><b>Can I be excluded?</b></p>	<p>Yes. To exclude yourself from the class, you must mail a request to opt out, postmarked on or before <b>October 31, 2016</b>. See below for information on how to opt out.</p>
<p><b>What happens if I exclude myself?</b></p>	<p>If you opt out of the class, you will not be bound by any decision of the Court, but will also not be eligible to participate in any future settlements or benefit from any judgments that might be issued to the class.</p>
<p><b>Where can I get more information?</b></p>	<p>More information about the case and the class and how to opt out can be found online at <a href="http://www.LakeClassCase.com">www.LakeClassCase.com</a> or by telephone at (704) 790-6030.</p>