

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN**

THE SHANE GROUP, INC. *ET AL.*,

Plaintiffs, on behalf of themselves  
and all others similarly situated,

vs.

BLUE CROSS BLUE SHIELD OF  
MICHIGAN,

Defendant.

Civil Action No. 2:10-cv-14360-DPH-  
MKM

Judge Denise Page Hood  
Magistrate Judge Mona K. Majzoub

**ORDER APPROVING SETTLEMENT WITH VARNUM GROUP PURSUANT TO  
RULE 23(e)(5)(B)**

WHEREAS, this matter has come before the Court by way of oral motion under Fed. R. Civ. P. 23(e)(5)(B) for approval of the Plaintiffs' settlement with objectors ADAC Automotive, Baker College, Borroughs Corporation, Eagle Alloy Inc., Floracraft Corporation, Four Winds Casino Resort, Frankenmuth Bavarian Inn Inc., Gemini Group Inc., GillRoy's Hardware/Morgan Properties LLC, Grand Traverse Band of Ottawa and Chippewa Indians, Huizenga Group, Kent Companies Inc., Magna International of America, Inc., Master Automatic Machine Company Inc., Petoskey Plastics Inc., SAF-Holland USA Inc., Terryberry Company LLC, Thelen Inc., Trillium Staffing Solutions, Truss Technologies, and Wade Trim Group Inc., (collectively, the "Varnum Group");

WHEREAS, on September 30, 2019, this Court entered two orders (ECF 364 and 365) that (a) granted Plaintiffs' Motion for Final Approval of Settlement and Plan of Allocation (b) granted Class Counsel's Motion for Award of Attorneys' Fees, Reimbursement of Expenses, and Payment of Incentive Awards to Class Representatives, and (c) granted in part and denied in part the

Varnum Group’s Motion for Attorney Fees and Costs (collectively, the “Settlement Approval Orders”);

WHEREAS, on October 28, 2019, the Varnum Group appealed the Settlement Approval Orders to the United States Court of Appeals for the Sixth Circuit (ECF No. 371) (the “Varnum Group Appeal”), and on November 8, 2019, Plaintiffs appealed the order granting in part attorney fees to the Varnum Group (ECF No. 376) (the “Class Counsel Appeal”);

WHEREAS, on August 21, 2020, the United States Court of Appeals for the Sixth Circuit entered an order dismissing both the Varnum Group Appeal and the Class Counsel Appeal for lack of jurisdiction and remanded to this Court for purposes of determining an appropriate fee award to counsel for the Varnum Group (ECF No. 389);

WHEREAS, on October 21, 2020, this Court entered the Stipulated Order Authorizing Mediation of Varnum Group Objection and Motion for Attorney Fees before Paul Calico, Chief Circuit Mediator, United States Court of Appeals for the Sixth Circuit (ECF No. 393);

WHEREAS, the parties and the Varnum Group also obtained the consent of the Honorable Guy Cole, Chief Judge of the United States Court of Appeals for the Sixth Circuit, to continue mediation with Mr. Calico;

WHEREAS, upon consideration of the appellate briefing, the Settlement Approval Orders, and conferences with Class Counsel and Mr. Calico, the Varnum Group has concluded, notwithstanding their objections, (a) that the Settlement is in their best interest, (b) that the Court’s rulings in approving the Settlement are correct and without error, (c) that the Settlement should be implemented in accordance with the Court’s Settlement Approval Orders, and (d) that further delay in distributing compensation to the Class should be avoided to the extent possible;

WHEREAS, the Plaintiffs agree that the Varnum Group's objections assisted in framing the issues for consideration by the Court in connection with settlement approval under Fed. R. Civ. P. 23(e) and improved the settlement approval process by causing the unsealing of court filings which assisted class members in analyzing the merits of the Settlement.

WHEREAS, on December 10, 2020, this Court held a hearing by video conference whereby Class Counsel informed the Court that a settlement had been reached wherein: (a) Class Counsel and defendant Blue Cross Blue Shield of Michigan ("BCBSM") agree that, subject to the Court's approval, all claims submitted by January 29, 2021 (unless extended for good cause) by class members, including members of the Varnum Group, shall not be rejected on the grounds that they are untimely; (b) BCBSM agrees to timely provide reasonably available claims data as needed by members of the Varnum Group to submit claims by January 29, 2021 (unless extended for good cause), and Class Counsel agree to assist class members as needed in submitting their claims; (c) counsel for the Varnum Group has reduced their attorney fee request from in excess of \$500,000 to \$300,000, and Class Counsel will pay from their fee award \$300,000 to counsel for the Varnum Group within five business days of Class Counsel receiving their fee award; no amount will be paid to counsel for the Varnum Group from the Settlement Fund to avoid reducing the Class recovery or otherwise affecting class members; and (d) the Varnum Group will withdraw all of their objections with prejudice within five business days of entry of this Order (the "Varnum Settlement"); and

WHEREAS, the Court has considered the Varnum Settlement and is fully advised of its terms and premises, and has considered the record of these proceedings, the representations, arguments, and recommendations of counsel for the parties, and the requirements of law.

**IT IS HEREBY ORDERED THAT:**

A. The parties' oral motion at the December 10, 2020 hearing for approval of the Varnum Settlement, including the payment of \$300,000 in attorney fees to the Varnum Group's counsel to be paid from Class Counsel's fee award, is GRANTED.

B. Class Counsel shall pay counsel for the Varnum's Group \$300,000 within five business days of Class Counsel's receipt of their fee award in this case.

C. The Varnum Group's motion for attorney fees and costs (ECF No. 342) is DENIED as moot.

D. Within five days of entry of this Order, the Varnum Group shall withdraw all of their objections to the Settlement with prejudice.

E. Any claims submitted by class members on or before January 29, 2021 (unless extended for good cause) shall be considered timely and processed in accordance with the court-approved plan of allocation and claim form (ECF 269-2). Blue Cross Blue Shield of Michigan shall timely provide reasonably available claims data as needed to assist members of the Varnum Group in submitting claims. Class Counsel shall assist class members as needed in submitting claims.

**SO ORDERED** this 14<sup>th</sup> day of December 2020.

s/Denise Page Hood  
United States District Judge