SEARCY DENNEY SCAROLA BARNHART & SHIPLEY GENUSELA A quarterly report to clients and attorneys. VOLUME 05 NUMBER 2

\$31 Million For Post-Surgery Infection Cases

Tenet Healthcare Corp. issued the following press release after the settlement of these cases.

ec. 23, 2004—Tenet Healthcare Corporation—a subsidiary which operates Palm Beach Gardens Medical Center in Palm Beach, Fla., has agreed in principle to settle 106 individual lawsuits filed against the hospital that alleged the plaintiff's had suffered post-surgical infections after having cardiac surgeries at the facility.

Under the agreement, Tenet will pay \$31 million to the plaintiffs and their counsel. The civil lawsuits were filed against Palm Beach Gardens Medical Center over an extended period between 1997 and 2002.

Tenet anticipates that individual settlement agreements will be signed by the plaintiffs within 30 days, and all the suits will be dismissed.



"This week, we have reached an equitable resolution of the two highest profile patient care legal issues that have confronted us for more than two years," said E. Peter Urbanowicz, Tenet's general counsel. "Together with the agreement we announced Tuesday to resolve the Redding Medical Center litigation, this Palm Beach Gardens settlement demonstrates the real progress we are making to put our legal challenges related to past events behind us. It is consistent with our stated goal of seeking a reasonable settlement of Tenet's issues from the past whenever possible, instead of engaging in protracted litigation that could take years." *Continued on page three.*

Crash Death Results in \$12.5 Million Verdict

In June 26, 2001, Julia Kraus was driving her station wagon south on the Florida Turnpike near Southern Boulevard, West Palm Beach, Florida. Some debris on the highway brought traffic to a stop. Also driving south on the Turnpike was Junior Shirley, hauling sod for Agricultural Land Services to a Highway 441 construction project. Shirley was driving an 18-wheel tractor-trailer truck. Whether due to long work hours and exhaustion, inattention, or distraction, Shirley did not see the traffic back up and he plowed the 18-wheeler directly into the

back of Julia's car. The impact crushed her car and damaged five other cars stopped in the traffic back up. Julia was trapped in her car, every rib in her chest broken and a tear in her aorta. The 39-year-old loving wife and mother of two boys, ages 6 and 9, died within 26 minutes.

Julia's husband, Robert Kraus, 45, a contractor/developer, filed a wrongful death suit on behalf of Julia's estate and their two sons, Adam and Robert, Jr., claiming Shirley was negligent and Agricultural Land Services *Continued on page two.*

\$31 Million Settlement: 106 PLAINTIFFS WITH POST-OPERATIVE INFECTIONS BEING TREATED AT SAME HOSPITAL

SEARCY DENNEY SCAROLA BARNHART & SHIPLEY PA Attorneys_ at Law

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Hospital Settles Suit for \$31 Million

(Continued from page one.)



Cal Warriner

The lead counsel for the plaintiffs, Calvin Warriner of Searcy Denney Scarola Barnhart and Shipley, said, "We appreciate the willingness of Palm Beach Gardens Medical Center to work with us to produce an equitable and honorable resolution for all concerned. This settlement permits these former patients to put a very painful matter behind them and get on with their lives."

Urbanowicz added, "Putting an end to this well-publicized litigation means that this

fine hospital can now move forward confidently and focus all its energy and resources on delivering quality care to its patients."

Palm Beach Gardens Medical Center has made great strides in enhancing patient care over the past two years. It has received national recognition for these efforts. The hospital was rated in the top five percent in the nation for cardiac interventional procedures by HealthGrades, a leading health care ratings company. HealthGrades also awarded the hospital five stars for its treatment of heart attack and heart failure.

In addition, Palm Beach Gardens Medical Center was the only hospital in Florida this year to be commended by the American Heart Association for exceeding 85 percent compliance with AHA cardiac care guidelines for administration of aspirin, beta-blockers, ace inhibitors and statins, as well as its smoking cessation efforts.

Tenet Healthcare Corporation, through its subsidiaries, owns and operates acute care hospitals and related health care services. Tenet's hospitals aim to provide the best possible care to every patient who comes through their doors, with a clear focus on quality and service. Tenet can be found on the World Wide Web at <u>www.tenethealth.com</u>.

Disclaimer issued by Tenet: Some of the statements in this release may constitute forward-looking statements. Such statements are based on our current expectations and could be affected by numerous factors and are subject to various risks and uncertainties discussed in our filings with the Securities and Exchange Commission, including our annual report on Form 10-K for the fiscal year ended Dec. 31, 2003, our quarterly reports on Form 10-Q and periodic reports on Form 8-K. Do not rely on any forward-looking statement, as we cannot predict or control many of the factors that ultimately may affect our ability to achieve the results estimated. We make no promise to update any forward-looking statement, whether as a result of changes in underlying factors, new information, future events or otherwise. Contact: Steven Campanini, 805-563-6838.

3