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 on behalf of all other aggrieved employees

**SUPERIOR COURT OF CALIFORNIA
 FOR THE COUNTY OF LOS ANGELES**

SONIA FRANCO, on behalf of all other aggrieved
 employees,

Plaintiffs,

vs.

CAREMORE HEALTH PLAN, INC., AND
 DOES 1-20, INCLUSIVE,

Defendants.

CASE NO. **20STCV30072**

**PAGA REPRESENTATIVE ACTION
 COMPLAINT PURSUANT TO THE
 PRIVATE ATTORNEYS GENERAL ACT
 (LABOR CODE §§2698 *et seq*)**

[DEMAND FOR JURY TRIAL]

COMES NOW Plaintiff SONIA FRANCO (“Plaintiff”), on behalf of the general public and
 all non-exempt aggrieved employees, acting on behalf of the California Attorney General as private
 attorney general, and asserts claims against Defendants CAREMORE HEALTH PLAN, INC., a
 California Corporation, and Does 1-20, inclusive (collectively “Defendants”) as follows:

I. INTRODUCTION

1. This is a representative action for recovery of penalties under the Private Attorneys
 General Act of 2004 (“PAGA”), Cal. Lab. Code sections 2698 *et seq*. PAGA permits “aggrieved
 employees” to bring a lawsuit as a representative action on behalf of the general public as private

1 attorney general and all other current and former aggrieved employees, to recover civil penalties and
2 address an employer's violations of the California Labor Code.

3 2. In this case, Defendants violated various provisions of the California Labor Code. As
4 set forth below, Defendants implemented policies and practices which led to unpaid wages resulting
5 from Defendants': (a) failure to accurately pay overtime wages; (b) failure to pay minimum wages;
6 (c) failure to provide meal periods and failure to pay an additional hour's of pay in lieu of providing
7 a meal period; (d) failure to authorize and permit rest breaks for every four hours or major fraction
8 thereof worked and failure to pay an additional hour's of pay in lieu of providing a rest period; (e)
9 failure to pay all wages earned for the pay period corresponding to the payday; (f) failing to pay all
10 wages earned and owed upon separation from Defendant's employ; (f) failing to provide accurate
11 itemized wage statements; (h) knowingly and intentionally failing to maintain accurate and complete
12 records; and (i) failure to reimburse for business related expenses. As a result, Plaintiff seeks
13 penalties under Labor Code 2698, *et. seq.* on behalf of the general public as private attorney general
14 and all other aggrieved employees.

15 II. JURISDICTION AND VENUE

16 3. The California Superior Court has jurisdiction over this action pursuant to
17 California Constitution Article VI, Section 10, which grants the Superior Court "original
18 jurisdiction in all cases except those given by statute to other trial courts." The statutes under which
19 this action is brought do not give jurisdiction to any other court.

20 4. This Court has jurisdiction over Defendants because, upon information and belief,
21 each Defendant either has sufficient minimum contacts in Los County California, or otherwise
22 intentionally avails itself of the California market so as to render the exercise of jurisdiction over it
23 by the California Courts consistent with traditional notions of fair play and substantial justice.

24 5. Venue as to each Defendant is proper in this judicial district pursuant to Code of Civil
25 Procedure section 395. Defendants CareMore Health Plan, Inc., and Does 1 through 20, are operating
26 and doing business in, California – Los Angeles County, and each Defendant is within the
27 jurisdiction of this Court for service of process purposes. The unlawful acts alleged herein have a
28

1 direct effect on Plaintiff and all other aggrieved employees within the State of California and within
2 Los Angeles County and elsewhere in California.

3 6. On information and belief, Defendants have conducted business within the State of
4 California during the purported liability period and continue to conduct business in the State of
5 California. The unlawful acts alleged herein have had a direct effect on Plaintiff, and the similarly
6 situated non-exempt aggrieved employees within Los Angeles County and the State of California.

7 7. The California Superior Court also has jurisdiction in this matter because on
8 information and belief there are no federal questions at issue, as the issues herein are based solely on
9 California statutes and law, including the California Labor Code, the IWC Wage Orders, the
10 California Code of Civil Procedure, the California Civil Code, and the California Business and
11 Professions Code.

12 8. On information and belief, during the statutory liability period and continuing to the
13 present ("liability period"), Defendants consistently maintained and enforced against Defendants'
14 Non-Exempt Employees ("Aggrieved Employees"), among others, the following unlawful practices
15 and policies, in violation of California state wage and hour laws (a) failure to accurately pay overtime
16 wages; (b) failure to pay minimum wages; (c) failure to provide meal periods and failure to pay an
17 additional hour's of pay in lieu of providing a meal period; (d) failure to authorize and permit rest
18 breaks for every four hours or major fraction thereof worked and failure to pay an additional hour's
19 of pay in lieu of providing a rest period; (e) failure to pay all wages earned for the pay period
20 corresponding to the payday; (f) failing to pay all wages earned, and per pay period; (g) failure to
21 pay all wages owed upon separation from Defendants' employ; (h) failing to provide accurate
22 itemized wage statements; (i) knowingly or intentionally failing to maintain accurate and complete
23 records; and (j) failure to reimburse for business related expenses.

24 9. On information and belief, during the statutory liability period and continuing to the
25 present, Defendants have had a consistent policy of failing to provide its Non-Exempt Employees
26 within the State of California, including Plaintiff unfettered, uninterrupted, duty free rest breaks of
27 at least (10) minutes per four (4) hours worked or major fraction thereof and failing to pay such
28 employees one (1) hour of pay at the employees regular rate of compensation for each workday that

1 the rest was untimely, interrupted and/or not provided, as required by California state wage and hour
2 laws.

3 10. On information and belief, during the statutory liability period and continuing to the
4 present, Defendants have had a consistent policy of failing to pay overtime for hours worked in
5 excess of forty hours in a workweek or more than 8 hours in a workday.

6 11. On information and belief, during the statutory liability period and continuing to the
7 present, Defendants have had a consistent policy of failing to pay minimum wages and overtime
8 wages for hours worked while subject to the control of Defendants and per pay period.

9 12. On information and belief, during the statutory liability period and continuing to the
10 present, Defendants have had a consistent policy of requiring its Non-Exempt Employees within the
11 State of California, including Plaintiff, to work at least five (5) and or ten (10) hours without a meal
12 period and failing to pay such employees one (1) hour of pay at the employees regular rate of
13 compensation for each workday that the meal period was untimely, interrupted and/or not provided,
14 as required by California state wage and hour laws.

15 13. On information and belief, as a result of these unlawful acts, Defendants failed to pay
16 the required meal and rest period premiums on days such Non-Exempt Employees worked 3.5 hours,
17 six hours, or more than ten hours in a work shift.

18 14. On information and belief, during the statutory liability period and continuing to the
19 present, Defendants have had a consistent policy of failing to timely pay wages upon separation, and
20 paying all wages earned for the pay period corresponding to the payday.

21 15. On information and belief, during the statutory liability period and continuing to the
22 present, Defendants have had a consistent policy of failing to provide accurate itemized wage
23 statements.

24 16. On information and belief, during the statutory liability period and continuing to the
25 present, Defendants have had a consistent policy of failing to indemnify work related expenses
26 incurred.

17. On information and belief, during the statutory liability period and continuing to the present, Defendants have had a consistent policy of knowingly and intentionally failing to maintain accurate and complete records.

18. Plaintiff on behalf of the general public as private attorney general and all other aggrieved employees brings this action pursuant to Labor Code 2698, et. seq. for violations enumerated under 2699.5 as follows: sections 201-203, 204, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1175, 1194, 1197, 1197.1, and 2802 seeking penalties, interest, attorneys' fees and costs.

III. PARTIES

A. Plaintiff

19. Plaintiff, SONIA FRANCO, was at all times relevant to this action, a resident of Los Angeles County, California. Plaintiff was employed by Defendants for approximately five (5) years as a Non-Exempt Employee working as a medical assistant until her separation from Defendants' employ in approximately January 2020.

20. As Defendants' employee, Plaintiff, and all other aggrieved employees were regularly required to and subsequently suffered:

- (a) work in excess of eight (8) hours per day, and/or forty (40) hours per week; all in violation of California labor laws, regulations, and the Industrial Welfare Commission Wage Orders ("IWC");
- (b) perform work subject to the control of the employer without being compensated at least minimum wages, all in violation of California labor laws, regulations, and the Industrial Welfare Commission Wage Order ("IWC");
- (c) work without being permitted or authorized a minimum ten-minute rest period for every four hours or major fraction thereof worked and not compensated one (1) hour of pay at her regular rate of compensation for each workday that a rest period was not provided, all in violation of California labor laws, regulations, and the Industrial Welfare Commission Wage Orders ("IWC");

- (d) work in excess of five hours per day without being provided meal periods and not compensated one (1) hour of pay at the regular rate of compensation for each workday that a meal period was not provided, all in violation of California labor laws, regulations, and the Industrial Welfare Commission Wage Orders ("IWC");
- (e) not paid all wages upon separation from Defendant's employment ("IWC");
- (f) not reimbursed for business expenses; and
- (g) not provided accurate itemized wage statements.

21. Plaintiff seeks penalties under Labor Code 2698, *et. seq.* on behalf of the general public as private attorney general and all other aggrieved employees.

B. Defendants

22. Defendant CareMore Health Plan Inc. is a healthcare provider in Los Angeles County, California with multiple locations including 3513 E. First Street, Los Angeles, California 90063 where Plaintiff was assigned. Plaintiff estimates there are in excess of 200 aggrieved employees who work or have worked for Defendant over the last year.

23. Other than identified herein, Plaintiff is unaware of the true names, capacities, relationships and extent of participation in the conduct alleged herein, of the defendants sued as DOES 1 through 20, but is informed and believes and thereon alleges that said defendants are legally responsible for the wrongful conduct alleged herein and therefore sues these defendants by such fictitious names. Plaintiff will amend this complaint when their true names and capabilities are ascertained.

24. Plaintiff is informed and believes and thereon alleges that each Defendant, directly or indirectly, or through agents or other persons, employed Plaintiff and other members of the Representative Group, and exercised control over their wages, hours, and working conditions. Plaintiff is informed and believes and thereon alleges that each defendant acted in all respects pertinent to this action as the agent of the other defendants, carried out a joint scheme, business plan or policy in all respects pertinent hereto, and the acts of each defendant are legally attributable to the other defendants.

IV. GENERAL ALLEGATIONS

25. Plaintiff is informed and believes, and based thereon alleges that Defendants employ or employed Non-Exempt Employees in Los Angeles County, State of California during the liability period. Plaintiff and all other aggrieved employees were compensated based upon an hourly rate and have at all times pertinent hereto been non-exempt within the meaning of the California Labor Code and the implementing rules and regulations of the IWC California Wage Orders.

26. On information and belief, and during the relevant time frame, all aggrieved employees are residents of California and citizens of the United States.

27. On information and belief, and during the relevant time frame, Defendants implemented a uniform set of policies and practices to all aggrieved employees throughout Los Angeles County, California as all aggrieved employees engaged in the job duties of servicing high-risk Medicare and Medicaid patients.

28. On information and belief, during the relevant time frame, Plaintiff and Aggrieved Employees frequently worked well over eight (8) hours in a day and forty (40) hours in a work week.

29. On information and belief, during the relevant time frame, Plaintiff and Aggrieved Employees typically worked three to ten days per week with shifts that were 7.5 to 10 hours per day.

30. Plaintiff is informed and believes that Plaintiff and Aggrieved Employees were not compensated for all time worked as Defendants would regularly suffer and permit Plaintiff and Aggrieved Employees to work off the clock including overtime, but Plaintiff and Aggrieved Employees were not compensated for hours worked off the clock. For example, Defendants did not compensate Plaintiff and Aggrieved Employees for time spent working before or after their shift(s) began and/or ended. This policy resulted in Plaintiff and Aggrieved Employees being subjected to Defendants' unlawful policy of not compensating Plaintiff and Aggrieved Employees for all hours worked including overtime while under the control of Defendants. Defendants' unlawful off the clock policy over time resulted in a large and disproportionate underpayment of wages including overtime wages to Plaintiff and Aggrieved Employees.

31. Plaintiff is informed and believes that Plaintiff and Aggrieved Employees were caused to endure unprovided, untimely, or interrupted meal periods of less than at least thirty (30)

1 minutes for many of the work days such employees worked more than six hours (6) hours, were not
2 provided uninterrupted second meal periods of at least thirty (30) minutes for any work days such
3 employees worked more than ten (10) hours, and were not paid one (1) hour of wages by Defendants
4 in lieu thereof, all in violation of the California Labor Code.

5 32. Plaintiff is informed and believes that Plaintiff and Aggrieved Employees were
6 regularly required to work in excess of six (6) hours per day without Defendants providing them a
7 timely, uninterrupted (30) minute meal period as mandated under the California Labor Code and the
8 implementing rules and regulations of the IWC California Wage Orders as Plaintiffs and Aggrieved
9 Employees were required to take shortened meal periods or not at all because Lakeview Center was
10 too busy and/or no one was scheduled to cover for them to take a timely, uninterrupted (30) minute
11 meal period. Accordingly, Plaintiff and Aggrieved Employees were not provided lawful meal
12 periods and were not provided with one hour of wages in lieu thereof under Defendants' policies and
13 practices, which included work schedules placed upon the Aggrieved Employees from Defendants'
14 management and supervisors to perform work at the expense of their meal periods and Defendants'
15 implementation of a shift schedule and workload requirements that denied Aggrieved Employees all
16 of their authorized meal periods, including second meal periods on shifts when they worked over ten
17 (10) hours in a day. Plaintiff and the Aggrieved Employees did not waive any of their authorized and
18 required meal periods, nor did they receive one hour of regular pay for each day Defendants failed
19 to provide a lawful meal period.

20 33. Plaintiff is informed and believes that during the liability period, Plaintiff and
21 Aggrieved Employees were consistently required to work in excess of four (4) hours (or major
22 fraction thereof) without receiving lawful ten (10) minute rest periods. On information and belief,
23 Defendants' management would push Plaintiffs and Aggrieved Employees to stay at their work
24 stations based on the volume of customers, and as a result would often have to take their breaks late
25 or be forced to skip their breaks. The Aggrieved Employees were also not provided with one hour
26 wages in lieu thereof. Defendants' policies and practices included Defendants' implementation of a
27 work schedule and workload requirements that denied and failed to provide the Aggrieved
28 Employees all of their authorized rest periods, including first rest periods of at least ten (10) minutes

1 for every shift worked of at least three and a half (3 1/2) to four (4) hours, a first and second rest
2 period of at least ten (10) minutes for every shift worked greater than six (6) hours, and a third rest
3 period of at least ten (10) minutes for every shift worked in excess of ten (10) hours.

4 34. Defendants did not fully compensate Plaintiff and the Aggrieved Employees for
5 hourly wages during the liability period, including by virtue of the fact that Defendants did not
6 compensate Plaintiff and Aggrieved Employees with one extra hour of pay for Defendants' failure
7 to provide such Non-Exempt Employees with each of their authorized rest periods and meal periods
8 during the rest and meal period liability period.

9 35. On information and belief, Defendants also failed to accurately pay overtime wages
10 owed to Plaintiff and Aggrieved Employees by failing to compensate them for off the clock work
11 and hours worked over eight hours in a workday or over 40 hours in the workweek at one and one-
12 half times the Aggrieved Employees regular rate of pay.

13 36. Upon information and belief, Defendants failed to provide accurate itemized wage
14 statements to Plaintiff and Aggrieved Employees as the wage statements provided failed, among
15 other things, to accurately account for all hours worked, and failed to pay all wages earned in the
16 corresponding payday. Further, Defendants failed to provide accurate wage statements as
17 Defendants' wage statements do not identify premium pay as required by Labor Code § 226.

18 37. Upon information and belief, Defendants failed to reimburse and/or indemnify
19 Plaintiff and Aggrieved Employees for all necessary expenditures incurred; and

20 38. Upon information and belief, Defendants failed to keep accurate records pursuant to
21 Labor Code § 1174.5.

22 39. Upon information and belief, Defendants knew and or should have known that it is
23 improper to implement policies and commit unlawful acts such as:

24 (a) requiring employees to work over eight (8) hours in a day and forty (40)
25 hours in a work week without being provided the required overtime pay;

26 (b) requiring employees to perform work subject to the control of the Defendant
27 without being compensated at least minimum wages;
28

- (c) requiring employees to work four (4) hours or a major fraction thereof without being provided a minimum ten (10) minute rest period and without compensating the employees with one (1) hour of pay at the employees' regular rate of compensation for each workday that a rest period was not provided;
- (d) requiring employees to work in excess of five (5) hours or ten (10) hours per day without being provided an uninterrupted thirty- minute meal period and/or a second meal period, and without compensating employees with one (1) hour of pay at the regular rate of compensation for each workday that such a meal period was not provided;
- (e) failing to pay all wages earned upon separation from Defendant's employ;
- and;
- (f) failing to provide accurate itemized wage statements.

40. In addition to the violations above, and on information and belief, Defendants knew they had a duty to compensate Plaintiff and Aggrieved Employees for the allegations asserted herein, and that Defendants had the financial ability to pay such compensation, but willfully, knowingly, recklessly, and/or intentionally failed to do so.

V. REPRESENTATIVE CLAIMS

THE PRIVATE ATTORNEYS GENERAL ACT- LABOR CODE §§ 2698 *et seq.*

41. Plaintiff incorporates by reference and re-alleges each and every allegation contained above, as though fully set forth herein.

42. On or about April 14, 2020 Plaintiff complied with notice requirements pursuant to Labor Code section 2699.3. A copy of the submission to LWDA is attached hereto as **Exhibit A**. A copy of Plaintiff's letter to Defendants indicating that they were put on notice of the claims alleged herein and that the notice requirement has been satisfied is attached as **Exhibit B**. Sixty-five days have passed and the LWDA has not indicated intent to investigate the claims. Therefore, Plaintiff may proceed with this action in a representative capacity. The substance and violations set forth in

1 this Complaint of which the LWDA was provided timely notice, Plaintiff has also sent a copy of this
2 PAGA Representative Action Complaint to the LWDA.

3 43. Plaintiff is an aggrieved employee as defined in Labor Code Section 2699(a). Plaintiff
4 brings this cause of action on behalf the general public and all non-exempt aggrieved employees,
5 acting on behalf of the California Attorney General as private attorney general.

6 44. Pursuant to Labor Code section 2699(a) Plaintiff seeks to recover civil penalties due
7 and owing for which Defendants are liable due to numerous Labor Code violations as set forth in
8 this Complaint, including without limitation Labor Code section 201-203, 204, 226, 266.3, 226.7,
9 510, 512, 558, 1174, 1174.5, 1175, 1194, 1197, 1197.1, 2802, and 2698 *et seq.*, applicable IWC
10 Wage Orders and California Code of Regulations, Title 8, section 11000 *et. seq.*

11 45. At all times relevant, Plaintiff and all other aggrieved employees regularly
12 performed non-exempt work in excess of 50% of the time, and thus, were subject to the meal and
13 rest break requirements of the applicable IWC wage order and the Labor Code.

14 46. Defendants violated Labor Code section 510, 558, and 1194 by failing to accurately
15 pay overtime wages as discussed above due to Defendants' unlawful off the clock policy and failure
16 to pay all hours worked in excess of eight hours in a day and/or 40 hours in a workweek. Therefore,
17 Defendants violated section 510, 558 and 1194 by not compensating its Non- Exempt Employees for
18 work performed in excess of eight hours (8) in a day or forty hours in a work week (40). Section 510
19 of the Labor Code codifies the right to overtime compensation at the rate of one and one-half times
20 the regular rate of pay for all hours worked in excess of eight (8) hours in a day or forty (40) hours
21 in a work week and to overtime compensation twice the regular rate of pay for hours worked in
22 excess of twelve (12) hours in a day or in excess of eight (8) hours in a day on the seventh day of
23 work in a particular work week.

24 47. Defendants also violated Labor Codes sections 200, 1194, and 1197 for failing to pay
25 minimum wages as described above. Labor Code §1197 provides that employees are to be paid
26 minimum wage for each hour worked, and cannot be averaged the minimum and the payment of a
27 lesser wage than the established is unlawful.

48. Defendants violated Labor Code sections 512 and 226.7 for failing to provide timely, uninterrupted meal periods and requiring unlawful on duty meal periods, or compensation in lieu thereof. Pursuant to Labor Code section 512, no employer shall employ an employee for a work period of more than five (5) hours without providing a meal break of not less than thirty (30) minutes in which the employee is relieved of all of his or her duties. An employer may not employ an employee for a work period of more than ten (10) hours per day without providing the employee with a second meal period of not less than thirty (30) minutes, except that if the total hours worked is no more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

49. Defendants failed to provide Plaintiff and all other aggrieved employees uninterrupted duty free first meal periods of not less than thirty (30) minutes. Defendants implemented and enforced policies of on duty meal period practices which required employees to work during their meal periods, to forego their meal periods, and/or to return to work from meal periods prior to thirty (30) uninterrupted minutes. As a proximate result of the aforementioned violations, Plaintiff and all other Aggrieved Employees have been damaged in an amount according to proof at time of trial.

50. Plaintiff, and on information and belief, all aggrieved employees, were systematically not permitted or authorized to take one ten-minute rest period for every four hours worked or major fraction thereof, which is a violation of the Labor Code and IWC wage order 4-2001, section 12. On shifts where Plaintiff worked in excess of three and half hours they were routinely not permitted and authorized to take lawful rest periods. Plaintiff and on information and belief, aggrieved employees, were not compensated with one hour of wages for every day in which a rest period was missed, untimely or cut short as a result of Defendants' policies, practices, or work demands. By failing to authorize and permit a ten-minute rest period for every four hours or major fraction thereof worked per day, and by failing to provide compensation for such unprovided rest periods as alleged above, Defendants willfully violated the provisions of Labor Code sections 226.7, 512 and the applicable IWC Wage Order.

5 52. On information and belief, Defendants failed to provide accurate itemized wage
6 statements pursuant to Labor Code section 226 which failed to include, all hours worked, including
7 off the clock, overtime and the accurate overtime rate, and the lawful meal and rest period premiums
8 earned, which are due and owing to Plaintiffs and the aggrieved employees. As a result, Plaintiff and
9 Aggrieved Employees were harmed as they are unable to determine if they were appropriately
10 compensated for all hours worked and within the corresponding pay period pursuant to Labor Code
11 section 204.

12 53. On information and belief, Defendants failed to maintain accurate records as required
13 by Labor Code section 1174.5.

54. As a result of Defendants' unlawful conduct, Plaintiff and Aggrieved employees are entitled to penalties to the extent they were not paid at the prevailing wage rate for all hours worked.

16 55. Plaintiff and the Representative Aggrieved Employees are entitled to recover
17 Penalties and attorneys' fees and costs sunder Labor Code section 2698, et. seq.

19 WHEREFORE, Plaintiff prays for judgment against Defendants, as follows:

- 20 1. For penalties according to proof, pursuant to Labor Code §§ 2698 et seq.;
- 21 2. For reasonable attorneys' fees and costs; and
- 22 3. For such other and further relief as the Court deems proper.

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DEMAND FOR JURY TRIAL

Plaintiff and Aggrieved Employees request a jury trial in this matter.

Dated: August 6, 2020

MAKAREM & ASSOCIATES, APLC

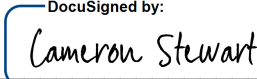
By: 
Ronald W. Makarem
Cameron A. Stewart
Attorneys for Plaintiff, individually
and on behalf of all other aggrieved
employees

EXHIBIT A



Ronald W. Makarem
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April 14, 2020

FILED ONLINE WITH THE LWDA

Department of Industrial Relations
Accounting Unit
455 Golden Gate Avenue, 10th Floor
San Francisco, CA 94102

Re: *Sonia Franco v. CareMore Health Plan, Inc., et al.*
Notice of Labor Code Violations Pursuant to Labor Code section 2699.3(a)(1)

Dear PAGA Administrator:

This letter shall constitute the required written notification under Labor Code section 2699.3(a)(1) of Labor Code violations alleged against **CareMore Health Plan, Inc. (“CareMore Health”), Sachin Jain (“Jain”), Karen Schulte (“Schulte”), and Michael Plumb (“Plumb”)** (collectively, “Employer”). Our client, **Sonia Franco, and other similarly situated aggrieved employees** (together, “Claimant”), worked as non-exempt employees for Employer as medical assistants and in other capacities. Claimant hereby issues this Notice to both the LWDA and Employer in compliance with the notice requirements of Labor Code section 2699.3(a)(1).

Claimant hereby gives Notice of the following specific provisions of the Labor Code that have been violated and the facts and theories to support the alleged violations:

Violation	Facts and Theories
Labor Code sections 204 & 1194	Labor Code section 204 provides that covered employees are entitled to receive all wages earned for the pay period corresponding to the payday. Here, Employer regularly failed to pay Claimant all wages earned for labor performed each pay period. Employer failed to record and maintain accurate records of hours worked for pay periods, as a result, Claimant was not compensated for labor performed on a daily basis. Employer also failed to provide the requisite one hour of pay at the regular rate of compensation for missed meal and rest periods. Accordingly, Employer violated the above code sections.

Labor Code section 1194	Labor Code section 1194 provides that any employee receiving less than the legal minimum wage is entitled to recover the unpaid balance at the minimum wage rate for all hours worked. Here, Employer failed to compensate Claimant at the minimum wage for all hours worked.
Labor Code sections 510 & 1194	Labor Code section 510 provides that covered employees are entitled to overtime wages payable at the rate of at least one and one-half times their regular rate of pay for all overtime hours worked and at the rate of at least twice the regular rate of pay for all double-time hours worked. The Labor Code also provides that employees are entitled to overtime wages for hours worked on the seventh consecutive day of work in a workweek and double-time pay for hours worked in excess of twelve hours on the seventh consecutive day of work in a workweek. Here, Employer regularly failed to pay Claimant all wages earned for overtime labor performed each pay period. Specifically, Claimant performed work in excess of 8 hours a day in a given workday, for which she was not compensated with a rate of at least one and one-half times the regular rate of pay by Employer. Accordingly, Employer violated the above code sections.
Labor Code sections 226.7 & 512	Labor Code sections 226.7 and 512 provide that no employer shall employ any person for a work period of more than five (5) hours without a meal period of not less than 30 minutes. Under these provisions, a first meal period is required no later than the end of an employee's fifth hour of work, and a second meal period no later than the end of an employee's 10th hour of work. If an employer fails to provide an employee meal periods in accordance with this law, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the meal period is not provided. Here, Claimant worked at least 8 hours in one workday and often more than 10 hours in one workday, but did not receive compliant and timely thirty-minute meal periods. Employer failed to relieve Claimant of her work duties to permit Claimant to take meal periods and failed to provide the requisite one hour of pay at the regular rate of compensation for each meal period violation. In addition, Claimant was required to attend meetings and work through her meal period at least twice per month, and Employer failed to provide the requisite one hour of pay at the regular rate of compensation for each meal period violation. Accordingly, Employer violated the above code sections.
Labor Code section 226.7 & 512	Labor Code section 226.7 provides that employers shall authorize and permit employees to take rest periods of (10) minutes net rest time per four (4) hours of work, or major fraction thereof. This means that an employer must provide 10 minutes net rest time for each four- hour period worked by employees. If an employer fails to provide an

	employee rest periods in accordance with this law, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the rest period is not provided. Here, Employer routinely failed to authorize and permit Claimant to take ten (10) minute rest periods for each four (4) hours he worked. Nor did Employer provide the requisite one hour of pay at the regular rate of compensation on these occasions. Accordingly, Claimant is entitled to one (1) hour of pay at the Claimant's regular rate of compensation for each non-compliant rest period.
Labor Code section 2802(a)	Labor Code section 2802(a) requires an employer to indemnify an employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer. Here, Employer failed to indemnify Claimant for expenses, including but not limited to, expenses for clothing necessary to complete her job duties, in violation of Labor Code section 2802.
Labor Code section 226	Labor Code section 226 provides that an employer shall semimonthly, or at the time of each payment, furnish each employee with an itemized statement showing, among other things, the total hours worked by each employee at each applicable wage rate. Here, as a result of the unpaid wages, overtime, meal break and rest period violations, Employer failed to provide compliant wage statements because they did not reflect all hours worked at regular and overtime pay nor the meal and rest period premiums that were owed to Claimant.
Labor Code section 226 & 1174	Labor Code section 1174 provides that employers shall keep payroll records showing the hours worked and wages paid to each employee. These records are to be kept in accordance with rules established by the commission, but must be kept on file for a minimum of three (3) years. Here, Employer knowingly and intentionally failed to maintain records, including but not limited to all hours worked by Claimant, overtime, meal and rest periods, and accurate itemized wages statements. Employer failed to verify actual hours worked by Claimant and as a result, Claimant's payroll hours and wages were often incomplete. Accordingly, Employer violated the above code sections.
Labor Code sections 201, 202, and 203	Labor Code section 201 states that if an employer discharges an employee, earned but unpaid wages at the time of discharge are due and payable immediately. Similarly, Labor Code section 202 provides "[i]f an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and

	payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.” Under section 203, if an employer willfully fails to pay in accordance with sections 201 or 202, any wages of an employee who is discharged or quits shall continue as a penalty. Here, as a result of the unpaid wages, overtime, meal break, and rest period violations, Employer failed to pay all earned and overtime wages, and wages for missed meal and rest periods to employees who quit or were discharged, in violation of sections 201 and 202. Nor has Employer paid any of the continuation wages under section 203.
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Please notify us within the required time period whether or not the Labor and Workforce Development Agency intends to investigate these alleged violations. If notice is not received within 60 calendar days of the postmark date of this letter, we will proceed with a civil action for penalties pursuant to Labor Code section 2699. This civil action will be pursued on behalf of Claimant and similarly situated employees. Please send the Notice to our office located at 11601 Wilshire Blvd., Suite 2440, Los Angeles, California 90025.

Thank you for your attention to this matter.

Respectfully,

MAKAREM & ASSOCIATES, APLC

Cameron Stewart

By: _____
Cameron A. Stewart

cc: CareMore Health Plan, Inc.
Sachin Jain
Karen Schulte
Michael Plumb

EXHIBIT B



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MAKAREM
& ASSOCIATES
Attorneys At Law

April 16, 2020

Sent Via Certified Mail

Agent of Service:

**National Registered Agents, Inc.
ATTN: Amanda Garcia, Vivian Imperial
Gladys Aguilera and Carlos Paz
818 West Seventh Street, Ste. 930
Los Angeles, CA 90017**

**Sanchin Jain
President/CEO
CareMore Health Plan, Inc.
12900 Park Plaza Drive
Cerritos, CA. 90703**

Re: Sonia Franco v. CareMore Health Plan, Inc.; Sachin Jain, Karen Schulte, and Michael Plumb, et al. .

To Whom It May Concern:

This firm represents Sonia Franco in connection with her claim that CareMore Health Plan, Inc. ("CareMore Health") and CareMore Health's President/CEO, Sanchin Jain ("Jain"), Chief Operating Officer, Karen Schulte ("Schulte"), and Chief Financial Officer, Michael Plumb ("Plumb"), (collectively, CareMore Health, Jain, Schulte and Plumb are referred to as "Respondents") violated numerous provisions of the California Labor Code in connection with her employment. Among the violations alleged (and as described in the attached letter to the LWDA) are that Respondents failed to:

- pay employees all wages earned;
- pay employees overtime rates when working in excess of eight hours a day
- provide compliant thirty-minute meal periods to its non-exempt employees;
- provide compliant rest breaks to its non-exempt employees;
- pay meal/rest period premiums for shifts with non-compliant meal/rest periods;
- reimbursement employees for expenses;
- furnish compliant wage statements;
- maintain required records; and
- pay earned and unpaid wages upon discharge.

Also alleged is that, based on these unfair business practices, Respondents have reaped unfair benefits and illegal profits at the expense of its employees.

Based on these violations, it is our client's intention to file a class and representative action against Respondents seeking to recover unpaid wages, statutory and civil penalties, and attorneys' fees. In conjunction with that intention, we have enclosed the letter that we have submitted to the California Labor and Workforce Development Agency, as is required under Labor Code section 2699.3(a)(1) prior to filing an action under the Private Attorneys General Act ("PAGA").

We hereby demand that Respondents immediately act to rectify the various violations described above and in the accompanying letter to the LWDA, including, without limitation, paying all current and former employees wages for all hours worked (including overtime wages), meal and rest period premiums in the amount of one hour of pay at the employees' regular rate of pay for each day with a non-compliant meal period and another hour of pay for each day with a non-compliant rest period, reimburse for necessary expenses, plus all penalties and interest. We further demand that Respondents immediately correct their non-compliant policies and procedures relating to these various Labor Code violations. If Respondents do not immediately act to rectify these violations, our client will have no alternative but to file a class and representative action against Respondents.

Please feel free to contact me if you would like to discuss any of these issues.

Sincerely,
[Cameron A. Stewart](#)
Cameron A. Stewart, Esq.