

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO**

JESSICA MALDONADO, individually, and on behalf of other members of the general public similarly situated,

Plaintiffs,

v.

RADY CHILDREN'S PHYSICIAN MANAGEMENT SERVICES, INC., a California Corporation; RADY CHILDREN'S HOSPITAL-SAN DIEGO, a California Corporation; RADY CHILDREN'S HOSPITAL AND HEALTH CENTER, a California Corporation; and DOES 1-10, inclusive,

Defendants

Case No.: 37-2019-00044167-CU-OE-CTL

DECLARATION OF JEFFREY D. JOHNSON REGARDING THE NOTICE PLAN IN SUPPORT OF FINAL APPROVAL OF CLASS ACTION SETTLEMENT

Date: December 2, 2022
Time: 9:00 a.m.
Dept.: C-73
Judge: Hon. Joel R. Wohlfeil

I, Jeffrey D. Johnson, hereby states as follows:

1. I am the Vice President of CAC Services Group, LLC ("CAC"), located at 6420 Flying Cloud Dr, Suite 101, Eden Prairie, MN 55344. I am over twenty-one (21) years of age, and I am not a party to the above-captioned action. I have personal knowledge of the facts set forth herein and, if called as a witness, could and would testify competently thereto.

2. CAC provides a comprehensive range of class and collective action claims administration services. CAC has extensive experience in data processing and acting as third-party administrator in class and collective actions throughout the country.

3. CAC's class and collective action administration services include: coordination of all notice requirements; design of direct-mail notice, publication of summary notice, emailing notice packets and claim forms; coordination with the U.S. Postal Service; database management; website hosting and management; claims processing; fund management and distribution; and preparation of reports describing

notice programs and claims processing.

4. CAC was retained to act, and appointed by this Court to act, as the Claims Administrator for this action and to date has provided the following services for the above-captioned action:

a. Develop and execute a notice program targeting potential Settlement Class members, as defined in the Class Action Settlement Agreement (the “Settlement Agreement”):

i. Settlement Class Member Definition: all current and former hourly non-exempt persons employed by Defendant Rady Children’s Physician Management Services, Inc.; Rady Children’s Hospital-San Diego; and Rady Children’s Hospital and Health Center, in the State of California between February 12, 2019 through the date of preliminary approval of the settlement.

5. In regard to the notice program, CAC implemented the following notice plan:

a. Direct notice by first-class mail to all Settlement Class members whose names and addresses were provided by Defendant.

6. To provide direct and timely notice by first-class mail, CAC performed the following:

a. On or before September 16, 2021, CAC received from Defendant an electronic list of seven thousand nine hundred twenty-six (7,926) names and addresses of persons identified as potential Settlement Class members as defined in Paragraph 4 above (the “Settlement Class Member List”). The Settlement Class Member List was updated using the National Change of Address system (NCOA), which updates the addresses for all persons who had moved in the previous four years and who had filed a change of address with the U.S. Postal Service;

b. The Notice of Class Action Settlement (the “Notice”), was printed, personalized, and inserted into a #10 window envelope (the “Notice Packet”). The template of the Notice is attached hereto as Exhibit “1”;

7. In support of the direct mail Notice Packet, CAC had regular phone communications with Class Members calling CAC. In general, the purpose of these communications was to:

- a. Transcribe and fulfill the Notice Packet as requested; and
- b. Answer Settlement Class member questions about the Notice Packet.

8. As of October 28, 2022, two (2) Notice Packets were returned to CAC by the U.S. Postal Service with forwarding addresses. The Settlement Class Member List was subsequently updated with the new addresses and a Notice Packet was re-mailed to said Settlement Class members at each of the new addresses.

9. As of October 28, 2022, ninety (90) Notice Packets have been returned to CAC by the U.S. Postal Service without forwarding addresses. For these Notice Packets, an address search was completed resulting in sixty-one (61) new addresses. I caused the Settlement Class Member List to be updated with the new addresses from the address search results and a Notice Packet to be re-mailed to said Settlement Class members at each of these new addresses. Additionally, through phone correspondence or other correspondence, CAC continued to make a good faith effort to re-mail RFND mail leaving only twenty-nine (29) Notice Packets that remain classified as undeliverable after various attempts to locate the current address for said Settlement Class members.

10. As of October 28, 2022, seven thousand nine hundred nineteen (7,919) Settlement Class members (99.9% of the Settlement Class) have not requested exclusion and are considered a participating class member. Pursuant to the settlement agreement, each participating class member will receive a share of the NET DISTRIBUTION AMOUNT (after all contingent costs are removed) based on the number of pay periods they were employed during the CLASS PERIOD. There have been no challenges to the pay period determinations.

11. As of October 28, 2022, CAC has received seven (7) Requests for Exclusion.

12. As of October 28, 2022, CAC has received zero (0) Objections.

13. It is my opinion that the above-described notice program and the Notice Packet are adequate and reasonable under the circumstances. They are consistent with standards previously employed by CAC in notification programs designed to reach known members of settlement groups or classes.

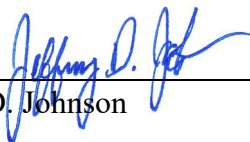
Additionally, the implemented notice program and the Notice Packet are fully compliant with the notice requirements established by California law, as well as the parties' Settlement Agreement and the prior Order of this Court.

14. Finally, if the settlement is finally approved by the Court, CAC will make all payment distributions from funds provided by Defendants in accordance with terms of the Settlement Agreement or as is otherwise ordered by the Court.

15. Currently, the average recovery for each participating class member is \$308.87. The highest amount a class member will receive is \$534.51. The lowest amount a class member will receive is \$5.69.

16. Settlement administration costs are expected to be no more than \$27,390.51.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 28th day of October, 2022.



Jeffrey D. Johnson

EXHIBIT 1:

➤ Notice

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO

NOTICE OF CLASS ACTION SETTLEMENT

PLEASE READ CAREFULLY AS
THIS NOTICE MAY AFFECT YOUR RIGHTS

JESSICA MALDONADO, individually, and on behalf of other members of the public similarly situated, Plaintiff, vs. RADY CHILDREN’S PHYSICIAN MANAGEMENT SERVICES, INC., a California Corporation; RADY CHILDREN’S HOSPITAL-SAN DIEGO, a California Corporation; RADY CHILDREN’S HOSPITAL AND HEALTH CENTER, a California Corporation; and DOES 1-10, inclusive, Defendants.	CASE No. 37-2021-00014090-CU-OE-CTL JUDGE: Honorable Joel R. Wohlfeil DEPARTMENT: C-73 NOTICE OF CLASS ACTION SETTLEMENT
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I. WHY DID I GET THIS NOTICE?

This notice explains that a settlement has been reached in the case entitled *Jessica Maldonado v. Rady Children’s Physician Management Services Inc., et al.*, Case No. 37-2021-00014090-CU-OE-CTL (the “Action”).

This notice is to inform you of the proposed Settlement of the Action. The notice is also intended (i) to describe the Settlement, including how the Settlement monies will be allocated and how the Settlement may affect you; and (ii) to advise you of your rights and options with respect to the Settlement.

You are receiving this notice by order of the Court because the records of Rady Children’s Hospital—San Diego, Rady Children’s Physician Management Services, and Rady Children’s Hospital and Health Center (hereinafter collectively “Rady”), indicate that you are a current or former Rady employee who worked in California during the time period of February 12, 2019, to September 1, 2022 (the “Class”). As a result, **you are eligible to receive a portion of the settlement amount.**

This is **not** a notice of a lawsuit against you. **You are not being sued.** Your participation in the Settlement will **not** affect your employment with Rady in any way whatsoever.

II. WHAT IS THE CLASS ACTION LAWSUIT ABOUT?

In March 2021, a Rady employee in California filed a lawsuit in which she alleged violations of California wage-and-hour laws on a class action and representative basis as to all of Rady current and former employees in California.

The Class Action alleges that the Class was not paid regular, minimum, or overtime wages or final wages upon separation from employment, as required by California law; was not provided meal and rest periods under the California Labor Code and Wage Orders; was not reimbursed for all business-related expenses; and, was not provided pay statements with information specified in the California Labor Code. The Class Action also alleges violations under the California Business and Professions Code §§ 17200 et seq. based on the foregoing state law

claims. The lawsuit also seeks penalties under California's Private Attorneys General Act ("PAGA") set forth in California Labor Code §§ 2699 et seq.

The individuals who are suing Rady is referred to in this document as "Plaintiffs." Plaintiffs' attorneys, Sullivan & Yaeckel Law Group, APC, have been litigating the Action in State Court prior to this settlement.

Rady claims that the members of the Class have been paid all monies that were due to them, maintains that it has complied with California's wage-and-hour laws, and denies all wrongdoing.

The Court has not ruled on whether Plaintiffs' allegations have any merit. However, in order to avoid the time and expense of further litigation, the ultimate outcome of which is uncertain, and to provide a fair and reasonable resolution of this legal dispute, Plaintiffs and Rady have negotiated a settlement whereby Rady has agreed to pay up to **\$3,980,000.00** to resolve the matter. As a Class Member, you are eligible to receive a portion of this amount.

This settlement is **not** an admission by Rady of any liability.

III. WHO IS INCLUDED IN THIS CLASS ACTION?

All persons who were employed by and worked for Rady in California at any time during the time period of February 12, 2019, to September 1, 2022 (the "Class Period").

IV. WHAT DOES THE PROPOSED SETTLEMENT OFFER?

Under the terms of the parties' proposed settlement, the following will occur if the settlement is given final approval by the Court:

A. Rady will pay up to **Three Million Nine Hundred Eighty Thousand Dollars** (\$3,980,000.00) to settle the claims of all Class Members.

B. A claims administrator has been appointed by the Court to administer the settlement. The claims administrator will pay from the \$3,980,000.00: (1) Plaintiff's counsel's attorneys' fees, up to one-third of the settlement value (or \$1,326,666.67); (2) Plaintiff's costs of litigation, up to the amount of \$20,000.00; (3) The expenses of administering the settlement, up to the amount of \$30,000.00; (4) An enhancement award of up to \$5,000.00 (\$10,000 total) for each Plaintiff's role in pursuing the litigation; and (5) A payment of \$150,000.00 to the California Labor & Workforce Development Agency, representing 75% of the \$200,000.00 allocated to the settlement of Plaintiff's claim for civil penalties under PAGA. The remainder of the \$3,980,000.00 will be paid to the Class Members in settlement of their individual claims (the "Class Payment").

C. The Class Payment will be divided among all Class Members based on the estimated number of weeks worked for Rady in California by each Class Member. That is, the Class Payment will be divided by the number of aggregate qualified weeks worked by all Class Members during the Class Period to produce a "Weekly Settlement Value." A "qualified week" is any week in which a Class Member was employed by and worked for Rady in California during the Class Period. If you do not opt out of the settlement, you will be eligible to receive a settlement payment in the amount of the total number of qualified weeks you worked for Rady during the Class Period multiplied by the Weekly Settlement Value, less applicable withholdings.

D. Corresponding to Rady records, you worked for Rady in the State of California for approximately **<PayPeriods>** pay periods during the Class Period, which runs from February 12, 2019, through September 1, 2022.

Your portion of the Settlement Payment will be based on the above information. If you believe the information above is incorrect, you may dispute this information by sending your corrections and any supporting documentation to the Claims Administrator via U.S. Mail, at CAC Services Group, LLC, 6420 Flying Cloud Dr Ste 101, Eden Prairie, MN 55344. Please be advised that the information listed above is presumed to be correct unless you prove otherwise

The estimated value of each workweek for purposes of calculating Settlement Payments to all Class Members is approximately: \$5.67383. Your settlement amount will be calculated by multiplying this amount by your number of weeks you worked for Rady during the Class Period. Your estimated settlement amount is **<Payment>**. This is only an estimate. Your actual share may change depending on the Court's final ruling and the final number of participating Class Members.

E. If the Court grants final approval of the settlement agreement and you do not opt out of the settlement, then you will release Rady and their past, present, and future parents, subsidiaries, divisions, affiliates, predecessors, successors, and assigns, and each of their past, present, and future shareholders, owners, officers, directors, employees, agents, trustees, attorneys, representatives, administrators, fiduciaries, beneficiaries, subrogees, executors, partners, privies that from all claims that were or could have been asserted based on the factual allegations in the Operative Complaint or based on any facts discovered in the course of the Action, including (without limitation), claims for failure to pay minimum or overtime wages, failure to provide meal and rest periods or to pay meal and rest period premiums, failure to indemnify necessary business expenses, failure to pay all wages due to discharged or quitting employees, failure to reimburse necessary business expenses, failure to provide accurate itemized wage statements; claims under California Labor Code sections 201 to 204, 210, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2698 et seq., 2802, and the Wage Orders promulgated thereunder, California Business and Professions Code section 17200, et seq., and claims for injunctive relief, punitive damages, penalties of any nature (including PAGA civil penalties and statutory penalties), interest, fees, and costs) for the time period from February 12, 2019 up to and including the last date of the Class Period. You will be barred from prosecuting any of the Released Class Claims against the Released Parties.

F. Please Note: Individuals who fall within the definition of the Class may choose to request exclusion or "opt-out" of the Class under such procedures specified herein. Any such persons who opt-out of the Class ("Opt-Outs") will not receive an Individual Class Payment. However, you may not opt-out of the portion of the Settlement relating to the settlement of claims under PAGA. Even if a Class Member opts-out, they will still receive an Individual PAGA Payment. You will be bound by the PAGA portion of the release whether or not you cash the check for your portion of the PAGA penalties before it becomes void. Class Members who opt-out will only be bound by the release of the PAGA claims and will retain all other rights in their individual capacity.

V. WHAT ARE MY OPTIONS?

A. ***You may accept your share of the \$3,980,000.00 settlement and be bound by the release of all claims described above.*** Settlement awards will be paid by check after the settlement is given final approval by the Court. The checks will be mailed to you by the claims administrator. Your check will remain valid and negotiable for one hundred eighty (180) days from the date on which it is issued. After those one hundred eighty (180) days expire, the check will become void; ***or***

B. ***You may exclude yourself from the settlement, in which case you will not receive your share of the settlement and you will not be bound by the settlement.*** If you choose to be excluded, by no later than October 23, 2022, you must send a written request for exclusion, by mail, to the claims administrator, CAC Services Group, LLC, located at 6420 Flying Cloud Dr Ste 101, Eden Prairie, MN 55344. In order to be considered valid, your request for exclusion ***must*** include your name, your address, a request for exclusion, and your signature.

C. ***You may object to the settlement.*** The procedures for objecting to the settlement are described below in Section VIII of this form.

VI. WHAT ARE THE PROCEDURES FOR PAYMENT?

A. The claims administrator will calculate your share of the settlement and will issue you a check.

B. Twenty-Five percent (25%) of your share of the settlement will be considered wages from which ordinary tax withholdings will be deducted. No tax deductions shall be made from the remaining seventy-five percent (75%). You will be given IRS tax forms for each of these amounts. You are responsible for paying the correct amount of taxes on each portion of your share of the settlement.

C. It is important for the parties to have your current address in order to be able to send you other mailings regarding the Action. You should contact the claims administrator to report any change of your address after you receive this Notice. Failure to report a change of address may result in you not receiving your share of the settlement money.

VII. HEARING ON PROPOSED SETTLEMENT

A final fairness hearing will be held before the Court on December 2, 2022, at 9:00a.m., in Department C-73 of the San Diego County Superior Court, located at the Hall of Justice, 330 West Broadway, San Diego, California 92101, to decide whether or not the proposed settlement is fair, reasonable, and adequate. The Court may adjourn or continue the hearing without further notice to you. You are not required to attend the hearing. Sullivan & Yaeckel Law Group, APC (contact information below), counsel for Plaintiff and the Class, will answer any questions the Court may have. However, you are welcome to attend the hearing at your own expense. Procedures for making remote appearances at the hearing are allowed, but are subject to change. However, those procedures are posted on the Court's website at: <https://www.sdcourt.ca.gov/virtualhearings>.

You should check the Court website for up to date information before attempting to make a remote appearance.

VIII. PROCEDURES FOR OBJECTING TO SETTLEMENT

You have the option of objecting to the Settlement and telling the Court that you don't agree with the Settlement or some part of it. The Court will consider your views. To object, you may send a letter, which you must sign, saying that you object to the settlement of *Jessica Maldonado v. Rady Children's Physician Management Services Inc., et al.*, Case No. 37-2021-00014090-CU-OE-CTL. Be sure to include the case name and case number (as shown in the preceding sentence), your name, the last four digits of your Social Security Number and/or your Rady employee ID number, your address, the specific reasons you object to the terms of the Settlement, and your signature. Mail the objection to the Settlement Administrator address at CAC Services Group, LLC, 6420 Flying Cloud Dr Ste 101, Eden Prairie, MN 55344 or fax to (888) 495-9746 on or before October 23, 2022. A written objection is optional. You may also appear the Final Approval Hearing, as described in Section VII, above, to have any objections heard by the Court.

IX. EXAMINATION OF COURT PAPERS AND QUESTIONS

This Notice summarizes the Settlement. For more detailed information, you may view a complete copy of the settlement agreement, and any papers filed in the Action, which are on file with the Clerk of the Court, case number 37-2021-00014090-CU-OE-CTL. The pleadings and all other records from this litigation may be examined by inspecting the Court file in the at the filing department of the San Diego County Superior Court, located at Hall of Justice, 330 West Broadway, San Diego, California 92101. You may also review the settlement agreement, along with other court records regarding this case, on the Court's website,

<https://www.sdcourt.ca.gov/sdcourt/generalinformation/accesscourtrecords>, through the link to the “Register of Actions.”

If you have any questions, you can call the Claims Administrator at (866) 602-2260 or any of Class Counsel (see below for phone numbers.)

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**PLEASE DO NOT CALL THE COURT, RADY,
RADY CORPORATE OFFICE AND MANAGERS, OR
RADY ATTORNEYS REGARDING THIS SETTLEMENT.**
