

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Civil Division

Central District, Stanley Mosk Courthouse, Department 71

21STCV09822

BRANDY ELLOIE, et al. vs HEALTHMARKETS, INC., et al.

December 3, 2025

8:30 AM

Judge: Honorable Daniel M. Crowley

Judicial Assistant: Jontae Marquez

Courtroom Assistant: Debra Major

CSR: None

ERM: None

Deputy Sheriff: None

APPEARANCES:

For Plaintiff(s): Christopher Garcia for via LACourtConnect Edwin Kamarzarian

For Defendant(s): David J. Kim via LACourtConnect

NATURE OF PROCEEDINGS: Hearing on Motion - Other PLAINTIFF'S NOTICE OF MOTION AND MOTION FOR APPROVAL OF PAGA SETTLEMENT

The Court issues a tentative ruling and its posted on the Court's website for the parties to review.

The matter is called for hearing.

The Court and both counsel confer regarding the tentative ruling.

The Court has read and considered all documents filed hereto regarding the above-captioned Motion. Counsel is given the opportunity to argue. After conferring with the parties, the Court adopts its Tentative Ruling as the Final Ruling as follows:

Plaintiff Brandy Elloie's motion to approve PAGA settlement is GRANTED.

Plaintiff Brandy Elloie (Plaintiff) moves for Court approval of a Private Attorney General Act (PAGA) settlement that Plaintiff and Defendant Healthmarkets Insurance Agency, Inc. (Defendant) stipulated to.

Background

On March 11, 2021, Plaintiff filed a class action complaint against Defendant, Healthmarkets, Inc., Insphere Insurance Solutions, Inc., and Does 1 through 10.

On July 16, 2021, in light of an arbitration clause Plaintiff signed, Plaintiff dismissed the class and individual claims in the class action lawsuit. (Moon Decl., ¶ 6.)

On July 22, 2021, Plaintiff filed a first amended complaint (FAC) against the same parties, alleging one cause of action for civil penalties under PAGA.

On August 30, 2022, the parties stipulated to arbitrate Plaintiff's individual claims, including the individual portion of the PAGA claim in the action, and stay the representative

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portion of the PAGA claims until the completion of the arbitration. (Moon Decl., ¶ 11.)

After commencement of the arbitration, the Parties agreed to mediate. (Moon Decl., ¶ 14.)

On September 16, 2025, Plaintiff filed the instant motion requesting the Court to approve the PAGA settlement.

On November 18, 2025, Defendant filed its notice of non-opposition to the Plaintiff's motion for approval of the PAGA settlement.

Legal Standard

Pursuant to Labor Code section 2699 subdivision (s)(2), "[t]he superior court shall review and approve any settlement of any civil action filed pursuant to this part. The proposed settlement shall be submitted to the agency at the same time that it is submitted to the court." The purpose of this requirement is to "ensur[e] that any negotiated resolution is fair to those affected." (*Williams v. Superior Court* (2017) 3 Cal.5th 531, 549.) "Aside from the requirement that the court 'review and approve' a settlement in a civil action filed under PAGA[], PAGA itself does not provide a standard for this review." (*Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, 75.) "[A] trial court should evaluate a PAGA settlement to determine whether it is fair, reasonable, and adequate in view of PAGA's purposes to remediate present labor law violations, deter future ones, and to maximize enforcement of state labor laws." (*Id.*, at 77.)

"A PAGA representative action is therefore a type of qui tam action." (*Iskanian v. CLS Transportation Los Angeles, LLC* (2014) 59 Cal.4th 348, 382 abrogated on other grounds by *Viking River Cruises, Inc. v. Moriana* (2022) 142 S.Ct. 1906.) Approval of a qui tam action generally requires a court determination "that the proposed settlement is fair, adequate, and reasonable under all of the circumstances." (Gov. Code, § 12652, subd. (e)(2)(B).) "Because many of the factors used to evaluate class action settlements bear on a settlement's fairness—including the strength of the plaintiff's case, the risk, the stage of the proceeding, the complexity and likely duration of further litigation, and the settlement amount—these factors can be useful in evaluating the fairness of a PAGA settlement." (*Moniz, supra*, 72 Cal.App.5th at 77.) Given PAGA's purpose is to protect the public interest, the court may appropriately review a PAGA settlement to ascertain whether it is fair considering PAGA's purposes and policies. (*Ibid.*)

Discussion

Plaintiff moves for approval of the stipulated PAGA settlement.

a. Terms of the Settlement

The parties agreed to a gross settlement of \$545,000, minus attorneys' fees of no more than \$181,666.66, litigation costs of no more than \$20,000, and the settlement administrator's expenses of no more than \$7,500. (Moon Decl., ¶¶ 19-21; Ex. 1, PAGA Settlement, ¶¶ 1.16,

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1.25, 1.5.) This results in a Net Settlement Amount for the Labor and Workforce Development Agency (LWDA) and PAGA members of approximately \$339,254.40. (Moon Decl., ¶ 31.) Accordingly, \$254,440.80 will be available to the LWDA and \$84,813.60 will be available to PAGA members. (*Ibid.*)

The settlement is properly non-reversionary. (Ex. 1, PAGA Settlement, ¶ 9.3.) The PAGA settlement includes all current and former people who contracted with Defendant as independent contractor insurance agents within California at any time during the PAGA time period, spanning from May 18, 2020 through the date the settlement is approved. (Moon Decl., ¶ 18; Ex. 1, PAGA Settlement, ¶¶ 1.2; 1.18.) There are an estimated 752 PAGA members and an estimated 28,592 relevant pay periods. (Moon Decl., ¶¶ 24, 31; Ex. 1, PAGA Settlement, ¶ 4.1.) The average estimated individual payout for the PAGA members is \$112.78. (Moon Decl., ¶ 31; Ex. 1, PAGA Settlement, ¶ 4.1.)

The settlement includes the required distribution of Net Settlement Amount: 75% to the LWDA and 25% on a pro rata basis based on the number of biweekly pay periods worked during the PAGA period the aggrieved employees. (Moon Decl., ¶ 21; Ex. 1, PAGA Settlement, ¶ 1.16; 1.18.) As required by PAGA, Plaintiff's counsel submitted a notice of settlement and a copy of the proposed PAGA settlement to the LWDA. (Moon Decl., ¶ 17; Ex. 3.) LWDA acknowledged receipt and did not object to the proposed settlement. (*Ibid.*)

b. The Total Settlement Amount is Fair, Reasonable, and Adequate Under the Circumstances of the Case

On April 17, 2025, the parties spent a full day in mediation but were unsuccessful. (Moon Decl., ¶ 16.) However, the mediator issued a mediator's proposal that the parties agreed to on April 21, 2025. (*Ibid.*) The parties recognized that if they did not come to an agreement, they would be forced to resolve the dispute with extensive and costly pretrial and trial proceedings, leading to further inconvenience, distraction, disruption, delay, and expense. (*Ibid.*)

Based on Plaintiff's counsel's analysis of the extensive documents and information provided by Defendant, Plaintiff's expert's analysis of the records, information provided by Plaintiff, and litigation risks, Plaintiff's counsel believes the settlement is fair. (Moon Decl., ¶ 23.) The evidentiary support for some of the claims is less than Plaintiff's counsel expected and the arbitrator even granted summary adjudication in favor of Defendant for some of Plaintiff's individual Labor Code claims. (*Ibid.*) Plaintiff's counsel finds that the realistic exposure is far below the optimistic maximum exposure. (*Ibid.*) The agreement was proposed by the neutral mediator, so this further supports its reasonableness. (Moon Decl., ¶ 16.)

The Court finds that the \$545,000.00 settlement is fair, reasonable, and adequate considering Plaintiff's PAGA claims, Defendants' potential defenses, possible reductions in any eventual PAGA award, and the posture of this case. (See *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 130 ["The most important factor is the strength of the case for

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plaintiffs on the merits, balanced against the amount offered in settlement.”].) The settlement amount provides genuine and meaningful relief consistent with the purpose of PAGA. (*Moniz, supra*, 72 Cal.App.5th at 77 [“a trial court should evaluate a PAGA settlement to determine whether it is fair, reasonable, and adequate in view of PAGA’s purposes to remediate present labor law violations, deter future ones, and to maximize enforcement of state labor laws.”].)

The settlement provides for attorney fees of no more than 33 1/3% of the gross settlement amount (\$181,666.66) and attorneys’ costs of no more than \$20,000 for reimbursement for out-of-pocket litigation costs. (Moon Decl., ¶ 19; Ex. 1, PAGA Settlement, ¶ 1.5.) Plaintiff’s counsel attests to his firm incurring \$17,967.94 in costs. (Moon Decl., ¶ 19; Ex. 4.) Simpluris, Inc. is the neutral entity to administer the settlement, and its bid is for \$6,111. (Moon Decl., ¶ 20; Ex. 5.) The proposed fees and costs are acceptable under the common fund doctrine and within the adequate range of the lodestar amount. (Moon Decl., ¶¶ 67-69.) See *Consumer Privacy Cases* (2009) 175 Cal.App.4th 545, 557; *Laffitte v. Robert Half Internat. Inc.* (2016) 1 Cal.5th 480, 503.) Moreover, considering the work completed by Plaintiff’s counsel to bring about this PAGA settlement, (e.g., legal research, discovery, damages analysis, mediation, etc.), the Court finds that the attorney fees and costs are reasonable.

Conclusion

The Court GRANTS the motion for approval of PAGA settlement.

Plaintiff to give notice and shall provide the LWDA a copy of this order. (Lab. Code, § 2699, subd. (s)(3) [“A copy of the superior court’s judgment in any civil action filed pursuant to this part and any other order in that action that either provides for or denies an award of civil penalties under this code shall be submitted to the agency within 10 days after entry of the judgment or order.”].)

The Court sets a status conference re compliance with this order on March 2, 2026 at 8:30 a.m. The Court orders Plaintiff to provide a status report on the issue of compliance with this order by February 23, 2026.

The Motion re: FOR APPROVAL OF PAGA SETTLEMENT filed by Brandy Elloie on 09/16/2025 is Granted.

The Court retains jurisdiction to make orders to enforce any and all terms of settlement, including judgment, pursuant to Code of Civil Procedure Section 664.6.

On the Court's own motion, the Order to Show Cause Re: Dismissal (Settlement) scheduled for 03/02/2026 is advanced to this date and vacated.

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Status Conference Re: Compliance with the Terms of the Settlement is scheduled for 03/02/2026 at 08:30 AM in Department 71 at Stanley Mosk Courthouse.

The Court advises counsel that the Order Granting the Plaintiff's Motion to Approve PAGA Settlement will be signed by the Court.

Notice is waived.