

Barnuevo vs.  
Prime  
Healthcare La  
Palma, LLC  
2021-01223132

### Motion to Approve a PAGA Settlement

The Court has reviewed the supplemental materials provided by Plaintiffs' Counsel and finds that they adequately address the previously identified issues. Accordingly, Plaintiffs Maylo Barnuevo, Nelson Basilio, Eric Adrian Estrella, Eric Brian Estrella, Ali Khatatba, Patrick Santiago Lim, Karen Sampson's Motion for Approval of PAGA Settlement is GRANTED.

This is a Labor Code violation case, including a PAGA claim. On 9/24/2021, Plaintiffs Maylo Barnuevo, Nelson Basilio, Eric Adrian Estrella, Eric Brian Estrella, Ali Khatatba, Patrick Santiago Lim, Karen Sampson filed a complaint for Labor Code violations against Defendant Prime Healthcare La Palma LLC. (ROA #2.) On 11/30/2021, Plaintiffs filed a first amended complaint, which included adding a PAGA cause of action. (ROA #9.) The operative complaint is the second amended complaint (SAC), filed on 1/14/2026. (ROA #135.)

In the meantime, on 5/2/2022, the parties stipulated to arbitrate Plaintiffs' claims and to stay this action, "including the PAGA action," until this matter is arbitrated. The Court entered the stipulated order to stay this action on 5/2/2022. (ROA #56.)

On 3/20/2026, Plaintiffs filed a notice of related case. (ROA #145.) On 3/25/2026, the Court took notice of Mical v. Prime Healthcare La Palma, LLC, OCSC Case No. 2022-01292457, as a related case. (ROA #149.)

On 1/21/2026, Plaintiffs filed the instant Motion to Approve a PAGA Settlement, and submitted for the Court's review the Joint Stipulation of PAGA Settlement and Release of Claims ("Settlement Agreement") and proposed notice/cover letter to aggrieved employees that will accompany the payment to them. The parties seek the Court's approval of this settlement while the arbitration of Plaintiffs' remaining claims is still pending. The motion seeks approval of the parties' proposed settlement of Plaintiffs' PAGA claims for the non-reversionary gross settlement amount (GSA) of \$500,000.

The settlement applies to the claims of PAGA Aggrieved Employees, defined as "all current and former non-exempt, hourly employees working for Defendant in California at any time between September 21, 2020, through September 10, 2025."

On 6/11/2026, the Court continued the first hearing on the Motion and asked Plaintiffs' Counsel to address various issues. (ROA #163.) Counsel has submitted supplemental materials, including an Amended Joint Stipulation of PAGA Settlement and Release of Claims ("Amended Settlement Agreement") and an amended notice/cover letter to aggrieved employees that will accompany the payment to them.

Based on a review of all submissions made in support of the Motion, the Court finds the settlement is fair, adequate, and reasonable.

The Court previously concluded that an attorneys' fee award totaling \$166,666.67 or 1/3 of the GSA, constituting a 0.13 multiplier of the lodestar amount based on counsel's proffered evidence, is fair, adequate, and reasonable for a settlement of this size, including considering the action's contingent nature and the results achieved.

The Court also previously concluded that a litigation cost award totaling \$51,030.09, which is the amount requested in the motion, is supported by counsel's proffered evidence.

Accordingly, the Court approves the following specific awards and disbursements from the GSA:

- Attorneys' fees totaling \$166,666.67 awarded to Plaintiffs' counsel;
- Litigation costs totaling \$51,030.09 awarded to Plaintiffs' counsel; and
- Settlement administration costs of \$6,490.00 awarded to Apex Class Action Administration.

PAGA penalties in the amount of \$275,813.24 shall be allocated as follows: seventy-five percent (75%), or \$206,859.93, payable to the Labor and Workforce Development Agency (LWDA); and twenty-five percent (25%), or \$68,953.31, payable to the Aggrieved Employees in accordance with the terms of the Amended Settlement Agreement.

Final Accounting is set for November 18, 2027, at 2:00 p.m. in Department CX102. Counsel shall submit the final report of the settlement administrator regarding the status of the settlement administration no later than sixteen (16) court days prior to the hearing. The final report must include all information necessary for the Court to determine the total amount of the settlement funds actually paid to the Aggrieved Employees and all others in accordance with the Settlement, as well as the amount of unclaimed funds, if any, remitted to the State Controller's Unclaimed Property Fund. If the settlement funds are not completely disbursed by the report deadline, counsel must request a continuance. Failure to do so may result in the issuance of an Order to Show Cause re Monetary Sanctions.

Plaintiffs to give notice of this ruling, including to the LWDA, within five (5) court days, and file proof of service.