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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SACRAMENTO

STACY O'BRAZA, RACHEL ELIAS-BERG, and HEATHER FICHTNER, each individually and on behalf of all others similarly situated, Plaintiffs, v. DIGNITY HEALTH, a California corporation, and DOES 1 through 10, inclusive, Defendants.	Case No. 34-2018-00240446 Assigned to: Hon. Lauri A. Damrell Dept.: 8B **PLAINTIFFS' MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION FOR FINAL APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT** Hearing Date: July 10, 2026 Time: 9:00 a.m. Location: Dept. 8B Action Filed: September 10, 2018

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Plaintiff Stacy O'Braza, Plaintiff Rachel Elias-Berg, and Plaintiff Heather Fichtner (hereinafter "Plaintiffs") seek final approval of a $5,000,000.00 proposed wage and hour class action and PAGA settlement on behalf of a settlement class defined as, "[A]ll Registered Nurses and Licensed Vocational Nurses who were: (1) employed by Defendant Dignity Health ("Defendant") at each of the Sacramento Hospitals' Medical-Surgical, Telemetry, or Specialty Care units, or other similar units having a 1:4 or 1:5 nurse-to-patient ratio as defined and required by 22 C.C.R. 70217(a)(10-12); and (2) worked for Defendant during the Class Period for a period of at least one (1) Workweek" and all Aggrieved Employees defined as, "[A]ll current and former non-exempt employees who worked for Defendant during the PAGA Period at the Sacramento Hospitals for at least one (1) Workweek. *See* Class, Collective and PAGA Representative Action Settlement Agreement and Class Notice ("Settlement Agreement") at ¶¶ 1.4, 1.5.

The court-approved Notice of Class, Collective, and PAGA Representative Action Settlement (the "Class Notice") was sent by CPT Group, Inc. (the "Settlement Administrator") on May 18, 2026. Declaration of Laura Singh With Respect To Settlement Administration and Class Notice ("Singh Decl.") at ¶ 8. In response to the Class Notice, there have been zero objections to the settlement. Singh Decl. at ¶¶ 13-14. Forty-One (41) class members requested to be excluded from the settlement. Singh Decl. at ¶¶ 13-14. There are no outstanding disputes. Singh Decl. at ¶¶ 13-14.

The settlement will provide Participating Class Members with an average estimated payment of $580.00 per Class Member, with the highest estimated award being $1,223.35. Singh Decl. at ¶18.

In addition to final approval of the settlement, Plaintiffs also move for final approval of payment in the amount of $20,000 to each Plaintiff to compensate them for the general release they agreed to and for the time they spent on and the risks absorbed for undertaking this case. Plaintiffs played a vital role in representing the other employees in this case and spearheading the lawsuit to seek actual and substantial monetary relief for them.

Additionally, Plaintiffs move for final approval of $82,000.00 to the Settlement Administrator, for the costs and fees of administering settlement.

Further, Plaintiffs move for final approval of payment to the Labor and Workforce Development Agency ("LWDA") under the Labor Code Private Attorneys General Act of 2004 ("PAGA") in the amount of $75,000.00 (75% of $100,000.00 allocated to PAGA penalties).

Plaintiffs' counsel have previously filed their Motion for Attorneys' Fees and Costs seeking an award of $1,666,666.67 in attorneys' fees and $28,577.72 in litigation costs reasonably expended in the prosecution of this action. Intervenor the Barkhordarian Law Firm has requested a share of the attorneys' fees as well as costs int eh amount of $9,437.33.

The requested amount of attorneys' fees, litigation costs, Class Representative Service Awards/General Release Payments, and settlement administration costs were fully disclosed to the Class Members when the Class Notice was mailed to them. Singh Decl. at ¶4. Notice of the proposed settlement has been provided to the LWDA. See Declaration of Service at ¶3.

As demonstrated below, Class Counsel is convinced that the proposed settlement is in the best interest of the Class based on the negotiations and a detailed knowledge of the issues present in this action. This motion is unopposed by Defendant. Accordingly, this Motion should be granted in its entirety.

II. FACTS AND PROCEDURAL HISTORY

Plaintiffs Stacy O'Braza, Rachel Elias-Berg, and Heather Fichtner ("Plaintiffs") filed this case on September 10, 2018, alleging a failure to pay nurses for all time worked due to the combination of Defendant's uniform policies and practices of (a) rounding time punches to the nearest 15 minute increment, and (b) requiring nurses to work off the clock to prepare for the start of their 12-hour shifts and to close out and handoff their patients at the end of those shifts.

Defendant answered on November 8, 2018.

On July 18, 2019, Defendant filed a Motion for Summary Adjudication. Plaintiffs opposed Defendant's Motion for Summary Adjudication, and the Court denied Defendant's motion on or about January 10, 2020.

Plaintiffs filed their Motion for Class Certification on March 4, 2022, which Defendant vigorously opposed. On June 21, 2022, the Court granted Plaintiffs' Motion for Class Certification, in part, and certified the following class:

> For the time period from September 10, 2014 until the date the Notice of Class Certification is mailed, all Registered Nurses in each of the Sacramento Hospitals' Medical-Surgical, Telemetry, or Specialty Care units, or other similar units having a 1:4 or 1:5 nurse-to-patient ratio as defined and required by 22 C.C.R. 70217(a)(10-12), who meet both of the following requirements: (1) are regularly assigned to work a 12-hour shift as set forth in I.W.C. Wage Order 5 – Public Housekeeping Industry ("Wage Order 5"), Section 3(B)(8); and (2) were not paid all wages for work performed for Dignity because of its non-neutral rounding policy of rounding clock-in and clock-out times to the nearest 15-minute increment. For purposes of this class definition, "Sacramento Hospitals" is defined as the seven (7) Dignity hospitals in the Sacramento area having uniform policies and practices with respect to timekeeping and payment of wages:
> a. Woodland Memorial Hospital
> b. Mercy General Hospital
> c. Mercy Folsom Hospital
> d. Mercy San Juan Hospital
> e. Methodist Hospital of Sacramento
> f. Sierra Nevada Memorial Hospital
> g. Mercy Redding Hospital.

The Court also granted certification of the derivative Waiting Time Subclass and Wage Statement Subclass proposed by Plaintiffs.

In January 2024, the Parties had a short Mandatory Settlement Conference. In preparation for that Mandatory Settlement Conference, Plaintiffs' Counsel conducted a detailed and time-consuming analysis of the class data provided by Defendant in discovery, which included 5,000 pages of documents and 3.4 million line entries of time record and payroll data in Excel. Although the short Mandatory Settlement Conference did not result in any significant negotiation, the end result was an agreement to have a subsequent formal mediation with Tripper Ortman, Esq. a trusted, experienced, and preeminent wage and hour class action mediator. *See* Lazarski Prelim. Approval Decl. at ¶13. The Parties participated in mediation with Mr. Ortman on November 1, 2024 and agreed to the essential settlement terms, which were eventually formalized in a Memorandum of Understanding and the Settlement Stipulation.

Plaintiffs presented the proposed settlement to the Court via a Motion for Preliminary Approval that was filed on April 3, 2025. Preliminary approval was granted on June 18, 2025.

In the course of preparing the class data for purposes of settlement administration, Defendant encountered substantial data extraction and verification issues. Once these issues were resolved, Defendant determined that the PAGA Aggrieved Employees number 21,251 current and former non-exempt employees, 5,263 of whom are also Class Members. *See* Singh Decl. at ¶5. Defendant provided the final data file of Class Member data to the Settlement Administrator on or about May 4, 2026. *See* Singh Decl. at ¶5. Notice Packets to all 21,251 Aggrieved Employees and Class Members were mailed shortly thereafter, on May 18, 2026. *See* Singh Decl. at ¶5. As of the date of the Administrator's declaration submitted herewith, there have been no written objections to the settlement and only forty-one (41) requests for exclusion (less than one percent of the Settlement Class). *See* Singh Decl. at ¶13-24.

III. SUMMARY OF PROPOSED SETTLEMENT AND JUDGMENT

Plaintiffs seek final approval and entry of judgment of a proposed settlement in the Gross Settlement Amount of $5,000,000.00. *See* Settlement Stipulation at ¶3.1.

Under the proposed Settlement, the Gross Settlement Amount shall be distributed as follows:

Line Item	**Amount**	**Reference**
Total Individual Class Payments	$2,991,333.33	Settlement Stipulation ¶1.24
Total Individual PAGA Payments	$25,000.00	Settlement Stipulation ¶1.25
LWDA PAGA Payment	$75,000.00	Settlement Stipulation ¶1.29
Class Counsel Fees Payment	$1,666,666.67	Settlement Stipulation ¶1.7
Class Counsel Litigation Expense Payment	$38,015.05 ($28,577.72 claimed by Class Counsel and $9,437.33 claimed by Intervenor the Barkhordarian Law Firm)	Settlement Stipulation ¶1.7
Class Representative Service Payments	$60,000.00	Settlement Stipulation ¶1.14
Administrator's Expense Payment	$82,000.00	Settlement Stipulation ¶1.3

IV. ARGUMENT

A. The Class Action Settlement is Fair, Reasonable, and Adequate and Satisfies the Standard for Final Approval

California Rule of Court, Rule 3.769, requires court approval for class action settlements. Cal. R. Ct. 3.769(g). "The settlement of a class action requires approval to prevent fraud or collusion between the defendant and class representative, and unfairness to the class." *Ocampo v. Nor-Cal Beverage Co., Inc.*, 2026 WL 34485 *3 (Jan. 6, 2026). In reviewing a proposed Class Action settlement, "Courts need only conclude the settlement is fair, adequate, and reasonable – not that the settlement is the best possible outcome. … Courts therefore may 'neither rubberstamp the settlement nor unduly meddle in the parties' affairs.'" *Kelly v. Aramark Services, Inc.,* 815 F.Supp.3d 1043, 1049 (N.D. Cal., Dec. 13, 2025) (*citing In re Calif. Pizza Kitchen Data Breach Litig*., 129 F.4th 667, 674 (9th Cir. 2025)). Accordingly, the Court must give "[due] regard to what is otherwise a private consensual agreement between the parties." *Wershba v. Apple Computer, Inc.* 91 Cal. App. 4th 224, 245 (2001).

In deciding whether to approve a class settlement, a court evaluates whether the proposed settlement is "fair, adequate, and reasonable." *Dunk v. Ford Motor Co.* 48 Cal. App. 4th 1794, 1801 (1996); *Carter v. City of Los Angeles*, 224 Cal.App.4th 808, 820 (2014). A court enjoys broad discretion to make its fairness determination. *Dunk*, 48 Cal. App. 4th at 1801. However, "a presumption of fairness exists where: (1) the settlement is reached through arm's-length bargaining; (2) investigation and discovery are sufficient to allow counsel and the court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small." *Dunk*, 48 Cal. App. 4th at 1802; *accord Wershba*, 91 Cal. App. 4th at 245. In addition, a court should consider additional relevant factors, including the strength of the plaintiffs' case compared to the settlement amount; the risk, expenses, complexity, and likely duration of further litigation; and the fair treatment of class members in relation to each other. *Dunk*, 48 Cal. App. 4th at 1802.

At the time of preliminary approval, the Court was provided with sufficient information to satisfy three of the four *Dunk* factors, leaving the fourth factor, the number of objectors, unknown until after the Class had an opportunity to respond to the Settlement as explained in the Class Notice.

Subject only to the Class's reaction to the Settlement, the Court preliminarily presumed the settlement was fair, adequate and reasonable. Following dissemination of the Class Notice, and adequate time provided to the Class to return an objection to the settlement, not a single objection was asserted or filed by any Class Member. Further, as noted above, only 41 Class Members, less than one percent of the Settlement Class, chose to opt out of the settlement. The lack of objections and small number of opt-outs further supports approval of the settlement. *See, e.g., Gong-Chun v. Aetna Inc*., 2012 WL 2872788, *16 (E.D. Cal. 2012) (settlement approved when less than two percent of the class members opted out and no objections were received); *Barcia v. Contain-A-Way, Inc*., 2009 WL 587844, *4 (S.D. Cal. 2009) (finding this factor weighed in favor of approval of settlement when there were only 56 opt-outs out of 2,385 class members and there were no objections)." *Scurlock v. Syneos Health US, Inc.,* No. CV 22-9444 FMO (JCX), 2025 WL 3050058, at *6 (C.D. Cal. Oct. 22, 2025). Thus, the proposed settlement is entitled to the presumption that it is fair.

The only other significant issue for the Court's review is to determine whether the proposed settlement conveys fair consideration to the Class in light of the additional class members identified in the course of settlement administration. "Even where the factors supporting a presumption of fairness exist, the court must independently evaluate whether 'the consideration being received for the release of the class members' claims is reasonable in light of the strengths and weaknesses of the claims and the risks of the particular litigation.'" *Portillo v. Ajr Trucking, Inc*., 2025 Wl 2813781 *9 (2025) (citing *Kullar v. Foot Locker Retail, Inc.* 168 Cal.App.4th 116, 129 (2008)).

The additional Class Members identified during the settlement administration process increased the workweek count to 1,406,155. *See* Singh Decl. at ¶6. Despite the addition of a substantial number of additional class members and workweeks, Plaintiffs submit that the proposed settlement payment fairly compensates the Class and should be approved. The $5,000,000.00 proposed settlement before the court results in a Net Settlement Amount of $3,053,318.28 to be distributed to the Class. *See* Singh Decl. at ¶17. The average settlement payment to the participating class of 5,222 individuals is a substantial $580.81. *See* Singh Decl. at ¶18. The payment per workweek is $2.13, despite the very high number of workweeks at issue in this case. *See* Singh Decl. at ¶18. All of these factors support final approval.

At preliminary approval, Class Counsel shared their *Kullar* analysis that calculated a risk adjusted range of **$5,576,676.68 - $2,022,436.25** based on **515,168** workweeks. *See* Declaration of Gregory P. Wong In Support of Plaintiffs' Motion for Preliminary Approval of Class Action Settlement ("Wong Decl.") at ¶¶6-22; Supplemental Submission In Further Support of Plaintiffs' Motion for Preliminary Approval of Class Action Settlement at pages 1-3. Even using "rough" math to scale up the *Kullar* risk analysis by a factor equal to the additional workweeks (1,406,155/55,168 = 2.73x scaling factor), the proposed $5,000,000.00 settlement, despite being negotiated under the assumption of nearly 2/3 fewer workweeks, is reasonably close to the low end of the "scaled" risk adjusted settlement range of **$15,221,581.70** ($5,576,676.68 x 2.73) to **$5,520,255.23** ($2,022,436.25 x 2.73). Plaintiffs submit that the settlement is still fair given: (1) As explained in Section IV(D) below, the methodology used to calculate the preliminary approval *Kullar* risk analysis actually overstates the potential PAGA penalties due to the inclusion of more Settlement Class Members; (2) Defendant's rounding practices ceased in 2023, so a substantial portion of the additional workweeks will fall into the period of time where there was no lost wages or penalties due to rounding; and (3) Class Notice was mailed with calculations regarding class member settlement payments that were based on 1,406,155 workweeks – and, in response, no class members have objected to the settlement and only 41 out of 5,263 class members have chosen to opt out of the settlement. *See* Singh Decl. at ¶¶ 4-6, 13-14. Accordingly, Plaintiffs believe that the settlement provides fair compensation to the settlement class, despite the additional class members and workweeks.

B. The Requested Class Representative Service Payments are Reasonable

Class Counsel seeks approval of a service payment to each named Plaintiff in the sum of $20,000, which represents less than 0.4%, each, of the $5,000,000.00 settlement. Courts routinely approve service payments, or incentive awards, to compensate named plaintiffs for the services they provide and the risks they incur during class litigation. *See In re Cellphone Fee Termination Cases* 186 Cal. App. 4th 1380, 1393 (2010); *see also Bell v. Farmers Ins. Exch.* 115 Cal. App. 4th 715, 725-26 (2004) (upholding service payments to class representatives).

The requested service payment to each named Class Representative is fair, appropriate and justified as part of the overall settlement are reasonable and warranted for several reasons.

First by initially bringing their claims to the attention of counsel and then agreeing to litigate not just their own claims but also the representative claims of all class members, Plaintiffs are directly responsible for the substantial benefits conveyed to over 21,000 individuals who will receive payments under the proposed $5,000,000.00 settlement. In addition, Plaintiffs' actions directly resulted in Defendant's decision to cease its rounding practices for all non-exempt employees in California.

Plaintiffs did not simply file their claims and become bystanders in the litigation. As detailed in the declarations submitted by each Plaintiff in support of Plaintiffs' Motion for Preliminary Approval, during the course of their involvement in this case, all three Plaintiffs knowingly accepted the duties of being Class Representatives. *See* O'Braza Declaration at ¶3; Elias-Berg Declaration at ¶3; and Fichtner Declaration at ¶3. They had their depositions taken and they were active and essential participants in both the Mandatory Settlement Conference and the private mediation that eventually led to the settlement no before this Court. *See* O'Braza Declaration at ¶¶ 4-9; Elias-Berg Declaration at ¶¶ 4-9; and Fichtner Declaration at ¶¶ 4-9. Plaintiffs reasonably estimate that they spent between 70-80 hours each fulfilling their duties as Class Representatives. *See* O'Braza Declaration at ¶11; Elias-Berg Declaration at ¶11; and Fichtner Declaration at ¶11.

Beyond the hours spent in service of the Class, Plaintiffs also agreed to a general release of their claims. *See* Settlement Agreement at ¶¶ 5.1, 5.11

The proposed Class Representative Service Payments were set forth in the Notice and, having been so advised, not one Class Member objected. See Singh Decl. at ¶13.

Accordingly, Plaintiffs submit that the requested Class Representative Service Payments should be approved in this action.

C. The Administration Costs are Reasonable

The Parties agreed to hire CPT Group, Inc. as the Administrator, and the Court approved this choice. As set forth in the Singh Declaration, the Administrator was responsible for a broad range of duties that included, but were not limited to:

a) preparing, printing and mailing the Notice of Class Action Settlement and Exclusion Form (herein referred to as "Notice

Packet");

b) processing undeliverable mail and locating updated addresses for Class Members;

c) establishing and maintaining a toll-free case hotline where Class Members can speak to case representatives regarding case specific questions;

d) receiving inquiries and other communications about the settlement;

e) establishing and maintaining a case email address where Class Members can email submissions and case specific questions;

f) establishing a case specific static website with key dates and documents;

g) processing Class Members' inquiries about the Notice Packet, as well as, Disputes, Requests for Exclusion, and Objections;

h) providing Class Counsel and Counsel for Defendant a declaration attesting to the completion of the notice process, in addition to weekly updates during the response period;

i) establishing and administering a qualified settlement fund to disburse all settlement payments;

j) calculating Individual Settlement Payments for each Class Member and Aggrieved Employee;

k) issuing and distributing Class Counsel's Fees and Costs, the Named Plaintiff's Class Representative Service Payments, the California Labor and Workforce Development Agency (LWDA) Payment and Individual Settlement Payments to Class Members and Aggrieved Employees; and

l) completing any associated tax withholding and reporting to the State and Federal tax authorities.

The Administrator has handled all duties in a thorough, timely, and diligent manner. The Administrator's fee of $82,000.00 for services rendered and to be rendered is fair and reasonable and should be granted.

D. The Proposed PAGA Settlement is Fair and Should be Approved

Labor Code § 2699(s)(2) states that "the superior court shall review and approve any settlement of any civil action filed pursuant to this part." As noted with approval by the Northern District in *O'Conner v. Uber Technologies, Inc.,* 201 F.Supp.3d 1110, 1133 (N.D. Cal. Aug. 18, 2016), the LWDA has taken the position that, "[W]hen a PAGA claim is settled, the relief provided for under the PAGA be genuine and meaningful, consistent with the underlying purpose of the statute to benefit the public and, in the context of a class action, the court evaluate whether the settlement meets the standards of being 'fundamentally fair, reasonable, and adequate' with reference to the public policies underlying the PAGA."

At the preliminary approval stage, Plaintiffs submitted to the Court that the PAGA settlement should be approved because it was "reached through arm's length negotiations after years of litigation and discovery." (Mem. Pts. And Auth. ISO Motion for Preliminary approval at 19). Plaintiffs further explained that Class Counsel conducted a *Kullar*-style analysis that revealed a reasonable "risk adjusted" range of recovery of $78,258.60 - $260,861.99 based on a maximum calculated exposure of $151,774,246.56. In the Supplemental Submission in Further Support of Plaintiffs' Motion for Preliminary Approval of Class Action Settlement, Class Counsel explained that the "PAGA penalties were calculated for all putative class members using their pay periods in the one-year statute of limitations multiplied by a $100 PAGA penalty. These PAGA penalties were then scaled up by a factor of 8.35x to reflect the greater number of class members in the PAGA class (20,493) than there were in the class action settlement class (2,455). This resulted in a maximum calculated exposure of $151,774,246.56 on the PAGA penalty claim."

The numbers available at the time of negotiations and preliminary approval strongly supported approval of the PAGA settlement. Since then, Class Counsel have learned that the number of PAGA aggrieved employees has increased slightly (21,251 vs. 20,493) whereas the number of Class Members has increased substantially (5,263 vs. 2,455). What this means for a retrospective analysis of the PAGA settlement is that the amount is even **<u>more</u>** fair and worthy of approval than previously represented. As noted above, in performing the calculation of the maximum potential penalty, Class Counsel applied a scaling factor of 8.35x based on the ratio of PAGA aggrieved employees (at that time believed to be 20,493) to Class Members (at that time believed to be 2,455). [20,493 ÷ 2,455 = 8.35 (rounded to two digits)]. Based on the updated data, the accurate ratio of PAGA aggrieved employees to Class Member is actually 21,251 ÷ 5,263 = 4.04 (rounded to two digits). As a result, the maximum PAGA penalty is actually 48.4% lower than originally thought, using the same methodology as applied previously. This means that the "Risk Adjusted" PAGA Penalty can fairly be estimated as $37,855.07 - $126,183.55. These additional calculations underscore that the proposed PAGA penalty of $100,000.00 is "fundamentally fair, reasonable, and accurate." Plaintiffs, therefore, reiterate their request for approval of the proposed PAGA penalty and settlement.

V. CONCLUSION

For the foregoing reasons, Plaintiffs respectfully request that the Court grant Class Counsel's motion in its entirety and award the attorneys' fees and costs requested herein.

DATED: June 16, 2026

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