SUPERIOR COURT OF CALIFORNIA
COUNTY OF SACRAMENTO

34-2018-00240446-CU-OE-GDS: Stacy OBraza vs. Dignity Health
06/06/2025 Hearing on Motion for Preliminary Approval of Settlement in Department 22

Tentative Ruling

Plaintiffs Stacy O'Braza, Rachel Elias-Berg, and Heather Fichtner ("Plaintiffs") move for preliminary approval of the Parties' class action and Private Attorneys General Act ("PAGA") settlement. Plaintiffs' motion is UNOPPOSED and tentatively GRANTED, subject to the Parties' clarification regarding the filing of the anticipated First Amended Complaint and the proposed revisions to the Class release. Accordingly, the Parties' **APPEARANCE IS REQUIRED**.

Moving counsel's Notice of Motion does not provide notice of the Court's tentative ruling system, as required by Local Rule 1.06. Moving counsel is directed to contact opposing counsel and advise them of Local Rule 1.06, the Court's tentative ruling procedure, and the manner to request a hearing.

Status Conference (Compliance Hearing) is scheduled for 06/20/2025 at 10:30 AM in Department 22 at Gordon D. Schaber Superior Court.

Hearing on Motion for Final Approval of Settlement is scheduled for 10/31/2025 at 9:00 AM in Department 22 at Gordon D. Schaber Superior Court.

The Court has provided specific direction on the information and argument the Court requires to grant a motion for preliminary and final approval of a class action settlement. The Parties shall carefully review the Checklist for Approval of Class Action Settlements and fully comply with each applicable item to ensure a prompt ruling from the Court.

Background

On September 10, 2018, Plaintiffs initiated this wage and hour action against Defendant Dignity Health, asserting causes of action for (1) Failure to Pay Regular, Overtime, and/or Double Time Wages; (2) Failure to Pay All Wages Upon Termination; (3) Failure to Provide Accurate, Itemized Wage Statements; (4) Violation of California Business and Professions Code Section 17200, and (5) violation of PAGA. (Complaint.) On the same day, Plaintiffs notified the Labor and Workforce Development Agency ("LWDA") of Plaintiffs' intent to seek civil penalties pursuant to PAGA. (Supp. MPA, Exh. B.) On February 27, 2025, Plaintiffs submitted an amended PAGA Notice. (*Id.*, Exh. C.)

On June 21, 2022, the Court granted Plaintiffs' motion for class certification as to the Rounding, Waiting Time, and Wage Statement Subclasses. (6-21-22 Minute Order.)

Plaintiffs now move for preliminary approval of the Parties' Class, Collective and PAGA Representative Action Settlement Agreement and Class Notice ("Agreement"). (Wong Decl., ¶

3, Exh. A ("SA").) Concurrent with the filing of the instant motion, Plaintiffs submitted the Agreement to the LWDA. (*Id.*, ¶ 25, Exh. C.) On April 18, 2025, the Court continued the hearing on Plaintiffs' motion to give Plaintiffs the opportunity to address several issues. (4-18-25 Minute Order.)

Plaintiffs report that the Parties have not executed and filed the Joint Stipulation to File the First Amended Complaint ("FAC") but that the FAC will be filed prior to the continued hearing date. (Supp. MPA, p. 1:20-22.) The Parties shall be prepared to provide an update on the status of the Stipulation and the filing of the FAC.

Legal Standard

The law favors the settlement of lawsuits, particularly in class actions and other complex cases where substantial resources can be conserved by avoiding the time, expense, and rigors of formal litigation. (See *Neary v. Regents of Univ. of Cal* (1992) 3 Cal.4th 273, 277-281; *Lealao v. Beneficial California, Inc*. (2000) 82 Cal.App.4th 19, 52.) However, a class action may not be dismissed, compromised, or settled without approval of the court, and the decision to approve or reject a proposed settlement is committed to the court's sound discretion. (See Cal. Rules of Court, Rule 3.769; *Wershba v. Apple Computer*, *Inc*. (2001) 91 Cal.App.4th 224, 234-35 (*Wershba*).)

In determining whether to approve a class settlement, the court's responsibility is to "prevent fraud, collusion or unfairness to the class" through settlement because the rights of the class members, including the named plaintiffs, "may not have been given due regard by the negotiating parties." (*Consumer Advocacy Group, Inc. v. Kintetsu Enters. of Am.* (2006) 141 Cal.App.4th 46, 60.) The court must independently determine "whether the settlement is in the best interests of those whose claims will be extinguished" and "make an independent assessment of the reasonableness of the terms to which the parties have agreed." (*Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 130, 133.) The burden of establishing the fairness and reasonableness of the settlement is on the proponent. (*Wershba, supra,* 91 Cal.App.4th at p. 245; see also *7-Eleven Owners for Fair Franchising v. Southland Corp.* (2000) 85 Cal.App.4th 1135, 1165-66.)

The Court does not rubber stamp these motions, but rather serves as a guardian of absent class members' rights to ensure the settlement is fair. (*Luckey v. Superior Court* (2014) 228 Cal.App.4th 81, 95.) "Ultimately, the [trial] court's determination is nothing more than 'an amalgam of delicate balancing, gross approximations and rough justice." (*7-Eleven, supra*, 85 Cal.App.4th at p. 1145.) "A settlement need not obtain 100 percent of the damages sought in order to be fair and reasonable. Compromise is inherent and necessary in the settlement process. Thus, even if 'the relief afforded by the proposed settlement is substantially narrower than it would be if the suits were to be successfully litigated,' this is no bar to a class settlement because 'the public interest may indeed be served by a voluntary settlement in which each side gives ground in the interest of avoiding litigation.'" (*Wershba, supra*, 91 Cal.App.4th at p. 250, citations omitted.) The court's primary objective for preliminary approval is to establish whether to direct notice of the proposed settlement to the class, invite the class's reaction, and schedule a final fairness hearing. (Rubenstein et al., Newberg on Class Actions (6th ed. 2024) § 13:10.)

Class Representative and Class Counsel

Plaintiffs O'Braza, Elias-Berg, and Fichtner are appointed as Class Representatives. (SA, ¶ 1.13.) Bryan J. Lazarski of Lazarski Law Practice, P.C. and Gregory P. Wong of Lyfe Law are appointed as Class Counsel. (*Id.*, ¶ 1.6.)

Fair, Adequate, and Reasonable Settlement

Before approving a class action settlement, the Court must find that the settlement is "fair, adequate, and reasonable." (*Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801.) The Court considers such factors as "the strength of plaintiffs' case, the risk, expense, complexity and likely duration of further litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the extent of discovery completed and the stage of the proceedings, the experience and views of counsel, the presence of a governmental participant, and the reaction of class members to the proposed settlement." (*Ibid.*) "[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." (*Id.*, at p. 1802.)

Under the terms of the Agreement, Defendant denies liability, but agrees to pay a Gross Settlement Amount ("GSA") of $5,000,000 to resolve Plaintiffs' claims. (SA, ¶¶ 1.23, 3.1, 11.1.) Defendant will be responsible for any and all Employer Paid Taxes required by law on the wage portions of the Individual Class Payments to Class Members, separate and in addition to the GSA. (*Id.*, ¶ 1.23.) The Administrator will disburse the entire GSA without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment, and none of the GSA will revert to Defendant. (*Id.*, ¶ 3.1.) Defendant shall fully fund the GSA, and also fund the amounts necessary to fully pay the Employer Paid Taxes by transmitting the funds to the Administrator no later than 21 calendar days after the Effective Date. (*Id.*, ¶ 4.2.) The "Effective Date" means the date on which the final approval order becomes final. (*Id.*, ¶ 1.18.) The order granting final approval "becomes final" only after the Court grants the Motion for Final Approval, enters Judgment, and upon service of the Notice of Entry of Order and/or Judgment, and upon the latter of: (i) if no appeal, or other challenge is filed, the 61st day following Notice of Entry of the Court's Order and/or Judgment; (ii) the date of affirmance of an appeal of the Order Granting Final Approval and/or Judgment becomes final under the California Rules of Court; or (iii) the date of final dismissal of any appeal from the Order Granting Final Approval and/or Judgment or the final dismissal of any proceeding on review of any court of appeal decision relating to the Order Granting Final Approval and/or

Judgment, and issuance of remittitur. (*Ibid.*)

The following amounts will be paid from the GSA:

- Class Representative service payments to each Class Representative of $20,000, totaling $60,000. (SA, ¶ 3.2.1.)
- A Class Counsel fees payment of not more than one-third of the GSA, which is estimated to be $1,666,666.67, and a Class Counsel litigation expenses payment of not more than $100,000. (*Id.*, ¶ 3.2.2.)
- An administration expenses payment not to exceed $25,000 except for a showing of good cause and as approved by the Court. (*Id.*, ¶ 3.2.3.)
- PAGA penalties in the amount of $100,000, with 75% ($75,000) allocated to the LWDA and 25% ($25,000) allocated to the Aggrieved Employees. (*Id.*, ¶ 3.2.5.)

The remaining amount – the Net Settlement Amount ("NSA") – is approximately $3,048,333.33 and will be distributed to the Participating Class Members as Individual Class Payments on a pro-rata basis. (SA, ¶¶ 1.25, 1.30.) An Individual Class Payment will be calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks. (*Id.*, ¶ 3.2.4.) Similarly, the Aggrieved Employees' portion of the PAGA penalties will be allocated on a pro-rata basis as Individual PAGA Payments. (*Id.*, ¶¶ 1.25, 3.2.5.1.) The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' share of Aggrieved Employee PAGA Amount by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. (*Id.*, ¶ 3.2.5.1.)

For tax purposes, 20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims and will be reported on an IRS W-2 Form. (SA, ¶ 3.2.4.1.) The remaining 80% will be allocated to settlement of claims for interest and penalties and will be reported on IRS 1099 Forms. (*Ibid.*) The Administrator will report the Individual PAGA Payments on IRS 1099 Forms and 100% of such payments will be allocated as penalties. (*Id.*, ¶ 3.2.5.2.) The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments. (*Id.*, ¶ 4.3.1.) The face of each check shall prominently state the date (not less than 180 calendar days after the date of mailing) when the check will be voided. (*Ibid.*) For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member. (*Id.*, ¶ 4.3.3.)

Not later than 15 court days after the Court grants Preliminary Approval, Defendant will deliver the Class Data to the Administrator. (SA, ¶ 4.1.) Using best efforts to perform as soon as possible, and in no event later than 14 calendar days after receiving the Class Data, the

Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice. (*Id.*, ¶ 7.4.2.) Not later than 3 court days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. (*Id.*, ¶ 7.4.3.) If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. (*Ibid.*) Class Members will have 45 calendar days from the date the Class Notice is first mailed to object to the settlement, request exclusion from the settlement, and/or dispute their workweek calculations. (*Id.*, ¶¶ 1.47, 7.4.4, 7.5.1, 7.6, 7.7.2.) If a Class Member's Notice is re-mailed, the Response Deadline will be extended an additional 14 calendar days beyond the 45 calendar days otherwise provided in the Class Notice. (*Id.*, ¶¶ 1.47, 7.4.4.)

Release

With regard to the class release, the Agreement provides as follows:

> Plaintiffs and all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, shall fully and finally release the Released Parties of the "Released Class Claims." The Released Class Claims include all claims asserted in the Action, as amended, and/or arising from or related to the facts and claims alleged in the Action, as amended, or that could have been raised in the Action, as amended, based on the facts and claims alleged. The Released Class Claims include all claims for unpaid wages, including, failure to pay minimum wages, straight time compensation, overtime compensation, double-time compensation, and interest; the calculation of the regular rate of pay; wages related to alleged illegal time rounding; missed/short/late/interrupted meal period, rest period, and/or recovery period wages/premiums; failure to provide meal periods; failure to authorize and permit rest periods and/or recovery periods; the calculation of meal period, rest period, and/or recovery period premiums; payment for all hours worked, including off-the-clock work; wage statements; deductions; failure to keep/maintain accurate records including payroll records; unfair business practices related to the Released Class Released Claims; penalties, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; and attorneys' fees and costs; all claims related to the Released Class Claims arising under: the California Labor Code (including, but not limited to, sections 200, 201, 201.3, 201.5,

> 201.6, 201.7, 201.8, 201.9, 202, 203, 204, 206, 210, 216, 218, 218.5, 218.6, 221, 223, 224, 225, 225.5, 226, 226.3, 227.3, 256, 510, 511, 512, 515, 516, 550, 551, 552, 554, 558, 1174, 1174.5, 1194, 1194.2, 1194.3, 1197, 1197.1, 1197.2, 1198, and ***2698 et seq., 2699 et seq.)***; the Wage Orders of the California Industrial Welfare Commission; ***the California Private Attorneys General Act of 2004 ("PAGA")***; California Business and Professions Code section 17200, et seq.; the Fair Labor Standards Act ("FLSA"), 29 U.S.C. § 201 et seq.; and federal common law.
>
> This release excludes the release of claims not permitted by law. Participating Class Members who timely cash or otherwise negotiate their Settlement Payment Check will be deemed to have opted into the Action for purposes of the FLSA and, as to those Class Members, the Released Class Claims include any and all claims the Class Members may have under the FLSA ***asserted in the Action***, arising from or related to the facts and claims alleged in the Action, or that could have been alleged in the Action based on the facts and claims alleged in the Action, as amended, during the Class Period. Only those Class Members who timely cash or otherwise negotiate their Settlement Payment Check will be deemed to have opted into the Action for purposes of the FLSA and thereby release and waive any of their claims under the FLSA arising under or relating to the alleged claims.
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> The following language will be printed on the reverse of each Settlement Payment Check, or words to this effect: "By endorsing or otherwise negotiating this check, I acknowledge that I read, understood, and agree to the terms set forth in the Notice of Class Action Settlement and I consent to join in the Fair Labor Standards Act ("FLSA") portion of the [Action], elect to participate in the settlement of the FLSA claims, and agree to release all of my FLSA claims that are covered by the Settlement."
>
> Upon entry of Judgment, Class Members are precluded from filing a wage and hour action under the Fair Labor Standards Act against the Released Parties for claims and/or causes of action encompassed by the Released Class Claims which are extinguished and precluded pursuant to the holding in *Rangel v. PLS Check Cashers of California, Inc.*, 899 F.3d 1106 (2018).

(SA, ¶ 5.2 [emphasis added].)

Separately, "Plaintiff, the [LWDA], and the State of California through Plaintiffs as its agents and/or proxies, and all Aggrieved Employees, […] shall release the Released Parties from all claims for civil penalties under PAGA that were alleged, or could have been alleged, based on the facts asserted in Plaintiffs' Complaint, as amended, and/or in the PAGA Notice, including but not limited to, include all claims for unpaid wages, including, failure to pay minimum wages, straight time compensation, overtime compensation, double-time compensation, and interest; the calculation of the regular rate of pay; wages related to alleged illegal time rounding; missed/short/late/interrupted meal period, rest period, and/or recovery period wages/premiums; failure to provide meal periods; failure to authorize and permit rest periods and/or recovery periods; the calculation of meal period, rest period, and/or recovery period premiums; payment for all hours worked, including off-the-clock work; wage statements; deductions; failure to keep/maintain accurate records including payroll records; unfair business practices related to the Released PAGA Claims; penalties, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; and attorneys' fees and costs; all claims related to the Released PAGA Claims arising under: the California Labor Code (including, but not limited to, sections 200, 201, 201.3, 201.5, 202, 203, 204, 206, 210, 216, 218, 218.5, 218.6, 221, 223, 224, 225, 225.5, 226, 226.3, 227.3, 256, 510, 511, 512, 515, 516, 550, 551, 552, 554, 558, 1174, 1174.5, 1194, 1194.2, 1194.3, 1197, 1197.1, 1197.2, 1198, 2698 et seq., and 2699 et seq.); and the Wage Orders of the California Industrial Welfare Commission." (SA, ¶ 5.3.) Plaintiffs are subject to general releases. (*Id.*, ¶ 5.1.)

The Court raised concerns regarding the scope of the proposed Class release and recommended that the language italicized above be removed. (4-18-25 Minute Order.) Plaintiffs agree with the Court's proposed revisions and assert that "[i]f Defendant agrees to the proposed amendments, the Parties will execute an amendment to the Agreement and provide notice to the LWDA in advance of the hearing date." (Supp. MPA, pp. 3:21-4:18.) <u>The Parties shall be prepared to address whether Defendant agrees to the proposed revision and the status of the amendment.</u>

Exposure Analysis

Plaintiffs' moving papers make clear that the settlement was reached after sufficient investigation and arms-length negotiations. Through extensive written discovery, Plaintiffs obtained approximately 5,000 pages of paper documents, key responses to interrogatories and Request for Admissions, and electronic payroll and time punch records in Excel format, which contained approximately 3.4 million lines of data reflecting the actual time punches side-by-side with the rounded punches for each Class Member for each work period dating from September 10, 2014 through the end of the rounding practice in July 2023. (Lazarski Decl., ¶ 4.) Each of the three named Plaintiffs were deposed. (*Id.*, ¶ 5.) In addition, prior to class certification, Counsel obtained the contact information for putative class members through the *Belaire-West* process and conducted interviews with putative class members. (*Id.*, ¶ 6.) The Parties agreed to private mediation utilizing the services of Tripper Ortman, Esq., a respected mediator with extensive experience and knowledge in the area of wage and hour class action mediation. (Wong Decl., ¶ 3.) The full-day mediation was conducted on November 1, 2024, and with the assistance of Mr. Ortman, the Parties were able to reach agreement on a proposed settlement. (*Ibid.*)

Using the data obtained in discovery, and in conjunction with Plaintiffs' retained expert economist, Plaintiffs' Counsel have conducted a deep and reliable analysis of the data in order to evaluate the claims in this Action and conduct a thorough analysis of the amount of potential damages at issue and the range of reasonable outcomes at trial and mediation. (Lazarski Decl., ¶ 4.) Counsel estimate Defendant's exposure as follows:

Claim	**Maximum Exposure**	**Discount**	**Realistic Exposure**
Unpaid Minimum Wages Claim	$439,701.85	- 15% decertification risk - 25% to 33.33% lower violation rate risk - 25% to 50% trial risk - 50% to 66.67% reduced award risk	$41,527.40 to $105,116.22
Unpaid Overtime Claim	$5,289,614.37	- 15% decertification risk - 25% to 33.33% lower violation rate risk - 25% to 50% trial risk - 50% to 66.67% reduced award risk	$499,574.69 to $1,264,548.44
Failure to Provide Accurate Wage Statements Claim	$7,209,650.00	- 15% decertification risk - 25% to 33.33% lower violation rate risk - 75% to 85% good faith defense risk - 25% to 50% trial risk	$306,410.13 to $861,778.48
Waiting Time Penalties Claim	$25,803,892.80	- 15% decertification risk - 25% to 33.33% lower violation rate risk - 75% to 85% not willful defense risk - 25% to 50% trial risk	$1,096,665.44 to $3,084,371.56
PAGA Claim	$151,774,246.56	- 12% duplication reduction - 75% discount to account for ending of rounding policy - 75% substantive and tactical risk - 50% to 85% trial risk	$78,258.60 to $260,861.99

		- 75% risk of recovering less than maximum projected - 75% reduction for discretionary reduction.	
Total:	**$190,517,105.58**		**$2,022,436.25 to $5,576,676.68**

(Wong Decl., ¶¶ 5-12, 17-21; Supp. MPA, pp. 1:26-3:9.) Counsel adequately describes the underlying assumptions, methodologies, and discounts applied to calculate Defendant's exposure. (*Ibid.*) In order to evaluate the range of potential outcomes and the fairness of a proposed settlement, Counsel also evaluated the "risk-adjusted" potential class recovery factoring in Defendant's potential defenses and Plaintiffs' burden in establishing class certification, prevailing on the merits of the claims alleged, and the extent to which the amount maximum potential recovery was reasonably attainable. (Wong Decl., ¶ 13-21.) In addition to risks applicable to the specific claims, Counsel also considered the following overall risks: (1) the impact of the pending decision in *Camp v. Home Depot U.S.A., Inc.* (S277518) considering neutral time-rounding practices; (2) Defendant's discontinuance of its rounding practices; and (3) the impact *Naranjo v. Spectrum Security Services, Inc.* (2024) 15 Cal.5th 93, might have on liability and damages as to Plaintiffs' wage statement and waiting time penalties claims. (*Id.*, ¶¶ 14-16.) Accordingly, the GSA represents approximately 2.62% of Defendant's maximum exposure, 89.66% of Defendant's high-end risk adjusted exposure, and exceeds Defendant's low-end risk adjusted exposure.

Counsel attests to their extensive experience in similar cases. (Wong Decl., ¶¶ 26-32; Lazarski Decl., ¶¶ 14-17.) Counsel attests to their belief that the settlement is fair, reasonable, and adequate, and in the best interest of the Class. (Wong Decl., ¶ 24; Lazarski Decl., ¶ 18.) Based on the foregoing, the Court preliminarily finds, subject to the final fairness hearing, that the Settlement is within the ballpark of reasonableness and is entitled to a presumption of fairness and that all relevant factors support preliminary approval.

PAGA Payment

The Agreement provides for PAGA penalties in the amount of $100,000, with 75% ($75,000) allocated to the LWDA and 25% ($25,000) allocated to the Aggrieved Employees. (SA, ¶ 3.2.5.) The Aggrieved Employees means "all current and former non-exempt employees who worked for Defendant during the PAGA Period at the Sacramento Hospitals for at least one (1) Workweek." (*Id.*, ¶ 1.4.) The PAGA Period means "the period from September 10, 2014 through Preliminary Approval." (*Id.*, ¶ 1.34.) As discussed above, the Aggrieved Employees will receive a pro rata share of the 25% portion of the PAGA penalties payment and are subject to a separate release. (*Id.*, ¶¶ 3.2.5.1, 5.3.) The Agreement makes clear that "Aggrieved Employees will be bound by the release of the Released PAGA Claims regardless of their decision to participate in or opt out of the release of the Released Class Claims." (*Id.*, ¶ 5.3.)

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. (Supp. MPA, p. 3:5-6.) 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), which resulted in a maximum calculated exposure of $151,774,246.56. (*Id.*, p. 3:6-9.) The Court finds the PAGA allocation reasonable under the circumstances and it is preliminarily approved.

Proposed Class Notice

The notice to Class Members must fairly apprise the prospective members of the terms of the settlement without expressing an opinion on the merits of the settlement. (*7-Eleven Owners for Fair Franchising v. Southland Corp*. (2000) 85 Cal.App.4th 1135, 1164; see also Cal. Rules of Court, Rule 3.769.) "Whether a claimant would want to accept or reject the proposed settlement is a decision to be made by him independently and without influence or pressure from those competing parties who either favor or oppose the settlement." (*Phila. Hous. Auth. v. Am. Radiator & Std. Sanitary Corp.* (E.D. Pa. 1970) 323 F.Supp. 364, 378.)

In response to the Court's concerns, the Parties have agreed to a revised Notice. (4-18-25 Minute Order; Supp. MPA, p. 4:19-21, Exhs. D and E.) The revised Notice addresses the Court's concerns and is approved; <u>assuming the Parties amend the Agreement to modify the Class release.</u>

Class Counsel Fees and Costs

The Agreement provides for an attorneys' fee award of one-third of the GSA ($1,666,666.67) and a Class Counsel litigation expenses payment of not more than $100,000. (SA, ¶ 3.2.2.) Counsel have agreed to share any award of attorney fees as follows: (1) 55% of the total attorneys' fees awarded will be allocated to attorney Bryan J. Lazarski, Esq. and/or his firm, Lazarski Law Practice, P.C.; (2) 45% of the total attorneys' fees awarded will be allocated to attorney Gregory P. Wong, Esq. and/or his firm, Lyfe Law, LLP. (O'Braza Decl., ¶ 10; Elias-Berg Decl., ¶ 10; Fichtner Decl., ¶ 10.) Plaintiffs have agreed to this proposed arrangement. (*Ibid*.) Plaintiffs argue that the requested award is "well within the range of reasonableness" and is "commensurate with (1) the risk the Class Counsel took in bringing and litigating this case, (2) the time, effort, and expense dedicated to the case, (3) the skill and determination Class Counsel has shown, (4) the results Class Counsel has achieved throughout the litigation, (5) the value of the Settlement that Class Counsel has achieved for the Settlement Class, and (6) the other cases Class Counsel had to turn down in order to devote their time and efforts to this matter." (Mot., p. 12:18-28.) Plaintiffs also argue that the requested award is reasonable as a percentage of the common fund and consistent with awards approved by California courts. (*Id.*, pp. 13:3-14:3.)

The requested award is preliminarily approved. In moving for final approval, the Court expects Counsel to support their arguments with respect to this amount, including by providing information necessary to perform a lodestar analysis. (See *In re Activision Sec. Litigation* (N.D. Cal. 1989) 723 F.Supp. 1373, 1379; *Consumer Privacy Cases* (2009) 175 Cal.App.4th 545, 557-58 & fn. 13.; *Martin v. Ameripride Servs.* (S.D. Cal. June 9, 2011), 2011 WL 2313604 at *22 (collecting cases); *Vasquez v. Coast Valley Roofing, Inc*. (E.D. Cal 2010) 266 F.R.D. 482, 491 (same); see also *Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 66 & n.11.)

The Court also preliminarily approves the Agreement's expenses allocation with the expectation that Counsel will provide a declaration, in moving for final approval, that shows actual costs.

Settlement Administrator

The Parties jointly selected CPT Group, Inc. ("CPT") to serve as Settlement Administrator. (SA, ¶ 7.1.) The Agreement provides for the payment of settlement administration costs not to exceed $25,000. (*Id.*, ¶ 3.2.3.) In Plaintiffs' supplemental briefing, Plaintiffs report that this original allocation was based on a settlement class of not more than 2,500 members. (Supp. MPA, p. 4:24.) However, an additional 19,993 individuals are part of the PAGA settlement class. Accordingly, CPT's revised "all-in" quote is estimated to be $106,198.06. (*Id.*, pp. 4:25-5:1.) CPT has agreed to discount its fees to a maximum of $82,000. (*Id.*, p. 5:1-2.)

CPT is appointed as Settlement Administrator and the revised allocation is reasonable and preliminarily approved.

Class Representative Service Payment

The Agreement provides for Class Representative service payments to each Class Representative of $20,000. (SA, ¶ 3.2.1.) Plaintiffs describe their efforts and estimate the amount of time they have spent assisting in the prosecution of this action. (O'Braza Decl., ¶¶ 4-9, 11 [80 hours]; Elias-Berg Decl., ¶¶ 4-9, 11 [70 hours]; Fichtner Decl., ¶¶ 4-9, 11 [70 hours].)

The requested service payments are higher than those typically awarded by this Court. They are preliminarily approved at this time, but the Court may exercise its discretion to reduce the amount at final approval.

Compliance Hearing

The Court sets a Compliance Hearing for **June 20, 2025 at 10:30 a.m.** No later than June 13, 2025, Plaintiffs shall file (1) the Parties' Stipulation and FAC; (2) proof of the Agreement's amendment and submission of the amended Agreement to the LWDA; and (3) a revised Proposed Order for the Court's signature.

If Plaintiffs adequately address the Court's concerns, the Court will sign the revised Proposed Order, and no appearance will be required.

Final Approval Hearing

The Court will again review and consider the terms of this settlement at the time of the final approval hearing. The Court sets a Final Approval Hearing for **October 31, 2025 at 9:00 a.m**. If either party is unavailable on that date, the parties shall meet and confer to identify three other Fridays at 9:00 a.m. that work for the parties to schedule the hearing. They shall then submit those dates to the Court via email at Dept22@saccourt.ca.gov, and the Court will reschedule the hearing accordingly.

The briefing shall be filed in conformity with Code of Civil Procedure section 1005.

The Court has ordered the Parties' appearance. The Parties are encouraged to appear via Zoom with the links below:

> *To join by Zoom link - https://saccourt-ca-gov.zoomgov.com/my/sscdept22*
> *To join by phone dial (833) 568-8864 ID 16184738886*

Parties requesting services of a court reporter may arrange for private court reporter services at their own expense, pursuant to Government code §68086 and California Rules of Court, Rule 2.956. Requirements for requesting a court reporter are listed in the Policy for Official Reporter Pro Tempore available on the Sacramento Superior Court website at https://www.saccourt.ca.gov/court-reporters/docs/crtrp-6a.pdf. The list of Court Approved Official Reporters Pro Tempore is available at https://www.saccourt.ca.gov/court-reporters/docs/crtrp-13.Pdf.

If you are not using a reporter from the Court's Approved Official Reporter Pro Tempore list, a Stipulation and Appointment of Official Reporter Pro Tempore (CV/E-206) must be signed by each party, the private court reporter, and the Judge. The signed form must be filed with the clerk prior to the hearing.

If a litigant has been granted a fee waiver and requests a court reporter, the party must submit a Request for Court Reporter by a Party with a Fee Waiver (CV/E-211). The form must be filed with the clerk at least 10 days prior to the hearing or at the time the hearing is scheduled if less than 10 days away. Once approved, the clerk will forward the form to the Court Reporter's Office and an official reporter will be provided.

Counsel for Plaintiffs is directed to notice all parties of this order.

SUPERIOR COURT OF CALIFORNIA
COUNTY OF SACRAMENTO

34-2018-00240446-CU-OE-GDS: Stacy OBraza vs. Dignity Health
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Please note that the Complex Civil Case Department now provides information to assist you in managing your complex case on the Court website at https://www.saccourt.ca.gov/civil/complex-civil-cases.aspx. The Court strongly encourages parties to review this website regularly to stay abreast of the most recent complex civil case procedures. Please refer to the website before directly contacting the Court Clerk for information.