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County of San Diego

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Clerk of the Superior Court
By R. Stille ,Deputy Clerk

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

KEVIN M. RAIDY and LACEY SOTO, on
behalf of all similarly situated employees of
Defendants and the State of California under the
Private Attorneys General Act,

Plaintiffs,

vs.

INTERIM HEALTHCARE, INC.; OAKLAND
HOSPICE, INC. DBA INTERIM
HEALTHCARE HOSPICE - SACRAMENTO
AREA; and DOES 1 through 50, inclusive,

Defendants.

Case No. 25CU022978C

CLASS ACTION

**FIRST AMENDED CLASS AND
REPRESENTATIVE ACTION
COMPLAINT**

1. Failure to Pay All Wages Owed
2. Failure to Pay All Overtime Wages
3. Meal Period Violations
4. Rest Period Violations
5. Paid Sick Leave Violations
6. Untimely Payment of Wages
7. Wage Statement Violations
8. Failure to Reimburse Business Expenses
9. Unfair Competition
10. Civil Penalties under the Private Attorneys
General Act (Labor Code §§ 2698 *et seq.*)

1 Plaintiffs KEVIN M. RAIDY and LACEY SOTO, on behalf of all other similarly situated
2 employees and the State of California under the Private Attorneys General Act (“Plaintiffs”) bring this
3 FIRST AMENDED CLASS AND REPRESENTATIVE ACTION COMPLAINT against Defendants
4 INTERIM HEALTHCARE, INC.; OAKLAND HOSPICE, INC., DBA INTERIM HEALTHCARE
5 HOSPICE - SACRAMENTO AREA; and DOES 1 through 50, inclusive (collectively “Defendants”),
6 alleging as follows:

7 **INTRODUCTION**

- 8 1. This is a class action for wage and hour violations of the California Labor Code.
- 9 2. Defendants failed to pay Plaintiffs and the class members for on-call hours worked.
- 10 3. Although Defendants eventually corrected this policy after Plaintiffs’ repeated
11 requests, Defendants failed to pay Plaintiffs and, upon information and belief, the class members
12 retroactively, resulting in unpaid wages.
- 13 4. Defendants engaged in an unlawful policy and practice requiring off-the-clock work,
14 which included remote work meetings.
- 15 5. Defendants failed to provide, authorize, and/or permit Plaintiffs and the class members
16 to take compliant meal and rest periods to which they were entitled. However, Defendant did not pay
17 Plaintiffs and the class members meal or rest period premiums.
- 18 6. Defendants failed to provide Plaintiffs and the class members with all sick leave
19 accrued.
- 20 7. Defendants failed to reimburse Plaintiffs and the class members’ costs incurred for
21 work-related purposes.

22 **JURISDICTION & VENUE**

- 23 8. Jurisdiction of this action is proper in this Court under Article VI, Section 10 of the
24 California Constitution as the causes of action are premised upon violations of California law.
- 25 9. The monetary damages and restitution sought exceed the minimal jurisdiction limits of
26 the Superior Court.
- 27 10. This Court has jurisdiction over Defendants because, upon information and belief,
28 Defendants have sufficient minimum contacts in California, or otherwise intentionally avail

1 themselves to the California economy so as to render the exercise of jurisdiction over them by the
2 California courts consistent with traditional notions of fair play and substantial justice.

3 11. Venue is proper in this Court under Code of Civil Procedure sections 393(a), 395,
4 and/or 395.5 because, upon information and belief, Defendants conducted business and committed
5 some of the alleged violations in this County.

6 **PARTIES**

7 **A. Plaintiffs**

8 12. Plaintiff Raidy is an individual over 18 years of age who worked for Defendants in
9 California as a non-exempt employee from about January 2022 to October 2022. Plaintiff worked as
10 a Bereavement Manager and Supervisor.

11 13. Plaintiff Soto is an individual over 18 years of age who worked for Defendants in
12 California as a non-exempt employee from about May 2022 to April 2023. Plaintiff worked as a
13 Chaplain.

14 14. The State of California, via the Labor and Workforce Development Agency
15 (“LWDA”), is the real party in interest in this action. (*Kim v. Reins Int’l California, Inc.* (2020) 9
16 Cal. 5th 73, 81 [The “government entity on whose behalf the plaintiffs files suit is always the real
17 party in interest.”])

18 **B. Defendants**

19 15. Defendant Interim Healthcare, Inc., is a Florida corporation that maintains operations
20 and conducts business throughout the State of California, including in this county.

21 16. Defendant Oakland Hospice, Inc., dba Interim Healthcare Hospice - Sacramento Area
22 is a California corporation that maintains operations and conducts business throughout the State of
23 California, including in this county.

24 17. The true names and capacities, whether individual, corporate, or otherwise, of the
25 parties sued as DOES 1 through 50, are presently unknown, unascertainable, or uncertain, and are sued
26 by such fictitious names under Code of Civil Procedure section 474. Upon information and belief,
27 each of DOES 1 through 50 constitutes a legal employer or is otherwise legally responsible in some
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manner for the acts and omissions alleged herein. This Complaint may be amended to reflect their true names and capacities once ascertained.

18. Upon information and belief, Defendants in this action are employers, co-employers, joint employers, and/or part of an integrated employer enterprise, as each of the Defendants exercised control over the wages, hours, and working conditions of the employees, suffered and permitted them to work, and otherwise engaged them as employees under California law.

19. Upon information and belief, at least some of the Defendants have common ownership, common management, interrelationship of operations, and centralized control over labor relations and are therefore part of an integrated enterprise and thus jointly and severally responsible for the acts and omissions alleged herein, including pursuant to Labor Code sections 558, 558.1, and 1197.1.

20. Upon information and belief, Defendants acted in all respects pertinent to this action as an alter-ego, agent, servant, joint employer, joint venturer, co-conspirator, partner, in an integrated enterprise, or in some other capacity on behalf of all other co-defendants, such that the acts and omissions of each defendant may be legally attributable to all others.

CLASS ALLEGATIONS

21. Plaintiffs bring this class action individually and on behalf of all current and former similarly-situated employees pursuant to Code of Civil Procedure section 382. The Class that Plaintiff seek to represent is defined as follows:

- a. All current and former non-exempt employees who worked for Defendants in California at any time from four years prior to the filing of this action through date of class certification.

22. Plaintiffs reserve the right to establish various subclass definitions as appropriate at the class certification stage, according to proof.

23. The putative class is ascertainable and shares a well-defined community of interest in this litigation:

- a. Numerosity: The class is estimated to exceed 50 individuals, although the precise membership of the entire class is unknown at this time. The class is so numerous that joinder of all putative class members is impracticable. The

identities of the putative class members are ascertainable by inspection of Defendants' employment and payroll records.

b. Typicality: Plaintiffs' claims are typical of the claims of the other putative class members. They were subject to the same policies and practices of Defendants, which resulted in losses to the class. Proof of common unlawful business practices, which Plaintiffs experienced, will establish the right of the putative class to recover on the causes of action alleged herein.

c. Adequacy: Plaintiffs are adequate class representatives; will take all necessary steps to protect the class members' interests adequately and fairly; has no interest antagonistic to other class members; and is represented by attorneys who have substantial experience prosecuting, defending, resolving, and litigating wage and hour class, collective, and representative actions in California state and federal courts.

d. Superiority: A class action is superior to other means for adjudicating this dispute. Individual joinder is impractical. Class treatment will allow for common issues to be resolved in a single forum, simultaneously, and without duplication of effort and expense.

e. Public Policy Considerations: Certification of this lawsuit as a class action advances the State of California's strong public interest in ensuring its approximately millions of employed residents are properly paid the wages they earned for the hours they worked. Class actions provide a mechanism for enforcement of labor laws and allow for vindication of employee rights by unnamed class members.

24. Common questions of law and fact as to the class members predominate over questions affecting only individual members. The common questions of law and fact exist as to whether the employment policies and practices formulated by Defendants and applied to the class members constitute violations of California law.

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26. Defendants required Plaintiffs to complete job duties while off-the-clock. Specifically, Defendants required Plaintiffs and the putative class members to attend remote work meetings, communicate with patients, and answer questions from coworkers while off-the-clock. However, as a matter of policy and practice, Defendants failed to pay Plaintiffs and the putative class members employees for these additional hours worked off-the-clock.

28. Additionally, to the extent “on-call” earnings are considered additional non-discretionary income, Defendants failed to include these “on-call” earnings into the regular rate of pay for purposes of calculating overtime.

30. Defendants failed to comply with California's paid sick leave laws with respect to the class members in several ways. First, Defendant failed to include bonuses and other forms of nondiscretionary compensation in the regular rate for purposes of calculating sick pay. For example,

1 Plaintiffs and the class members received bonuses. However, Defendants failed to include these
2 bonuses into the regular rate for purposes of calculating sick pay.

3 31. Finally, as described above, Defendants engaged in an unlawful policy and practice of
4 requiring off-the-clock work. However, Defendants failed to include these additional hours worked
5 for purposes of calculating accrued paid sick leave.

6 32. Plaintiffs and the putative class members suffered late, short, missed, and/or interrupted
7 first and second meal periods to keep up with the demands of the job. Specifically, Plaintiff Raidy
8 worked as a Bereavement Manager and Supervisor. Plaintiff's job duties included completing patient
9 intake forms, answering phone calls, and attending to patients. Defendants discouraged Plaintiffs and
10 the putative class members from taking meal periods because of the consistent and heavy workload.
11 As a result, Plaintiffs and the putative class members often worked through part or all of their meal
12 periods. However, as a matter of policy and practice, Defendants failed to pay all owed meal period
13 premiums each time Plaintiffs and the putative class members experienced a non-compliant meal
14 period.

15 33. Plaintiffs and the putative class members often suffered late, short, interrupted, and/or
16 missed rest periods. As stated in the above section, Defendants discouraged Plaintiffs and the putative
17 class members from taking rest periods. At times, due to the heavy workload, Plaintiffs and the
18 putative class members worked through their shifts without rest periods to attend to patients' needs,
19 complete intake forms, and answer phone calls from the patients, their family members, and/or their
20 employer. This practice often resulted in non-compliant rest periods. However, Defendants did not
21 pay Plaintiffs and the putative class members all owed rest period premiums for each non-compliant
22 rest period.

23 34. Defendants failed to provide accurate itemized wage statements to Plaintiffs and the
24 putative class members for each pay period as a result of the policies and practices discussed above.
25 Defendants violated Labor Code section 226(a)(1) and (5) by not listing the correct "gross wages
26 earned" or "net wages earned," as the employees earned wages and premiums that were not paid,
27 resulting in an inaccurate reflection, and recording of "gross wages earned" on those wage statements.
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1 35. Furthermore, Defendants failed to comply with Labor Code section 226(a)(2) by failing
2 to include the “total hours worked” on Plaintiffs’ and the putative class members’ wage statements.
3 Specifically, Defendants did not account for “on call” hours worked by Plaintiffs and the putative class
4 members, thereby rendering the wage statements inaccurate and causing confusion, as employees were
5 unable to ascertain their total hours worked with reasonable certainty.

6 36. Likewise, in violation of Labor Code section 226(a)(9), Defendants failed to state on
7 employee wage statements each pay period the applicable hourly rates in effect and the number of
8 hours worked at that rate, as Defendants failed to pay all wages and premiums owed to employees and
9 at the proper wage rates. The amounts stated are instead depreciated, resulting in an inaccurate
10 reflection on the pay stub.

11 37. Plaintiffs and other putative class members cannot promptly and easily determine from
12 the wage statement alone the wages paid or earned without reference to other documents or
13 information. Indeed, these wage statement violations are significant because they sow confusion
14 among Plaintiffs and other class members with respect to what amounts were owed and paid, at what
15 rates, the number of hours worked, and how those amounts were or should be calculated. The wage
16 statements issued by Defendants contained inaccurate representations of earnings and served to
17 conceal underlying wage violations and the underpayment of employee compensation.

18 38. Defendants required Plaintiffs and the putative class members to incur expenses for
19 work-related purposes without providing reimbursement, in violation of applicable labor laws. As a
20 direct consequence of their job duties, Plaintiffs and class members necessarily and unavoidably
21 incurred losses and expenditures in the discharge of their employment responsibilities. As a matter of
22 company policy and practice, Defendants required Plaintiffs—and, upon information and belief, the
23 class members—to use personal laptops, home internet services, and personal cell phones to complete
24 work-related tasks. For example, Plaintiffs and class members were required to use their personal
25 laptops to attend remote work meetings. Despite the necessity of these expenses for the performance
26 of their duties, Defendants failed to reimburse Plaintiffs and, upon information and belief, the class
27 members for such work-related costs.

39. Because of the policies and practices set forth in this notice, including the failure to accurately account for wages earned or hours worked, Defendants failed to accurately maintain records in accordance with Labor Code section 1174 and the IWC Wage Orders.

FIRST CAUSE OF ACTION

FAILURE TO PAY ALL WAGES OWED

Violation of Labor Code §§ 200, 218, 1194, 1194.2 and 1197

(All Claims Alleged by Plaintiffs and Class Members Against All Defendants)

40. All outside paragraphs of this Complaint are incorporated into this section.

41. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code §§ 200, 218, 1182.12, 1194, 1194.2, 1197, 1197.1 and 1198 and the IWC Wage Orders (the “Hours and Days of Work” and “Minimum Wages” sections of the applicable orders), which require non-exempt employees be timely paid at least the state or local minimum wage (if higher) for each hour of work, and further provide a private right of action for an employer’s failure to pay all minimum wages (plus liquidated damages). In addition to minimum wages, Labor Code § 200 states that “wages” includes all amounts for labor performed by employees of every description, whether the amount is fixed or ascertained by the standard of time, task, piece, commission basis, or other method of calculation.”

42. Defendants willfully failed in their affirmative obligation to pay Plaintiffs and the putative class members at least the lawful minimum wage for each hour worked in violation of Labor Code sections 1182.12, 1194, 1194.2, 1197, 1197.1 and 1198 and the IWC Wage Orders (the “Hours and Days of Work” and “Minimum Wages” sections of the applicable orders), including payment at the lawful local and county minimum wage ordinances in effect. As a result, Defendants are liable for all associated damages, including liquidated damages for the minimum wage violations pursuant to Labor Code § 1194.2.

43. Defendants’ unlawful acts and omissions deprived Plaintiffs and the putative class members of minimum, regular and overtime wages in amounts to be determined at trial. Plaintiffs and class members are entitled to recover the full amount of the unpaid wages, plus liquidated damages in an amount equal to the wages unlawfully unpaid (and interest thereon), in addition to interest,

attorneys' fees, and costs to the extent permitted by law, including under Labor Code sections 1194 and 1194.2, 218.6 and any other applicable statutes.

SECOND CAUSE OF ACTION

FAILURE TO PAY ALL OVERTIME WAGES

Violation of Labor Code §§ 510 and 1194

44. All outside paragraphs of this Complaint are incorporated into this section.

45. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code §§ 204, 510, 558, 1194, and 1198, which require non-exempt employees be timely paid overtime wages all overtime hours worked, and which further provide a private right of action for an employer's failure to pay all overtime compensation for overtime hours worked.

46. Defendants failed in their affirmative obligation to pay Plaintiffs and the putative class members no less than one and one-half times their respective "regular rate of pay" for all hours worked in excess of eight hours in one day, 40 hours in one week, or the first eight hours worked on the seventh day of work in any one workweek, and no less than twice their respective "regular rate of pay" for all hours over 12 hours in one day and any work in excess of eight hours on any seventh day of a workweek for such hours worked, in violation of Labor Code sections 204, 510, 558, 1194, and 1198 and the IWC Wage Orders (the "Hours and Days of Work" sections of the applicable orders).

47. Plaintiffs and class members are entitled to recover the full amount of the unpaid overtime, in addition to interest, statutory and civil penalties, and attorneys' fees, and costs to the extent permitted by law.

THIRD CAUSE OF ACTION

MEAL PERIOD VIOLATIONS

Violation of Labor Code §§ 226.7 and 512

48. All outside paragraphs of this Complaint are incorporated into this section.

49. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code §§ 226.7, 558 and 512, which require non-exempt employees be provided complaint meal periods (or meal period premiums in lieu thereof), and which further provide a private right of action for an

1 employer's failure to lawfully provide all meal periods and/or pay meal period premiums at the lawful
2 regular rate of compensation.

3 50. Defendants willfully failed in their affirmative obligation to consistently provide
4 Plaintiffs and class members compliant, duty-free meal periods of not less than 30 minutes beginning
5 before the fifth hour of hour for each work period of more than five hours per day and a second duty-
6 free meal period of not less than 30 minutes beginning before the tenth hour of hour of work in
7 violation of Labor Code sections 226.7, 512, 558, 1198 and the IWC Wage Orders (the "Meal Periods"
8 sections of the applicable orders).

9 51. Further, Defendants willfully failed in their affirmative obligation to consistently pay
10 Plaintiffs and class members one additional hour of pay at the respective regular rate of compensation
11 for each workday that a fully compliant meal period was not provided, in violation of Labor Code
12 sections 226.7, 512, 558, and 1198 and the IWC Wage Orders (the "Meal Periods" sections of the
13 applicable orders).

14 52. Plaintiffs and the putative class members are entitled to recover the full amount of the
15 meal period premiums owed, in addition to interest, statutory and civil penalties, and attorneys' fees,
16 and costs to the extent permitted by law.

17 **FOURTH CAUSE OF ACTION**

18 **REST PERIOD VIOLATIONS**

19 **Violation of Labor Code §§ 226.7 and 516**

20 53. All outside paragraphs of this Complaint are incorporated into this section.

21 54. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code
22 §§ 226.7 and 516, which require non-exempt employees be authorized to take complaint rest periods
23 (or rest period premiums in lieu thereof), and which further provide a private right of action for an
24 employer's failure to lawfully provide all rest periods and/or pay rest period premiums at the lawful
25 regular rate of compensation.

26 55. Defendants willfully failed in their affirmative obligation to consistently authorize and
27 permit Plaintiffs and the putative class members to receive compliant, duty-free rest periods of not less
28 than ten (10) minutes for every four hours worked (or major fraction thereof) in violation of Labor

Code sections 226.7, 516, 558, and 1198 and the IWC Wage Orders (the “Rest Periods” sections of the applicable orders).

56. Further, Defendants willfully failed in their affirmative obligation to consistently pay Plaintiffs and the putative class members one additional hour of pay at the respective regular rate of compensation for each workday that a fully compliant rest period was not provided, in violation of Labor Code sections 226.7, 516, 558, and 1198 and the IWC Wage Orders.

FIFTH CAUSE OF ACTION

FAILURE TO PAY ALL PAID SICK LEAVE WAGES

Violation of Labor Code §§ 200, 218, 246 *et seq.*

57. All outside paragraphs of this Complaint are incorporated into this section.

58. Defendants knowingly and intentionally failed in their affirmative obligation to pay sick leave wages to Plaintiffs and a paid sick leave subclass in violation of Labor Code section 246 *et seq.* Paid sick leave earnings constitute wages for purposes of California wage and hour law. (*Murphy v. Kenneth Cole Productions, Inc.* (2007) 40 Cal.4th 1094, 1103 [“Courts have recognized that ‘wages’ also include those benefits to which an employee is entitled as a part of his or her compensation, including money, room, board, clothing, vacation pay, and sick pay”].)

59. Labor Code section 246(l), in conjunction with Labor Code section 248 *et seq.*, 248.1, 248.2, and 248.6, in addition to the applicable County sick pay ordinances in locales worked by the putative class members, govern how Defendants were required to calculate paid sick leave.

60. Defendants failed to pay Plaintiffs and the putative class members their paid sick leave wages at one of the lawful rates set forth in the statute or ordinance because Defendants failed to include in their sick leave calculation the additional remuneration received by Plaintiffs and class members (i.e., at the regular rate of pay and/or calculated based on total wages earned).

61. Furthermore, to the extent the paid sick leave paid constitutes Covid-related paid sick leave, Defendants knowingly and intentionally failed in their affirmative obligation to pay Covid-19 Supplemental Sick Leave wages to class members at the correct accrual rate or hourly pay rate in violation of Labor Code sections 246, 248.1, 248.2, and 248 *et seq.*

62. As a result, Defendants violated the Labor Code and are liable to Plaintiffs and the putative class members for underpaid sick leave wages, in addition to interest, attorneys' fees, and costs.

SIXTH CAUSE OF ACTION

UNTIMELY PAYMENT OF WAGES

Violation of Labor Code §§ 204, 210, 218

63. All outside paragraphs of this Complaint are incorporated into this section.

64. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code §§ 204, 204b, and 210 which require non-exempt employees be timely paid all wages owed each pay period, and which further provide a private right of action for an employer's failure to comply with this obligation. Labor Code § 218 authorizes individuals to sue directly for wages and penalties due under these sections, including Labor Code § 210(c)'s statutory late payment penalties.

65. Defendants willfully failed in their affirmative obligation to timely pay all wages, including paid sick leave and meal and rest premiums, earned by Plaintiffs and the putative class members twice during each calendar month on days designated in advance by the employer as regular paydays (for employees paid on a non-weekly basis) and on the regularly-scheduled weekly payday for weekly employees, if any, in violation of Labor Code sections 204 and 204b and the IWC Wage Orders (the "Minimum Wages" sections of the applicable orders).

66. Plaintiffs and the putative class members are entitled to recover the full amount of the unpaid wages, in addition to a statutory penalty in the amount of \$100 for the initial violation for each failure to pay each employee and \$200 for all subsequent violations and for all willful or intentional violations for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld under provided in Labor Code § 210, in addition to interest, attorneys' fees, and costs to the extent permitted by law.

SEVENTH CAUSE OF ACTION

WAGE STATEMENT VIOLATIONS

Violation of Labor Code § 226

67. All outside paragraphs of this Complaint are incorporated into this section.

1 68. This cause of action is brought by a wage statement subclass pursuant to Labor Code
2 § 226(a) which requires non-exempt employees be provided accurate itemized wage statements each
3 pay period, and which further provide a private right of action for an employer's failure to comply
4 with this obligation.

5 69. Defendants knowingly and intentionally failed in their affirmative obligation to provide
6 accurate itemized wage statements to Plaintiffs and the putative class members, resulting in injury to
7 Plaintiffs and class members. Specifically, the wage statements issued to Plaintiffs and the putative
8 class members did not accurately state each pay period all of the information required by Labor Code
9 § 226(a)(1)-(9).

10 70. Defendants' unlawful acts and omissions deprived Plaintiffs and the putative class
11 members of accurate itemized wage statements, causing confusion and concealing wage and premium
12 underpayments.

13 71. As a result, Plaintiffs and the putative class members are entitled to recover the
14 statutory penalty of \$50 per employee for the initial pay period in which a violation occurred and \$100
15 per employee for each violation in a subsequent pay period, up to an aggregate penalty of \$4,000 per
16 employee, in addition to interest, attorneys' fees, and costs to the extent permitted by law, including
17 under Labor Code section 226(e).

18 **EIGHTH CAUSE OF ACTION**

19 **FAILURE TO REIMBURSE BUSINESS EXPENSES**

20 **Violation of Labor Code § 2802**

21 72. All outside paragraphs of this Complaint are incorporated into this section.

22 73. Defendants willfully failed in their affirmative obligation to reimburse Plaintiffs and
23 the putative class members for all necessary expenditures, losses, expenses, and costs incurred by them
24 in direct discharge of the duties of their employment, in violation of Labor Code section 2802.

25 74. Defendants' unlawful acts and omissions deprived Plaintiffs and the putative class
26 members of lawful reimbursements for business expenses in amounts to be determined at trial.
27 Plaintiffs and the putative class members are entitled to recover the full amount of unreimbursed
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business expenses, along with interest, attorneys' fees, and costs, to the extent permitted by law, including pursuant to California Labor Code section 2802.

NINTH CAUSE OF ACTION

UNFAIR COMPETITION

Violation of Business and Professions Code §§ 17200 *et seq.*

75. All outside paragraphs of this Complaint are incorporated into this section.

76. Defendants have engaged and continue to engage in unfair and/or unlawful business practices in the State of California in violation of California Business and Professions Code § 17200 by committing the foregoing wage and hour violations alleged throughout this Complaint.

77. Defendants' dependence on these unfair and/or unlawful business practices deprived Plaintiffs, and continue to deprive them of compensation to which they are legally entitled, constitutes unfair and/or unlawful competition, and provides an unfair advantage to Defendants over competitors who have been and/or are currently employing workers in compliance with California's wage and hour laws. These failures constitute unlawful, deceptive, and unfair business acts and practices in violation of Business and Professions Code section 17200 *et seq.*

78. Plaintiffs are victims of Defendants' unfair and/or unlawful conduct alleged in this Complaint, and Plaintiffs, as individuals and on behalf of other similarly situated, seeks full restitution of the moneys as necessary and according to proof to restore all monies withheld, acquired, and/or converted by Defendants pursuant to Business and Professions Code §§ 17203 and 17208.

79. Plaintiffs do not have an adequate remedy at law for past or future violations, to the extent the statute of limitations on each of the alleged causes of action do not extend to the four year limitation provided under the UCL or to the extent the underlying Labor Code and IWC Wage Order violations do not provide a private right of action.

80. Plaintiffs and the putative class members are entitled to injunctive relief against Defendants, restitution, and other equitable relief to return all funds over which Plaintiffs and class members have an ownership interest and to prevent future damage and the public interest under Business and Professions Code § 17200 *et seq.* Plaintiffs and the putative class members are further

entitled to recover interest, attorneys' fees, and costs to the extent permitted by law, including under Code of Civil Procedure § 1021.5.

TENTH CAUSE OF ACTION

CIVIL PENALTIES UNDER THE PRIVATE ATTORNEYS GENERAL ACT

Violation of Labor Code §§ 2698 *et seq.*

(By Plaintiffs on Behalf of the State and the Aggrieved Employees Against All Defendants)

81. All outside paragraphs of this Complaint are incorporated into this section.

82. Plaintiffs brings this cause of action as a proxy for the State of California on behalf of the following "aggrieved employees" pursuant to the Private Attorneys General Act ("PAGA"), codified as Labor Code section 2698 *et seq.*:

a. All current and former non-exempt employees who worked for Defendants in California at any time from one year prior to the postmark date of the initial PAGA notice through date of trial.

83. Plaintiffs reserves the right to amend, supplement, or add to this description of the aggrieved employees, according to proof.

84. The State of California, via the Labor and Workforce Development Agency ("LWDA"), is the real party in interest in this action with respect to this cause of action. (*Kim v. Reins Int'l California, Inc.* (2020) 9 Cal. 5th 73, 81 [The "government entity on whose behalf the plaintiff files suit is always the real party in interest."])

85. Labor Code section 2699(a) provides: "Notwithstanding any other provision of law,, any provision of this code that provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency or any of its departments, divisions, commissions, boards, agencies, or employees, for a violation of this code, may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of the employee and other current or former employees against whom a violation of the same provision was committed pursuant to the procedures specified in Section 2699.3. "

1 86. Any allegations regarding violations of the IWC Wage Orders are enforceable as
2 violations of Labor Code section 1198, which states: “[t]he employment of any employee for longer
3 hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.”

4 87. Labor Code section 2699.3 sets forth the procedure for commencing an action for civil
5 penalties under the PAGA.

6 88. On or about **February 18, 2025**, Plaintiff Raidy paid the requisite PAGA filing fee and
7 provided written notice (by online electronic filing with the LWDA and by certified mail to
8 Defendants) of Defendants’ alleged Labor Code violations, including the facts and theories to support
9 the alleged violations.

10 89. On or about **February 24, 2025**, Plaintiff Soto paid the requisite PAGA filing fee and
11 provided written notice (by online electronic filing with the LWDA and by certified mail to
12 Defendants) of Defendants’ alleged Labor Code violations, including the facts and theories to support
13 the alleged violations

14 90. A true and correct copy of Plaintiffs’ written PAGA notices, entitled “Notice of Labor
15 Code Violations” is attached hereto as Exhibit 1 and Exhibit 2 and incorporated by reference as though
16 fully set forth herein (the “PAGA notices”).

17 91. To date, neither Plaintiffs nor Plaintiffs’ counsel has received a response to Plaintiffs’
18 written PAGA notice from the LWDA.

19 92. Within 33 calendar days of the postmark date of the notice sent by Plaintiffs, neither
20 Plaintiffs nor Plaintiffs’ counsel has received written notice by certified mail from any defendant
21 providing a description of any actions taken to cure the alleged violations.

22 93. Now that at least 65 days have passed from Plaintiffs notifying Defendants of these
23 violations, without notice of cure from Defendants or notice from the LWDA of its intent to investigate
24 the alleged allegations and issue the appropriate citations to Defendants, Plaintiffs exhausted all
25 prerequisites and commenced this civil action under Labor Code section 2699 *et seq.*

26 94. As set forth in the PAGA notices attached as Exhibit 1 and Exhibit 2 and incorporated
27 into this Complaint, Defendants committed the following violations and are liable for all
28 corresponding civil penalties:

- a. ***Unpaid Hours Worked/Minimum Wage.*** Violation of Labor Code §§ 1194, 1197, 1198; IWC Wage Orders.
- b. ***Unpaid Overtime.*** Violation of Labor Code §§ 510, 1194, 1198; IWC Wage Orders.
- c. ***Unpaid Paid Sick Leave.*** Violation of Labor Code §§ 246 through 248.7.
- d. ***Unpaid Meal Period Premium Wages.*** Violation of Labor Code §§ 226.7, 512, 1198; IWC Wage Orders.
- e. ***Unpaid Rest Period Premium Wages.*** Violation of Labor Code §§ 226.7, 516, 1198; IWC Wage Orders.
- f. ***Untimely Payment of Wages During Employment.*** Violation of Labor Code §§ 204, 204b, 210.
- g. ***Untimely Payment of Wages Upon Separation of Employment.*** Violation of Labor Code §§ 201, 202, 203, 256.
- h. ***Non-Compliant Wage Statements.*** Violation of Labor Code §§ 226, 226.3.
- i. ***Unreimbursed Employee Expenses.*** Violation of Labor Code §§ 2802, 2804.
- j. ***Failure to Maintain Accurate Records.*** Violation of Labor Code § 1174; IWC Wage Orders.

95. Plaintiffs seek to collect all recoverable civil penalties for the Labor Code violations alleged in this Complaint and the PAGA notice (including amendments thereto) against Defendants pursuant to Labor Code section 2699(a) and (f), in addition to attorneys' fees, costs, and interest to the extent permitted by law, including under Labor Code section 2699(k).

PRAYER

Plaintiffs pray for judgment as follows:

- a. For certification of this action as a class action;
- b. For appointment of Plaintiffs as the class representatives;
- c. For appointment of above-captioned counsel for Plaintiffs as Class Counsel;
- d. For division of class members into appropriate classes and/or subclasses according to proof;

- e. For recovery of all statutory penalties and liquidated damages;
- f. For disgorgement of all amounts wrongfully obtained to the extent permitted by law;
- g. For restitution and injunctive relief;
- h. For attorneys' fees and costs of suit, including expert fees, to the extent permitted by law, including (without limitation) under Labor Code §§ 218.5, 226, 1194, 2802 and Code of Civil Procedure § 1021.5;
- i. For recovery of damages in amount according to proof;
- j. For all recoverable pre- and post-judgment interest;
- k. For this action to be maintained as a representative action under the PAGA;
- l. For Plaintiffs and counsel of record to be provided with all enforcement capability as if the action were brought by the State of California or the California Division of Labor Enforcement;
- m. For recovery of all civil penalties and other recoverable amounts under the PAGA;
- n. For reasonable attorneys' fees and costs of suit, including expert fees, to the extent permitted by law, associated with the PAGA claims pursuant to Labor Code § 2699, and Code of Civil Procedure section 1021.5 and any other applicable sections; and
- o. For such other relief the Court deems just and proper.

Dated: June 3, 2025

Ferraro Vega Employment Lawyers, Inc.



Nicholas J. Ferraro
Lauren N. Vega
Dorota A. James
Attorney for Plaintiffs

EXHIBIT 1

Plaintiff Raidy Notice of Labor Code Violations

FERRARO VEGA

SAN DIEGO EMPLOYMENT LAWYERS

Nicholas J. Ferraro
nick@ferrarovega.com
Lauren N. Vega
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ATTORNEYS AT LAW
3333 Camino del Rio South, Suite 300
San Diego, California 92108

619-693-7727
619-350-6855 fax
ferrarovega.com

February 18, 2025

NOTICE OF LABOR CODE VIOLATIONS CALIFORNIA LABOR CODE SECTIONS 2698 *et seq.*

VIA CERTIFIED U.S. MAIL
- Electronic Return Receipt -

**Oakland Hospice, Inc. d/b/a Interim
Healthcare Hospice - Sacramento Area**
2233 Watt Avenue, Suite 330
Sacramento, CA 95825

- PAGA Notice & Filing Fee -
Submitted electronically to the Labor and
Workforce Development Agency

Oasis Outsourcing III, LLC
2054 Vista Parkway, Suite 300
West Palm Beach, FL 33411

Dear LWDA Officer and Company Representatives:

This letter serves as written notice under Labor Code section 2699.3 on behalf of **KEVIN M RAIDY** (“Plaintiff(s)”) and all other “aggrieved employees” of the following “Defendant(s)”:

**OAKLAND HOSPICE, INC. d/b/a INTERIM HEALTHCARE HOSPICE -
SACRAMENTO AREA; OASIS OUTSOURCING III, LLC**

Defendant(s) shall mean and include the foregoing in addition to any other related employer entities, individuals under Labor Code sections 558 and 558.1, and all others who may be later added upon further investigation and discovery as liable employers.

This office serves as legal counsel for Plaintiff. If the California Labor and Workforce Development Agency (“LWDA”) does not investigate the facts, allegations, and violations set forth in this notice within the statutorily prescribed 65-day period under Labor Code section 2699.3, Plaintiff intends to commence a civil action against Defendants as a proxy and agent of the State of California under the Private Attorneys General Act (“PAGA”). “PAGA allows an ‘aggrieved employee’—a person affected by at least one Labor Code violation committed by an employer—to pursue penalties for all the Labor Code violations committed by that employer.” *Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal. App. 5th 745, 751; *Kim v.*

Reins International California, Inc. (2020) 9 Cal. 73, 79. Plaintiff maintains standing to pursue these claims against Defendants as an aggrieved employee.

Through this notice, Plaintiff requests that Defendants complete an internal investigation and audit of the wage and hour and employment practices at issue and make a good faith effort to correct any violations. Plaintiff attempts to identify the non-compliant policies and practices affecting the aggrieved employees so that the parties may resolve the underlying damages and penalties in judgment or settlement approved by the Superior Court of California under Labor Code section 2699(s). Defendants are notified that any attempt to resolve this case should be conducted in coordination with Plaintiff's counsel to protect the interests of Plaintiff, the aggrieved employees, and the State of California via the LWDA. Plaintiff advises Defendants this letter should be also considered a reasonable attempt at settlement of this matter, subject to an exchange of additional documents and information. *Graham v. Daimler Chrysler Corp.* (2004) 24 Cal. 4th 553, 561.

- BACKGROUND -

Defendants employed Plaintiff during the PAGA Period in the position of Bereavement Manager and Supervisor from about January 2022 to October 2022. During their employment Plaintiff and the other aggrieved employees were subject to the wage and hour and employment protections set forth in the California Labor Code and IWC Wage Orders.

Through this notice, Plaintiff informs the LWDA of the Labor Code violations set forth herein. The “aggrieved employees” include Plaintiff and the following individuals:

All current and former non-exempt employees who worked for Defendants in the State of California during one-year period preceding the date of this notice through the current date and the date of trial in any pending action (the “aggrieved employees” and the “PAGA Period”).

Plaintiff reserves the right to expand or narrow the definition of the “aggrieved employees” in the forthcoming civil action. Furthermore, Plaintiff seeks all recoverable civil penalties for Defendants’ violations and reserves the right to supplement this notice as further investigation is completed and further facts, witnesses, and violations are uncovered.

- PAGA CLAIMS -

Unpaid Hours Worked/Minimum Wage Violation of Labor Code §§ 1194, 1197, 1198; IWC Wage Orders

Defendants violated Labor Code sections 1194, 1197, and 1198, along with the California Minimum Wage Order, the applicable local minimum wage ordinances, and the “Hours and

Days of Work” and “Minimum Wages” sections of the applicable IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 1194 renders it unlawful for an employee to receive less than the legal minimum wage for hours worked in California. Labor Code section 1197 further mandates that “[t]he minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a lower wage than the minimum so fixed is unlawful.” Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The California Minimum Wage Order and the applicable sections of the IWC Wage Orders further require payment of minimum wages for all hours worked. The “Minimum Wages” sections of the applicable IWC Wage Order provide that “[e]very employer shall pay to each employee, on the established payday for the period involved, not less than the applicable minimum wage for all hours worked in the payroll period, whether the remuneration is measured by time, piece, commission, or otherwise.” The foregoing California wage laws require payment of “not less than the applicable minimum wage *for all hours worked* in the payroll period” and California law does not allow averaging of pay over the hours worked in the pay period, even if the total pay results in an average above the minimum wage. *Armenta v. Osmose, Inc.* (2005) 135 Cal. App. 3d 314, 324.

Defendants failed to pay Plaintiff and the aggrieved employees at the lawful minimum wage rate for all hours worked, resulting in unpaid minimum wages.

First, Defendants failed to pay Plaintiff and the aggrieved employees for on-call hours worked. Rather than pay Plaintiff and the aggrieved employees at the lawful minimum wage for all on-call hours worked, Defendants engaged in a policy and practice of failing to pay Plaintiff or the aggrieved employees for any on-call hours. Although Defendants eventually corrected this policy after Plaintiff’s repeated requests, Defendants failed to pay Plaintiff and, upon information and belief, the aggrieved employees retroactively, resulting in unpaid wages.

Second, Defendants required Plaintiff to complete job duties while off-the-clock. Specifically, Defendants required Plaintiff and the aggrieved employees to attend remote work meetings, communicate with patients, and answer questions from coworkers while off-the-clock. However, as a matter of policy and practice, Defendants failed to pay Plaintiff and the aggrieved employees for these additional hours worked off-the-clock.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, as provided under Labor Code sections 558 (\$50/\$100), 1197.1 (\$100/\$250), 1199 / “Penalties” section of the IWC Wage Orders (\$50/\$100), and 2699 (\$100/\$200) per violation per pay period per employee, along with all other civil penalties permitted by law.

Unpaid Overtime
Violation of Labor Code §§ 510, 1194, 1198; IWC Wage Orders

Defendants violated Labor Code sections 510, 1194, and 1198, along with the “Hours and Days of Work” sections of the applicable IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 510 requires “[a]ny work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee;” and “any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee;” and “any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee.” Labor Code section 1194 renders it unlawful for an employee to receive less than the legal overtime rate for overtime hours worked in California. Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The IWC Wage Orders further require payment of overtime wages for all overtime hours worked, including the “Hours and Days of Work” sections.

Defendants failed to pay Plaintiff and the aggrieved employees overtime wages and the lawful rate of pay for overtime hours worked, resulting in unpaid overtime wages. Specifically, Defendants failed to pay overtime at the regular rate of pay. Plaintiff and the aggrieved employees earned bonuses and other forms of non-discretionary payments which Defendants failed to include in the overtime rate when earned in the same pay period. An illustrative example of this violation is shown in Plaintiff’s pay statement below:

OAKLAND HOSPICE, INC. (24225)
d/b/a INTERIM HEALTHCARE HOSPICE - SACRAMENTO AREA
2233 WATT AVE. STE 330
SACRAMENTO, CA 95825
916-779-0811

OASIS OUTSOURCING III, LLC
2054 VISTA PARKWAY STE 300
WEST PALM BEACH, FL 33411
OASIS WPB LAUNCH TEAM 888-679-8865
Voucher #: 003288 Sort Order: 20

Employee ID	Employee Name	Check Date	Period Start	Period End	Check No
HB8603	KEVIN M RAIDY	10-07-2022	09-17-2022	09-30-2022	50056735

Fed Tax SS/Single

State Tax S/O

Method Of Payment: Hourly

Charge Date	Description	CURRENT EARNINGS DETAIL				DEDUCTIONS / TAXES	
		Rate	Hours/ Units	Amount	Hours Worked	Description	Amount Y-T-D
09-30-2022	REG PAY	45.0000	54.95	2472.75	54.95	401(K)	340.80 888.22
09-30-2022	VAC PAY	45.0000	16.00	720.00	0.00	CLIENT LIFE	6.00 96.00
09-30-2022	OT PAY	67.5000	0.33	22.28	0.33	LIFE INS	5.00 5.00
09-30-2022	MILE-NT	243.7500	1.00	243.75	0.00	CHILD SUPPOR	0.00 3,480.00
09-30-2022	BONUS	1000.0000	1.00	1000.00	0.00	GARNISH FEE	0.00 24.00
09-30-2022	MISSED MEAL BRK	45.0000	1.00	45.00	1.00	CS PLUS ARRE	0.00 778.00
						CO AFLAC	0.00 171.90
						FEDERAL INCOME	594.08 8,939.96
						MEDICARE - EE	61.77 938.00
						SOCIAL SEC - EE	264.12 4,014.59
						CA DISABILITY	46.86 712.27

Extract from Plaintiff’s wage statement for the pay period from 09/17/2022-09/30/2022 showing Defendants paid overtime wages in the same pay period that Plaintiff earned a bonus.

Here, Defendants failed to include Plaintiff's bonus into the regular rate of pay for overtime wages paid.

Additionally, to the extent "on-call" earnings are considered additional non-discretionary income, Defendants failed to include these "on-call" earnings into the regular rate of pay for purposes of calculating overtime.

Finally, as described in the above section, Defendants engaged in an unlawful policy and practice of requiring off-the-clock work. These off-the-clock hours often resulted in hours worked over 8 hours in a day or 40 hours in a week. However, as a matter of policy and practice, Defendants failed to pay Plaintiff or the aggrieved employees' overtime wages earned.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, as provided under Labor Code sections 558 (\$50/\$100), 1199 / "Penalties" section of the IWC Wage Orders) (\$50/\$100), and 2699 (\$100/\$200) per violation per pay period per employee, along with all other civil penalties permitted by law.

Unpaid Paid Sick Leave **Violation of Labor Code §§ 246 through 248.7**

Defendants violated Labor Code sections 246 through 248.7 with respect to the aggrieved employees.

Labor Code section 246 requires employers to provide paid sick leave to its workforce on the terms set forth in the statute. Employers must comply with the accrual, use, and notice provisions of Labor Code sections 246, 246.5, 247, and must further ensure that they maintain the paid sick leave records required by Labor Code section 247.5. Employers have the option of providing 24 hours of paid sick leave to employees or to allow employees to accrue paid sick leave each pay period. If an employer chooses the accrual method, employees must accrue sick leave at a rate of one hour for every thirty hours worked in a given pay period as set forth in Labor Code section 246(b)(1). Under the accrual method, employees must begin accruing paid sick leave at the commencement of employment.

Employers must pay sick leave in accordance with one of the three permissible methods provided in Labor Code section 246(l): (1) "the same manner as the regular rate of pay for the workweek;" (2) "by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days;" or (3) "for exempt employee ... in the same manner as the employer calculates wages for other forms of paid leave time." Labor Code sections 248.6 and 248.7 similarly require paid sick leave to be paid at a regular rate-based calculation in excess of the base hourly rate and at the lawful accrual rate.

Under Labor Code section 246(i), employers must provide employees “with written notice of the amount of paid sick leave available ... for use on either the employee’s itemized wage statement ... or in a separate writing provided on the designated pay date with the employee’s payment of wages.”

Defendants failed to comply with California’s paid sick leave laws with respect to the aggrieved employees in several ways. First, Defendant failed to include bonuses and other forms of non-discretionary compensation in the regular rate for purposes of calculating sick pay. For example, Plaintiff and the aggrieved employees received bonuses. However, Defendants failed to include these bonuses into the regular rate for purposes of calculating sick pay.

Second, to the extent that “on-call” pay was considered non-discretionary income, Defendants failed to factor those earnings into Plaintiff’s and, upon information and belief, the aggrieved employees’ paid sick leave rate, resulting in underpayment of sick wages in respective pay periods.

Finally, as described above, Defendants engaged in an unlawful policy and practice of requiring off-the-clock work. However, as a matter of policy and practice, Defendants failed to include these additional hours worked for purposes of calculating accrued paid sick leave.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees as provided under Labor Code section 2699 (\$100/\$200) per violation per pay period per employee, along with all other civil penalties permitted by law.

Unpaid Meal Period Premium Wages **Violation of Labor Code §§ 226.7, 512, 1198; IWC Wage Orders**

Defendants violated Labor Code sections 226.7, 512, and 1198, along with the related sections of the IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 512 and the IWC Wage Orders require that employers provide an uninterrupted 30-minute meal period after no more than five hours of work and a second meal period after no more than 10 hours of work. *See Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal. 4th 1004, 1049. Labor Code section 226.7 requires that if a meal period is late, missed, short, or interrupted, the employer must pay one additional hour of pay at the employee’s “regular rate” of compensation. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal. 5th 858, 862 (“We hold that the terms are synonymous: “regular rate of compensation” under section 226.7(c), like “regular rate of pay” under section 510(a), encompasses all nondiscretionary payments, not just hourly wages”). “[T]ime records showing noncompliant meal periods raise a rebuttable presumption of meal period violations, including at the summary judgment stage.” *Donohue v. AMN Services, LLC* (2021) 11 Cal. 5th 58, 61. Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The IWC Wage Orders,

including Section 11 (Meal Periods), further require one uninterrupted 30-minute meal period after no more than five hours of work and a second meal period after no more than 10 hours of work and an additional hour of pay at the employee's regular rate of compensation for each workday that a compliant meal period is not provided. Pursuant to Section 11(A) of the IWC Wage Orders, the California Supreme Court has held that the on-duty meal period exception is "exceedingly narrow" and applies only when (1) "the nature of the work prevents the employee from being relieved of all duty" and (2) *both* "the employer and employee have agreed, in writing, to the on-duty meal period." *Augustus v. AMB Security Services, Inc.* (2016) 2 Cal. 5th 257, 266-276 (emphasis added). If these two requirements are not met, then the employer owes the employee one hour of premium pay for each non-compliant meal period taken under the purported on-duty meal arrangement. *Naranjo v. Spectrum Security Services, Inc.* (2019) 40 Cal. 5th 444, 459.

Plaintiff and the aggrieved employees suffered late, short, missed, and/or interrupted first and second meal periods to keep up with the demands of the job. Specifically, Plaintiff worked as a Bereavement Manager and Supervisor. Plaintiff's job duties included completing patient intake forms, answering phone calls, and attending to patients. Defendants discouraged Plaintiff and the aggrieved employees from taking meal periods because of the consistent and heavy workload. As a result, Plaintiff and the aggrieved employees often worked through part or all their meal periods. However, as a matter of policy and practice, Defendants failed to pay all owed meal period premiums each time Plaintiff or the aggrieved employees experienced a non-compliant meal period.

To the extent that Defendants paid Plaintiff and the aggrieved employees premiums for these non-compliant meal periods, they were underpaid because Defendants failed to factor all forms of additional remuneration including bonuses into the regular rate for purposes of calculating meal period premiums.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees as provided under Labor Code section 2699 (\$100/\$200) per violation per pay period per employee, along with all other civil penalties permitted by law.

Unpaid Rest Period Premium Wages **Violation of Labor Code §§ 226.7, 516, 1198; IWC Wage Orders**

Defendants violated Labor Code sections 226.7, 516, and 1198, and the related sections of the IWC Wage Orders with respect to Plaintiff and the aggrieved employees.

Labor Code sections 226.7 and 516 and the IWC Wage Orders require that employers authorize and permit an uninterrupted 10-minute rest period for each four-hour period (or major fraction thereof) that an employee works. Labor Code section 226.7 requires that if a rest period is non-compliant, the employer must pay one additional hour of pay at the employee's "regular rate" of compensation. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11

Cal. 5th 858, 862 (“We hold that the terms are synonymous: “regular rate of compensation” under section 226.7(c), like “regular rate of pay” under section 510(a), encompasses all nondiscretionary payments, not just hourly wages”). Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The IWC Wage Orders, including Section 12 (Rest Periods), further require one uninterrupted 10-minute rest period for each four-hour period (or major fraction thereof) worked and an additional hour of pay at the employee’s regular rate of compensation for each workday that a compliant rest period is not authorized or permitted.

Plaintiff and the aggrieved employees often suffered late, short, interrupted, and/or missed rest periods. As stated in the above section, Defendants discouraged Plaintiff and the aggrieved employees from taking rest periods. Due to the heavy workload, Plaintiff and the aggrieved employees often worked through their days without rest periods to attend to patients, complete intake forms, and answer phone calls. This practice often resulted in non-compliant rest periods. However, Defendants did not pay plaintiff and the aggrieved employees all owed rest period premiums for each non-complaint rest period.

To the extent that Defendants paid Plaintiff and the aggrieved employees premiums for these non-compliant rest periods, they were underpaid because Defendants failed to factor all forms of additional remuneration, including bonuses, into the regular rate for purposes of calculating rest period premiums.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, as provided under Labor Code section 2699 (\$100/\$200) per violation per pay period per employee, along with all other civil penalties permitted by law.

Untimely Payment of Wages During Employment **Violation of Labor Code §§ 204, 204b, 210**

Defendants violated Labor Code sections 204 and/or 204b and 210, as applicable, with respect to Plaintiff and the aggrieved employees.

Labor Code section 204(a) requires payment of “all wages” for non-exempt employees at least twice each calendar month. Labor Code section 204(d) states all wages due must be paid “not more than seven calendar days following the close of the payroll period.” Labor Code section 204b applies to employees paid on a weekly basis and also requires the payment for all labor within the required pay periods. Labor Code section 210 provides “every person who fails to pay the wages of an employee as provided in Section ... 204 ... shall be subject to a civil penalty” of \$100 for an initial violation and \$200 plus 25% of the amount unlawfully withheld for a subsequent violation.

Because Defendants failed to pay all wages and premiums in each pay period in which such wages were earned at the lawful rate, Defendants violated Labor Code section 204 and/or 204b (for weekly employees, as applicable). Defendants violated Labor Code sections 204 and 204b by failing to pay all wages and premiums owed on the regular pay days scheduled each pay period within seven calendar days of the close of the payroll period, as a result of the policies and practices set forth in this notice.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees as provided under Labor Code section 2699 (\$100/\$200) per violation per pay period per employee, and Labor Code section 210 (\$100/\$200) per violation per pay period, along with all other civil penalties permitted by law.

Untimely Payment of Wages Upon Separation of Employment **Violation of Labor Code §§ 201, 202, 203, 256**

Defendants violated Labor Code sections 201, 202, and 203 with respect to the aggrieved employees by failing to pay all wages and premiums owed upon termination of employment.

Labor Code section 201 requires that if an employer fires an employee, the wages must be paid immediately. Labor Code section 202 requires that if an employee quits without providing 72 hours' notice, his or her wages must be paid no later than 72 hours thereafter. Labor Code section 202 states that if an employee provides 72 hours' notice, the final wages are payable upon his or her final day of employment. Labor Code section 203 requires an employer who fails to comply with Labor Code sections 201 or 202 to pay a waiting time penalty for each employee, up to a period of 30 days additional compensation.

Defendants failed to pay all wages and premiums owed to aggrieved employees during their employment as set forth in this notice and failed to timely pay those amounts to departing employees upon separation of employment. Defendants did not pay waiting time penalties for the late payments. As a result, Defendants violated Labor Code sections 201, 202, and 203.

As a result, Plaintiff may recover civil penalties on behalf of aggrieved employees and the State of California as provided under Labor Code section 2699 (\$100/\$200) per violation per pay period per employee, along with all other civil penalties permitted by law.

Non-Compliant Wage Statements **Violation of Labor Code §§ 226, 226.3**

Defendants violated Labor Code sections 226(a) and 226.3 with respect to the aggrieved employees by failing to furnish itemized wage statements each pay period that accurately list all information required by Labor Code section 226(a)(1) through (9).

Labor Code section 226(a) requires an employer to furnish wage statements to employees semimonthly or at the time of each payment of wages, “an accurate itemized statement in writing showing:” (1) gross wages earned, (2) total hours worked, (3) the number of piece rate units earned and applicable piece-rate in effect, (4) all deductions, (5) net wages earned, (6) the inclusive dates of the pay period, (7) the name of the employee and last four digits of SSN or an EIN, (8) the name and address of the legal name of the employer, and (9) all applicable hourly rates in effect during the pay period and the number of hours worked at each hourly rate by the employee.

Defendants failed to provide accurate itemized wage statements to the aggrieved employees each pay period as a result of the policies and practices set forth in this notice. Defendants violated Labor Code section 226(a)(1) and (5) by not listing the correct “gross wages earned” or “net wages earned,” as the employees earned wages and premiums that were not paid, resulting in an inaccurate reflection, and recording of “gross wages earned” on those wage statements.

Additionally, Defendants failed to list the “total hours worked” on employee paystubs, in violation of section 226(a)(2). Specifically, Defendants failed to include the “on call” hours worked on Plaintiff and the aggrieved employees’ paystubs, resulting in confusion because total hours worked cannot be easily calculated.

Likewise, in violation of Labor Code section 226(a)(9), Defendants failed to state on employee wage statements each pay period the applicable hourly rates in effect and the number of hours worked at that rate, as Defendants failed to pay all wages and premiums owed to employees and at the proper wage rates. The amounts stated are instead depreciated and underpaid, resulting in an inaccurate reflection on the pay stub.

Plaintiff and other aggrieved employees cannot promptly and easily determine from the wage statement alone the wages paid or earned without reference to other documents or information. Indeed, these wage statement violations are significant because they sow confusion among Plaintiff and other aggrieved employees with respect to what amounts were owed and paid, at what rates, the number of hours worked, and how those amounts were or should be calculated. The wage statements reflect a false statement of earnings and concealed the underlying problems and underpayments of employee wages.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, as provided under Labor Code sections 226.3 (\$250/\$1,000) and 2699 (\$100/\$200) per violation per pay period per employee, along with all other civil penalties permitted by law.

Unreimbursed Employee Expenses
Violation of Labor Code §§ 2802, 2804

Defendants violated Labor Code section 2802 with respect to the aggrieved employees by failing to reimburse the aggrieved employees for all necessary expenditures or losses incurred as part of their job duties.

Labor Code section 2802 requires an employer to “indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer, even though unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful.” See, e.g., *Espinoza v. West Coast Tomato Growers, LLC*, 2016 WL 4468175 at *4, n.2 (S.D. Cal. Aug. 24, 2016, No. 14-CV-2984 W (KSC)).

Labor Code section 2804 affirms that “[a]ny contract or agreement, express or implied, made by any employee to waive the benefits of this article or any part thereof, is null and void, and this article shall not deprive any employee or his personal representative of any right or remedy to which he is entitled under the laws of this State.”

Defendants required Plaintiff and the aggrieved employees to incur costs for work-related purposes without reimbursement. In direct consequence of their job duties, Plaintiff and the aggrieved employees unavoidably and necessarily incurred these losses, expenditures, costs, and as a matter of policy and practice. Specifically, Defendants required Plaintiff and, upon information and belief, the aggrieved employees to use their personal laptops, home internet and cell phones to complete work-related tasks. For example, Defendants required Plaintiff and the aggrieved employees to use their personal laptops to attend remote work meetings. However, Defendants failed to reimburse Plaintiff and, upon information and belief, the aggrieved employees for their work-related expenses.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, as provided under Labor Code section 2699 (\$100/\$200) per violation per pay period per employee, along with all other civil penalties permitted by law.

Failure to Maintain Accurate Records
Violation of Labor Code § 1174; IWC Wage Orders

Defendants violated Labor Code sections 1174 and the IWC Wage Orders by failing to maintain accurate employee payroll records with respect to Plaintiff and other aggrieved employees.

Labor Code section 1174 requires that employers maintain accurate “payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or

establishments.” Section 7(A) of the IWC Wage Orders, which may be enforced through Labor Code section 1198, mandates similar recordkeeping obligations.

Because of the policies and practices set forth in this notice, including the failure to accurately account for wages earned or hours worked, Defendants failed to accurately maintain records in accordance with Labor Code section 1174 and the IWC Wage Orders.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, as provided under Labor Code section 1174.5 (\$500) and 2699 (\$100/\$200), along with all other civil penalties permitted by law.

Attorneys’ Fees and Costs
Labor Code § 2699(k)(1)

Plaintiff has been compelled to retain the services of counsel to protect the interests of other aggrieved employees and the State of California. Plaintiff continues to incur attorneys’ fees and costs, which are recoverable under California law, including Labor Code section 2699(g).

- LITIGATION HOLD NOTICE -

This letter imposes a duty upon all defendants and their respective employees, officers, directors, executives, attorneys, human resource and payroll personnel, accountants, and other agents to preserve all physical and electronic evidence, including electronically stored information and emails, which relate to the employment of Plaintiff and the aggrieved employees specified in this notice. Evidence includes, but is not limited to, Defendants’ written employment and payroll policies and handbooks; the aggrieved employees’ personnel files and payroll records, such as paystubs, time records, wage statements, compensation reports, as well as the underlying electronically data in Excel or similar format. Memoranda and internal and external correspondence relating to the subject matter of this notice shall also be maintained. Failure to preserve and retain relevant evidence may constitute spoliation of evidence and result in an adverse inference or sanctions.

If you have any questions regarding the scope of your obligations to preserve evidence, please consult your legal counsel and always err on the side of caution. Periodic or regularly scheduled purges or deletions of information covered by this hold must be suspended immediately.

- CONCLUSION -

If the LWDA does not pursue enforcement, Plaintiff intends to bring representative claims on behalf of the State of California and the aggrieved employees seeking civil penalties for violations of the Labor Code and the IWC Wage Orders, along with attorneys’ fees, costs, interest, and other appropriate relief.

Please advise if the LWDA intends to investigate any of the factual or legal allegations set forth in this notice. Defendants may contact Plaintiff's counsel with any questions regarding this letter or the forthcoming lawsuit.

Sincerely,

A handwritten signature in black ink, appearing to read "Mariela Romo". The signature is fluid and cursive, with a large initial "M" and a distinct "R" for "Romo".

Mariela Romo

Cc Plaintiff Kevin M. Raidy

Tyler Paetkau, Esq. (Tyler.Paetkau@huschblackwell.com)
Counsel for Interim Healthcare

lmp

EXHIBIT 2

Plaintiff Soto Notice of Labor Code Violations

FERRARO VEGA

SAN DIEGO EMPLOYMENT LAWYERS

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February 24, 2025

NOTICE OF LABOR CODE VIOLATIONS CALIFORNIA LABOR CODE SECTIONS 2698 *et seq.*

VIA CERTIFIED U.S. MAIL
- Electronic Return Receipt -

**Oakland Hospice, Inc. dba Interim
Healthcare Hospice - Sacramento Area**
1551 Sawgrass Corporate Pkwy. Suite 230
Sunrise, Florida 33323

Interim Healthcare, Inc.
1551 Sawgrass Corporate Pkwy. Suite 230
Sunrise, Florida 33323

Oasis Outsourcing III, LLC
2054 Vista Pkwy., Suite 300
West Palm Beach, Florida 33411

- PAGA Notice & Filing Fee -
Submitted electronically to the Labor and
Workforce Development Agency

Dear LWDA Officer and Company Representatives:

This letter serves as written notice under Labor Code section 2699.3 on behalf of **LACEY SOTO** (“Plaintiff(s)”) and all other “aggrieved employees” of the following “Defendant(s)”:

**OAKLAND HOSPICE, INC. DBA INTERIM HEALTHCARE HOSPICE -
SACRAMENTO AREA; OASIS OUTSOURCING III, LLC; INTERIM
HEALTHCARE, INC.**

Defendant(s) shall mean and include the foregoing in addition to any other related employer entities, individuals under Labor Code sections 558 and 558.1, and all others who may be later added upon further investigation and discovery as liable employers.

This office serves as legal counsel for Plaintiff. If the California Labor and Workforce Development Agency (“LWDA”) does not investigate the facts, allegations, and violations set forth in this notice within the statutorily prescribed 65-day period under Labor Code section 2699.3, Plaintiff intends to commence a civil action against Defendants as a proxy and agent of the State of California under the Private Attorneys General Act (“PAGA”). “PAGA allows an ‘aggrieved employee’—a person affected by at least one Labor Code violation committed

by an employer—to pursue penalties for all the Labor Code violations committed by that employer.” *Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal. App. 5th 745, 751; *Kim v. Reins International California, Inc.* (2020) 9 Cal. 73, 79. Plaintiff maintains standing to pursue these claims against Defendants as an aggrieved employee.

Through this notice, Plaintiff requests that Defendants complete an internal investigation and audit of the wage and hour and employment practices at issue and make a good faith effort to correct any violations. Plaintiff attempts to identify the non-compliant policies and practices affecting the aggrieved employees so that the parties may resolve the underlying damages and penalties in judgment or settlement approved by the Superior Court of California under Labor Code section 2699(s). Defendants are notified that any attempt to resolve this case should be conducted in coordination with Plaintiff’s counsel to protect the interests of Plaintiff, the aggrieved employees, and the State of California via the LWDA. Plaintiff advises Defendants this letter should be also considered a reasonable attempt at settlement of this matter, subject to an exchange of additional documents and information. *Graham v. Daimler Chrysler Corp.* (2004) 24 Cal. 4th 553, 561.

- BACKGROUND -

Defendants employed Plaintiff during the PAGA Period in the position of Chaplain from about May 2022 to April 2023. During their employment Plaintiff and the other aggrieved employees were subject to the wage and hour and employment protections set forth in the California Labor Code and IWC Wage Orders.

Through this notice, Plaintiff informs the LWDA of the Labor Code violations set forth herein. The “aggrieved employees” include Plaintiff and the following individuals:

All current and former non-exempt employees who worked for Defendants in the State of California during one-year period preceding the date of this notice through the current date and the date of trial in any pending action (the “aggrieved employees” and the “PAGA Period”).

Plaintiff reserves the right to expand or narrow the definition of the “aggrieved employees” in the forthcoming civil action. Furthermore, Plaintiff seeks all recoverable civil penalties for Defendants’ violations and reserves the right to supplement this notice as further investigation is completed and further facts, witnesses, and violations are uncovered.

- PAGA CLAIMS -

Unpaid Hours Worked/Minimum Wage Violation of Labor Code §§ 1194, 1197, 1198; IWC Wage Orders

Defendants violated Labor Code sections 1194, 1197, and 1198, along with the California Minimum Wage Order, the applicable local minimum wage ordinances, and the “Hours and

Days of Work” and “Minimum Wages” sections of the applicable IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 1194 renders it unlawful for an employee to receive less than the legal minimum wage for hours worked in California. Labor Code section 1197 further mandates that “[t]he minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a lower wage than the minimum so fixed is unlawful.” Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The California Minimum Wage Order and the applicable sections of the IWC Wage Orders further require payment of minimum wages for all hours worked. The “Minimum Wages” sections of the applicable IWC Wage Order provide that “[e]very employer shall pay to each employee, on the established payday for the period involved, not less than the applicable minimum wage for all hours worked in the payroll period, whether the remuneration is measured by time, piece, commission, or otherwise.” The foregoing California wage laws require payment of “not less than the applicable minimum wage *for all hours worked* in the payroll period” and California law does not allow averaging of pay over the hours worked in the pay period, even if the total pay results in an average above the minimum wage. *Armenta v. Osmose, Inc.* (2005) 135 Cal. App. 3d 314, 324.

Defendants failed to pay Plaintiff and the aggrieved employees at the lawful minimum wage rate for all hours worked, resulting in unpaid minimum wages. Specifically, Defendants had an unlawful policy and practice of requiring Plaintiff and aggrieved employees to complete work while off-the-clock, without compensation.

First, Defendants required Plaintiff and, on information and belief, other aggrieved employees to complete work outside their scheduled hours and off-the-clock. For example, Defendants required Plaintiff to communicate with, and answer calls from, patients and management in furtherance of their job duties when she was not scheduled to work, resulting in off-the-clock work. Plaintiff and aggrieved employees often received phone calls after hours regarding patient needs. Defendants did not compensate Plaintiff or the aggrieved employees for this time resulting in unpaid minimum wages.

Second, Defendants had an unlawful policy and practice of requiring Plaintiff and aggrieved employees to clock out at the end of their shift but continue working, without compensation. For example, Defendants required Plaintiff to clock out at the end of her shift and continue working on her final tasks after the end of her shift. Plaintiff and the aggrieved employees would clock out and continue to work while off the clock to avoid overtime and for fear of being reprimanded by management. This practice also resulted in unpaid hours worked.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Overtime
Violation of Labor Code §§ 510, 1194, 1198; IWC Wage Orders

Defendants violated Labor Code sections 510, 1194, and 1198, along with the “Hours and Days of Work” sections of the applicable IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 510 requires “[a]ny work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee;” and “any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee;” and “any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee.” Labor Code section 1194 renders it unlawful for an employee to receive less than the legal overtime rate for overtime hours worked in California. Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The IWC Wage Orders further require payment of overtime wages for all overtime hours worked, including the “Hours and Days of Work” sections.

Defendants failed to pay Plaintiff and the aggrieved employees overtime wages and the lawful rate of pay for overtime hours worked, resulting in unpaid overtime wages.

As explained in the “Unpaid Hours Worked” section above, Defendants engaged in an unlawful policy and practice of requiring off-the-clock work. These off-the-clock hours often resulted in hours worked over 8 hours in a day or 40 hours in a week. However, as a matter of policy and practice, Defendants failed to pay Plaintiff and the aggrieved employees’ those overtime wages earned.

To the extent that the on-call time was not eligible for overtime calculation as “total hours worked,” Plaintiff believes and alleges that Defendants still underpaid overtime wages by failing to account for the on-call earnings/bonuses/remuneration in the “regular rate of pay” for overtime wages as a form of non-discretionary income. Plaintiff believes and alleges that Defendants only paid the aggrieved employees’ overtime at 1.5x their base hourly rate. An illustrative example of this violation is shown below:

Fed Tax #/head of			State Tax #/1		
CURRENT EARNINGS DETAIL					
Charge Date	Description	Rate	Hours/ Units	Amount	Hours Worked
09-24-2022	TRAVEL PAY	40.0000	7.77	310.80	7.77
09-24-2022	REGULAR PAY	40.0000	19.65	786.00	19.65
09-24-2022	ON CALL HOURS	40.0000	2.00	80.00	2.00
09-26-2022	REG PAY	40.0000	3.00	120.00	3.00
09-27-2022	REGULAR PAY	60.0000	0.77	46.20	0.77
09-29-2022	MILEAGE REIMB	1.0000	162.91	162.91	0.00
09-29-2022	MEET/TRAINING	40.0000	2.25	90.00	0.00
09-29-2022	INSERVICE HRS	40.0000	1.59	63.60	1.59
09-29-2022	BONUS	1000.0000	1.00	1000.00	0.00

Extract of Plaintiff's Wage Statement for the Pay Period 9/24/2022 to //30/2022

During this pay period, Plaintiff earned a bonus ("Bonus") in the amount of \$1000.000 and also worked 0.77 overtime hours in the same pay period. However, Defendants failed to include Plaintiff's bonus into the regular rate of pay for Plaintiff's overtime rate. Though the wage statement reflects the 0.77 hours worked as regular hours ("Regular Pay"), Plaintiff believes and alleges this payment to be for her overtime hours worked and that Defendants improperly categorized her overtime pay as regular pay. This unlawful practice resulted in the underpayment of overtime wages at the regular rate of pay.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Paid Sick Leave Violation of Labor Code §§ 246 through 248.7

Defendants violated Labor Code sections 246 through 248.7 with respect to the aggrieved employees.

Labor Code section 246 requires employers to provide paid sick leave to its workforce on the terms set forth in the statute. Employers must comply with the accrual, use, and notice provisions of Labor Code sections 246, 246.5, 247, and must further ensure that they maintain the paid sick leave records required by Labor Code section 247.5. Employers have the option of providing 24 hours of paid sick leave to employees or to allow employees to accrue paid sick leave each pay period. If an employer chooses the accrual method, employees must accrue sick leave at a rate of one hour for every thirty hours worked in a given pay period as set forth in Labor Code section 246(b)(1). Under the accrual method, employees must begin accruing paid sick leave at the commencement of employment.

Employers must pay sick leave in accordance with one of the three permissible methods provided in Labor Code section 246(l): (1) "the same manner as the regular rate of pay for the workweek;" (2) "by dividing the employee's total wages, not including overtime premium pay,

by the employee's total hours worked in the full pay periods of the prior 90 days;" or (3) "for exempt employee ... in the same manner as the employer calculates wages for other forms of paid leave time." Labor Code sections 248.6 and 248.7 similarly require paid sick leave to be paid at a regular rate-based calculation in excess of the base hourly rate and at the lawful accrual rate.

Under Labor Code section 246(i), employers must provide employees "with written notice of the amount of paid sick leave available ... for use on either the employee's itemized wage statement ... or in a separate writing provided on the designated pay date with the employee's payment of wages."

Defendants failed to comply with California's paid sick leave laws with respect to the aggrieved employees. First, as described above, Defendants engaged in an unlawful policy and practice of requiring off-the-clock work. However, as a matter of policy and practice, Defendants failed to include these additional hours worked for purposes of calculating accrued paid sick leave.

Second, Defendant failed to include bonuses and other forms of non-discretionary compensation in the regular rate for purposes of calculating sick pay. For example, Plaintiff and the aggrieved employees received bonuses, shift differentials, and other forms of remuneration. However, Defendants failed to include these bonuses in the regular rate for purposes of calculating sick pay.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Meal Period Premium Wages **Violation of Labor Code §§ 226.7, 512, 1198; IWC Wage Orders**

Defendants violated Labor Code sections 226.7, 512, and 1198, along with the related sections of the IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 512 and the IWC Wage Orders require that employers provide an uninterrupted 30-minute meal period after no more than five hours of work and a second meal period after no more than 10 hours of work. *See Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal. 4th 1004, 1049. Labor Code section 226.7 requires that if a meal period is late, missed, short, or interrupted, the employer must pay one additional hour of pay at the employee's "regular rate" of compensation. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal. 5th 858, 862 ("We hold that the terms are synonymous: "regular rate of compensation" under section 226.7(c), like "regular rate of pay" under section 510(a), encompasses all nondiscretionary payments, not just hourly wages"). "[T]ime records showing noncompliant meal periods raise a rebuttable presumption of meal period violations, including at the summary judgment stage." *Donohue v. AMN Services, LLC* (2021) 11 Cal. 5th 58, 61. Labor Code section 1198 renders "employment of any employee for longer hours than those fixed by the order or under

conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The IWC Wage Orders, including Section 11 (Meal Periods), further require one uninterrupted 30-minute meal period after no more than five hours of work and a second meal period after no more than 10 hours of work and an additional hour of pay at the employee’s regular rate of compensation for each workday that a compliant meal period is not provided. Pursuant to Section 11(A) of the IWC Wage Orders, the California Supreme Court has held that the on-duty meal period exception is “exceedingly narrow” and applies only when (1) “the nature of the work prevents the employee from being relieved of all duty” and (2) *both* “the employer and employee have agreed, in writing, to the on-duty meal period.” *Augustus v. AMB Security Services, Inc.* (2016) 2 Cal. 5th 257, 266-276 (emphasis added). If these two requirements are not met, then the employer owes the employee one hour of premium pay for each non-compliant meal period taken under the purported on-duty meal arrangement. *Naranjo v. Spectrum Security Services, Inc.* (2019) 40 Cal. 5th 444, 459.

Plaintiff and the aggrieved employees suffered late, short, missed, and/or interrupted first and second meal periods to keep up with the demands of the job. Specifically, due to high demands of the job and pressures from management, Plaintiff often suffered late meal periods (i.e., taken after the 5th hour) in order to complete the heavy work flow. Defendants discouraged Plaintiff and the aggrieved employees from taking meal periods because of the consistent and heavy workload. As a result, Plaintiff and the aggrieved employees often took their meal periods late or worked through part or all their meal periods. However, as a matter of policy and practice, Defendants failed to pay all owed meal period premiums each time Plaintiff or the aggrieved employees experienced a non-compliant meal period.

To the extent that Defendants paid Plaintiff and the aggrieved employee’s premiums for these deficient meal periods, Plaintiff believes and alleges that those premiums were underpaid because of the same regular rate miscalculations stated in the overtime and sick leave sections above.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Rest Period Premium Wages **Violation of Labor Code §§ 226.7, 516, 1198; IWC Wage Orders**

Defendants violated Labor Code sections 226.7, 516, and 1198, and the related sections of the IWC Wage Orders with respect to Plaintiff and the aggrieved employees.

Labor Code sections 226.7 and 516 and the IWC Wage Orders require that employers authorize and permit an uninterrupted 10-minute rest period for each four-hour period (or major fraction thereof) that an employee works. Labor Code section 226.7 requires that if a rest period is non-compliant, the employer must pay one additional hour of pay at the employee’s “regular rate” of compensation. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11

Cal. 5th 858, 862 (“We hold that the terms are synonymous: “regular rate of compensation” under section 226.7(c), like “regular rate of pay” under section 510(a), encompasses all nondiscretionary payments, not just hourly wages”). Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The IWC Wage Orders, including Section 12 (Rest Periods), further require one uninterrupted 10-minute rest period for each four-hour period (or major fraction thereof) worked and an additional hour of pay at the employee’s regular rate of compensation for each workday that a compliant rest period is not authorized or permitted.

Due to the same circumstances as meal periods, Plaintiff and the aggrieved employees often suffered late, short, interrupted, and/or missed rest periods. For example, due to the heavy workload, Plaintiff and the aggrieved employees often worked through their days without rest periods to attend to patients, complete intake forms, and answer phone calls. This practice often resulted in non-compliant rest periods. However, Defendants did not pay plaintiff and the aggrieved employees all owed rest period premiums for each non-complaint rest period. To the extent that Defendants paid the aggrieved employees any rest period premiums, those premiums were underpaid for the same regular rate miscalculations stated above. An illustrative example of this violation is shown below:

CURRENT EARNINGS DETAIL					
Charge Date	Description	Rate	Hours/ Units	Amount	Hours Worked
11-21-2022	REG PAY	40.0000	2.50	100.00	2.50
11-21-2022	REGULAR PAY	40.0000	22.25	890.00	22.25
11-21-2022	REST-BREAK PAY	40.0000	0.17	6.80	0.00
11-22-2022	SICK PAY	40.0000	3.00	120.00	0.00
11-22-2022	TRAVEL PAY	40.0000	2.08	83.20	2.08
11-23-2022	MEET/TRAINING	40.0000	2.00	80.00	0.00
11-24-2022	HOLIDAY PAY	40.0000	8.00	320.00	0.00
11-25-2022	MILEAGE REIMB	1.0000	32.50	32.50	0.00

Extract of Plaintiff’s Wage Statement for the Pay Period 11/19/2022 to 11/25/2022.

During this pay period, Plaintiff suffered a non-compliant rest period. Plaintiff also earned a rest period premium (“Rest-Break Pay”) in the amount of \$6.80. However, Defendants violated Labor Code section 226.7 by failing to “pay one additional hour of pay at the employee’s ‘regular rate’ of compensation. Instead, Defendants elected to pay Plaintiff a rest period premium at a deficient rate. To the extent that Defendants paid Plaintiff and the aggrieved employees premiums for these non-compliant rest periods, they were underpaid because Defendants failed to factor all forms of additional remuneration, including bonuses, into the regular rate for purposes of calculating rest period premiums.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Untimely Payment of Wages During Employment
Violation of Labor Code §§ 204, 204b, 210

Defendants violated Labor Code sections 204 and/or 204b and 210, as applicable, with respect to Plaintiff and the aggrieved employees.

Labor Code section 204(a) requires payment of “all wages” for non-exempt employees at least twice each calendar month. Labor Code section 204(d) states all wages due must be paid “not more than seven calendar days following the close of the payroll period.” Labor Code section 204b applies to employees paid on a weekly basis and also requires the payment for all labor within the required pay periods. Labor Code section 210 provides “every person who fails to pay the wages of an employee as provided in Section ... 204 ... shall be subject to a civil penalty” of \$100 for an initial violation and \$200 plus 25% of the amount unlawfully withheld for a subsequent violation.

Because Defendants failed to pay all wages and premiums in each pay period in which such wages were earned at the lawful rate, Defendants violated Labor Code section 204 and/or 204b (for weekly employees, as applicable). Defendants violated Labor Code sections 204 and 204b by failing to pay all wages and premiums owed on the regular pay days scheduled each pay period within seven calendar days of the close of the payroll period, as a result of the policies and practices set forth in this notice.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Untimely Payment of Wages Upon Separation of Employment
Violation of Labor Code §§ 201, 202, 203, 256

Defendants violated Labor Code sections 201, 202, and 203 with respect to the aggrieved employees by failing to pay all wages and premiums owed upon termination of employment.

Labor Code section 201 requires that if an employer fires an employee, the wages must be paid immediately. Labor Code section 202 requires that if an employee quits without providing 72 hours’ notice, his or her wages must be paid no later than 72 hours thereafter. Labor Code section 202 states that if an employee provides 72 hours’ notice, the final wages are payable upon his or her final day of employment. Labor Code section 203 requires an employer who fails to comply with Labor Code sections 201 or 202 to pay a waiting time penalty for each employee, up to a period of 30 days additional compensation.

Defendants failed to pay all wages and premiums owed to aggrieved employees during their employment as set forth in this notice, and also failed to timely pay those amounts to departing employees upon separation of employment. Defendants did not pay waiting time penalties

for the late payments. As a result, Defendants violated Labor Code sections 201, 202, and 203.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Non-Compliant Wage Statements **Violation of Labor Code §§ 226, 226.3**

Defendants violated Labor Code sections 226(a) and 226.3 with respect to the aggrieved employees by failing to furnish itemized wage statements each pay period that accurately list all information required by Labor Code section 226(a)(1) through (9).

Labor Code section 226(a) requires an employer to furnish wage statements to employees semimonthly or at the time of each payment of wages, “an accurate itemized statement in writing showing:” (1) gross wages earned, (2) total hours worked, (3) the number of piece rate units earned and applicable piece-rate in effect, (4) all deductions, (5) net wages earned, (6) the inclusive dates of the pay period, (7) the name of the employee and last four digits of SSN or an EIN, (8) the name and address of the legal name of the employer, and (9) all applicable hourly rates in effect during the pay period and the number of hours worked at each hourly rate by the employee.

Defendants failed to provide accurate itemized wage statements to the aggrieved employees each pay period as a result of the policies and practices set forth in this notice. Defendants violated Labor Code section 226(a)(1) and (5) by not listing the correct “gross wages earned” or “net wages earned,” as the employees earned wages and premiums that were not paid, resulting in an inaccurate reflection, and recording of “gross wages earned” on those wage statements. Likewise, in violation of Labor Code section 226(a)(9), Defendants failed to state on employee wage statements each pay period the applicable hourly rates in effect and the number of hours worked at that rate, as Defendants failed to pay all wages and premiums owed to employees. The amounts stated are instead depreciated and underpaid, resulting in an inaccurate reflection on the pay stub.

Additionally, Defendants violated Labor Code section 226(a)(2) by failing to accurately list employees’ “total hours worked,” as the wage statements did not accurately include the uncompensated time plaintiff and other aggrieved employees worked due to Defendants’ policy and practice of requiring off-the-clock work.

Further, in violation of Labor Code section 226(a)(8), Defendants failed to clearly list the name and address of the legal employer. On Plaintiff and the aggrieved employees’ wage statements, Defendants listed the name and address of both “Oakland Hospice, Inc. d/b/a Interim Healthcare Hospice – Sacramento Area” (an inactive business in the state of California) and “Oasis Outsourcing III, LLC.” However, on all of Plaintiff’s hiring materials, the relevant

employer and listed entity is “Interim Healthcare Hospice.” Plaintiff and aggrieved employees cannot assuredly determine from their wage statements their proper employer and address.

Plaintiff and other aggrieved employees cannot promptly and easily determine from the wage statement alone the wages paid or earned without reference to other documents or information. Indeed, these wage statement violations are significant because they sow confusion among Plaintiff and other aggrieved employees with respect to what amounts were owed and paid, at what rates, the number of hours worked, and how those amounts were or should be calculated. The wage statements reflect a false statement of earnings and concealed the underlying problems and underpayments of employee wages.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unreimbursed Employee Expenses **Violation of Labor Code §§ 2802, 2804**

Defendants violated Labor Code section 2802 with respect to the aggrieved employees by failing to reimburse the aggrieved employees for all necessary expenditures or losses incurred as part of their job duties.

Labor Code section 2802 requires an employer to “indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer, even though unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful.” *See, e.g., Espinoza v. West Coast Tomato Growers, LLC*, 2016 WL 4468175 at *4, n.2 (S.D. Cal. Aug. 24, 2016, No. 14-CV-2984 W (KSC)).

Labor Code section 2804 affirms that “[a]ny contract or agreement, express or implied, made by any employee to waive the benefits of this article or any part thereof, is null and void, and this article shall not deprive any employee or his personal representative of any right or remedy to which he is entitled under the laws of this State.”

Defendants required Plaintiff and the aggrieved employees to incur costs for work-related purposes without full reimbursement. In direct consequence of their job duties, Plaintiff and the aggrieved employees unavoidably and necessarily incurred these losses, expenditures, costs, and as a matter of policy and practice.

Specifically, Plaintiff and the aggrieved employees were required to use their personal cell phones to communicate with patients and management. Plaintiff was also required to download the “Tiger Text” application on her personal cell phone to keep in touch about meetings. In direct consequence of their job duties, Plaintiff and the aggrieved employees

unavoidably and necessarily incurred these losses, expenditures, costs, and as a matter of policy and practice

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Failure to Maintain Accurate Records
Violation of Labor Code § 1174; IWC Wage Orders

Defendants violated Labor Code sections 1174 and the IWC Wage Orders by failing to maintain accurate employee payroll records with respect to Plaintiff and other aggrieved employees.

Labor Code section 1174 requires that employers maintain accurate “payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments.” Section 7(A) of the IWC Wage Orders, which may be enforced through Labor Code section 1198, mandates similar recordkeeping obligations.

Because of the policies and practices set forth in this notice, including the failure to accurately account for wages earned or hours worked, Defendants failed to accurately maintain records in accordance with Labor Code section 1174 and the IWC Wage Orders.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Attorneys’ Fees and Costs
Labor Code § 2699(k)(1)

Plaintiff has been compelled to retain the services of counsel to protect the interests of other aggrieved employees and the State of California. Plaintiff continues to incur attorneys’ fees and costs, which are recoverable under California law, including Labor Code section 2699(k)(1).

- LITIGATION HOLD NOTICE -

This letter imposes a duty upon all defendants and their respective employees, officers, directors, executives, attorneys, human resource and payroll personnel, accountants, and other agents to preserve all physical and electronic evidence, including electronically stored information and emails, which relate to the employment of Plaintiff and the aggrieved employees specified in this notice. Evidence includes, but is not limited to, Defendants’ written employment and payroll policies and handbooks; the aggrieved employees’ personnel

files and payroll records, such as paystubs, time records, wage statements, compensation reports, as well as the underlying electronically data in Excel or similar format. Memoranda and internal and external correspondence relating to the subject matter of this notice shall also be maintained. Failure to preserve and retain relevant evidence may constitute spoliation of evidence and result in an adverse inference or sanctions.

If you have any questions regarding the scope of your obligations to preserve evidence, please consult your legal counsel and always err on the side of caution. Periodic or regularly scheduled purges or deletions of information covered by this hold must be suspended immediately.

- CONCLUSION -

If the LWDA does not pursue enforcement, Plaintiff intends to bring representative claims on behalf of the State of California and the aggrieved employees seeking civil penalties for violations of the Labor Code and the IWC Wage Orders, along with attorneys' fees, costs, interest, and other appropriate relief.

Please advise if the LWDA intends to investigate any of the factual or legal allegations set forth in this notice. Defendants may contact Plaintiff's counsel with any questions regarding this letter or the forthcoming lawsuit.

Sincerely,



Xavier L. Woodford

Cc Plaintiff Lacey Soto

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