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Superior Court of California,  
County of San Diego

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Clerk of the Superior Court  
By S. Bakke ,Deputy Clerk

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

SHREE PANDEY, on behalf of others similarly  
situated and the State of California under the  
Private Attorneys General Act,

Plaintiff,

vs.

CARBON HEALTH MEDICAL GROUP OF  
CALIFORNIA, P.C. and DOES 1 through 50,  
inclusive,

Defendants.

Case No. 25CU029080C

**REPRESENTATIVE ACTION  
COMPLAINT**

1. Civil Penalties under the Private Attorneys  
General Act (Labor Code §§ 2698 *et seq.*)

1 Plaintiff SHREE PANDEY, on behalf of all others similarly situated and the State of California  
2 under the Private Attorneys General Act (“Plaintiff”) brings this REPRESENTATIVE ACTION  
3 COMPLAINT against Defendants CARBON HEALTH MEDICAL GROUP OF CALIFORNIA, P.C.  
4 and DOES 1 through 50, inclusive (collectively “Defendants”), alleging as follows:

### 5 **INTRODUCTION**

6 1. This is a representative action complaint brought under the California Private Attorneys  
7 General Act (Labor Code 2968 *et seq.*).

8 2. Defendants failed to compensate Plaintiff and the aggrieved employees for all hours  
9 suffered or permitted to work in violation of the applicable IWC Wage Order.

10 3. Defendants failed to reimburse Plaintiff and the aggrieved employees for necessary  
11 expenses incurred in furtherance of the aggrieved employees’ job duties.

12 4. Defendants failed to provide, authorize, and/or permit Plaintiff and the aggrieved  
13 employees to take compliant meal and rest periods to which they were entitled. Further, Defendants  
14 failed to pay meal and rest period premiums.

15 5. Defendants failed to pay all sick leave.

16 6. Defendants’ employment policies, practices, and payroll administration systems  
17 enabled and facilitated these violations on a company-wide basis with respect to the aggrieved  
18 employees.

19 7. Defendants are further liable for derivative claims for wage statements, untimely  
20 payment, and other associated violations.

### 21 **JURISDICTION & VENUE**

22 8. Jurisdiction of this action is proper in this Court under Article VI, Section 10 of the  
23 California Constitution as the causes of action are premised upon violations of California law.

24 9. The monetary damages and restitution sought exceed the minimal jurisdiction limits of  
25 the Superior Court.

26 10. This Court has jurisdiction over Defendants because, upon information and belief,  
27 Defendants have sufficient minimum contacts in California, or otherwise intentionally avail  
28

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. Plaintiff Shree Pandey**

8 12. Plaintiff Shree Pandey is an individual over 18 years of age who worked for Defendants  
9 in California as a non-exempt employee from about December 2023 to November 2024. Plaintiff  
10 worked as a Physician Assistant.

11 13. The State of California, via the Labor and Workforce Development Agency  
12 (“LWDA”), is the real party in interest in this action. (*Kim v. Reins Int’l California, Inc.* (2020) 9  
13 Cal. 5th 73, 81 [The “government entity on whose behalf the plaintiff files suit is always the real party  
14 in interest.”]). To the extent permitted by law, including pursuant *Balderas v. Fresh Start Harvesting,*  
15 *Inc.* (2024) 101 Cal. App. 5th 533 and *Rodriguez v. Packers Sanitation Services Ltd.* (Feb. 26, 2025,  
16 D083400) \_\_\_ Cal.Rptr.3d \_\_\_ [2025 WL 615064], the PAGA claim is brought exclusively as a  
17 representative action and does not include arbitrable claims.

### 18 **B. Defendants**

19 14. Defendant Carbon Health Medical Group of California, P.C. is a California corporation  
20 that maintains operations and conducts business throughout the State of California, including in this  
21 county.

22 15. The true names and capacities, whether individual, corporate, or otherwise, of the  
23 parties sued as DOES 1 through 50, are presently unknown, unascertainable, or uncertain, and are sued  
24 by such fictitious names under Code of Civil Procedure section 474. Upon information and belief,  
25 each of DOES 1 through 50 constitutes a legal employer or is otherwise legally responsible in some  
26 manner for the acts and omissions alleged herein. This Complaint may be amended to reflect their  
27 true names and capacities once ascertained.  
28

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

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

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

13                                   **GENERAL ALLEGATIONS**

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

16           20.     Defendant engaged in an unlawful policy and practice of requiring off-the-clock work.  
17 First, Plaintiff and the aggrieved employees were required to complete charting while off the clock.  
18 Specifically, Plaintiff worked as a Physician Assistant and was required to complete charting daily,  
19 which included documenting changes to patients' medical statuses and updating patient information.  
20 Defendants prevented Plaintiff and the aggrieved employees from completing such documentation  
21 during their scheduled shifts. Instead, Defendants required Plaintiff and the aggrieved employees to  
22 complete charting after they clocked out from their shift. Such charting often took 1-2 hours to  
23 complete. Defendants failed to document this time, resulting in unpaid hours worked.

24           21.     Second, Defendant required Plaintiff and the aggrieved employees to attend morning  
25 meetings while off-the-clock. Specifically, Defendants often required Plaintiff and the aggrieved  
26 employees to attend brief morning meetings before their scheduled shifts to discuss new procedures,  
27 lab testing, and patient charts. On these mornings, Defendants unlawfully prevented Plaintiff and the  
28 aggrieved employees from clocking in for these meetings. Instead, Defendants unlawfully required

1 Plaintiff and the aggrieved employees to attend these meetings off-the-clock, resulting in unpaid hours  
2 worked.

3 22. Finally, Defendants failed to pay Plaintiff and the aggrieved employees all Relevant  
4 Value Units (RVUs) owed. Specifically, Plaintiff earned RVU bonuses quarterly and annually.  
5 However, Plaintiff and, upon information and belief, the aggrieved employees have not been paid all  
6 RVU bonuses owed, resulting in unpaid wages.

7 23. Defendants failed to pay Plaintiff and the aggrieved employees overtime wages and the  
8 lawful rate of pay for overtime hours worked, resulting in unpaid overtime wages. Specifically,  
9 Plaintiff and the aggrieved employees often worked more than 8 hours in a day. On these days,  
10 Defendants engaged in an unlawful policy and practice of failing to pay these overtime hours at 1.5x  
11 the employees' regular rate. Instead, Defendants paid Plaintiff and the aggrieved employees at their  
12 base rate regardless of overtime hours worked.

13 24. Moreover, as a result of the off-the-clock work, Defendants failed to compensate  
14 Plaintiff and the aggrieved employees for all overtime hours worked. As discussed above, Defendant  
15 engaged in an unlawful policy and practice requiring Plaintiff and the aggrieved employees to  
16 complete one to two hours of charting and attend meetings while off-the-clock. When this practice  
17 resulted in unpaid work over 8 hours in a day or 40 hours in a week, this resulted in unpaid overtime.

18 25. Additionally, to the extent that the RVU wages constitute a non-discretionary bonus or  
19 incentive, Defendants failed to include these additional forms of remuneration into the regular rate of  
20 pay. Defendants instead unlawfully paid Plaintiff and, upon information and belief, the aggrieved  
21 employees at 1.5x their base hourly rate.

22 26. Defendants failed to comply with California's paid sick leave laws with respect to the  
23 class members. As discussed in the above sections, Defendants often required Plaintiff and the class  
24 members to under-report their hours worked. Due to this unlawful policy, Defendants did not earn all  
25 sick pay hours that were actually accrued, resulting in unpaid sick leave. This is illustrated on  
26 Plaintiff's paystub for the pay period from August 11, 2024, to August 24, 2024, showing that Plaintiff  
27 earned a shift differential in the same pay period Plaintiff was paid sick leave. In this particular pay  
28 period, Plaintiff earned a shift differential in the same pay period they earned paid sick leave, however

1 Plaintiff's sick leave was paid at Plaintiff's base rate. Defendants failed to factor in all additional non-  
2 excludable remuneration, including shift differentials, into the regular rate of pay calculation for the  
3 purposes of paid sick leave.

4 27. Additionally, to the extent that the RVU bonuses constitute non-discretionary bonuses,  
5 Defendants failed to include these bonuses into the regular rate of pay for purposes of calculating sick  
6 pay earned.

7 28. Plaintiff and the aggrieved employees experienced missed, late, short, and interrupted  
8 meal periods to keep up with the demands of the job. Plaintiff and the aggrieved employees routinely  
9 experienced non-compliant meal periods to keep up with the demands of the job. First, Defendants  
10 required Plaintiff and the aggrieved employees to always be present in the clinic so that they were  
11 available to answer patient-related questions and take care of patients. Due to Defendants' unlawful  
12 policy and practice of requiring Plaintiff and aggrieved employees to always be available, Plaintiff  
13 and aggrieved employees often work through their shifts without meal periods resulting in missed  
14 meal periods. However, Defendants failed to pay missed meal period premiums for these violations,  
15 resulting in unpaid meal period premium wages.

16 29. Second, Defendants maintained an unlawful meal period policy. Specifically,  
17 Defendants unlawfully failed to provide three meal periods to aggrieved employees when their shifts  
18 exceeded 15 hours worked. This violation is shown in Defendants' handbook under "Meal & Break  
19 Policy", which shows Defendants' unlawful policy of providing only two meal periods for shifts  
20 exceeding 15 hours. Each time Defendants prevented aggrieved employees from taking a third meal  
21 period on shifts exceeding 15 hours worked, Defendants should have paid meal period premiums.  
22 Upon information and belief, Defendants failed to pay these premiums, resulting in unpaid meal period  
23 wage violations. Further, when Defendants did pay meal period premiums, Defendants failed to pay  
24 these premiums at the regular rate of compensation because Defendant failed to factor in shift  
25 differentials or other forms of remuneration into the regular rate, instead electing to pay aggrieved  
26 employees at their base hourly rate, in violation of California law. Finally, to the extent that the RVU  
27 bonuses constitute non-discretionary bonuses, Defendants failed to include these bonuses into the  
28

1 regular rate of pay each time Plaintiff earned a meal period premium and an RVU bonus in the same  
2 pay period.

3 30. As a matter of common policy and practice, Defendants failed to provide all rest periods  
4 to which Plaintiff and the aggrieved employees were entitled. As stated in the above sections, due to  
5 the demands of the job, Defendants required Plaintiff and the aggrieved employees to always be  
6 present in the clinic. However, when Plaintiff and the aggrieved employees experienced a non-  
7 compliant rest period, Defendants did not pay rest period premiums as required by California law.  
8 Further, when Defendants did pay rest period premiums, Defendants failed to pay these premiums at  
9 the regular rate of compensation because Defendant failed to factor in shift differentials or other forms  
10 of remuneration into the regular rate, instead electing to pay aggrieved employees at their base hourly  
11 rate, in violation of California law. To the extent that the RVU bonuses constitute non-discretionary  
12 bonuses, Defendants failed to include these bonuses into the regular rate of pay each time Plaintiff  
13 earned a rest period premium and an RVU bonus in the same pay period.

14 31. Defendants required Plaintiff and the aggrieved employees to incur costs for work-  
15 related purposes without full reimbursement. In direct consequence of their job duties, Plaintiff and  
16 the aggrieved employees unavoidably and necessarily incurred these losses, expenditures, costs, and  
17 as a matter of policy and practice. First, Plaintiff used their personal cell phone to look up medications  
18 and make dose calculations using the Epocrates application. This application cost Plaintiff \$799. Upon  
19 information and belief, the aggrieved employees used similar applications as a direct result of their  
20 job duties. However, Defendants did not reimburse Plaintiff and the aggrieved employees for these  
21 applications.

22 32. Second, Defendants required Plaintiff and the aggrieved employees to use their  
23 personal cell phones consistently throughout their shifts, but did not provide reimbursement for the  
24 related costs. Specifically, Defendants required Plaintiff to use her personal cell phone to clock in and  
25 out for shifts, communicate with patients, consult with the on-call physicians, and to look up  
26 medications and make dose calculations. However, Defendants failed to reimburse Plaintiff and the  
27 aggrieved employees for their cell-phone related costs. In direct consequence of their job duties,  
28

1 Plaintiff and the aggrieved employees unavoidably and necessarily incurred these losses and costs as  
2 a matter of policy and practice.

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

9 34. Defendants failed to pay all wages and premiums owed to aggrieved employees during  
10 their employment as set forth in this notice, and also failed to timely pay those amounts to departing  
11 employees upon separation of employment. Plaintiff's last day of work for Defendant was November  
12 30, 2024, however, Plaintiff has still not received his final wages. Defendants did not pay waiting time  
13 penalties for the late payments. As a result, Defendants violated Labor Code sections 201, 202, and  
14 203.

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

24 36. Plaintiff and other aggrieved employees cannot promptly and easily determine from the  
25 wage statement alone the wages paid or earned without reference to other documents or information.  
26 Indeed, these wage statement violations are significant because they sow confusion among Plaintiff  
27 and other aggrieved employees with respect to what amounts were owed and paid, at what rates, the  
28 number of hours worked, and how those amounts were or should be calculated. The wage statements



1 reflect a false statement of earnings and concealed the underlying problems and underpayments of  
2 employee wages.

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

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

9 **FIRST CAUSE OF ACTION**

10 **CIVIL PENALTIES UNDER THE PRIVATE ATTORNEYS GENERAL ACT**

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

12 **(By Plaintiff on Behalf of the State and the Aggrieved Employees Against All Defendants)**

13 39. All outside paragraphs of this Complaint are incorporated into this section.

14 40. Plaintiff brings this cause of action as a proxy for the State of California on behalf of  
15 the following “aggrieved employees” pursuant to the Private Attorneys General Act (“PAGA”),  
16 codified as Labor Code section 2698 *et seq.*:

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

20 41. Plaintiff reserves the right to amend, supplement, or add to this description of the  
21 aggrieved employees, according to proof.

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

26 43. Labor Code section 2699(a) provides: “Notwithstanding any other provision of law,,  
27 any provision of this code that provides for a civil penalty to be assessed and collected by the Labor  
28 and Workforce Development Agency or any of its departments, divisions, commissions, boards,

1 agencies, or employees, for a violation of this code, may, as an alternative, be recovered through a civil  
2 action brought by an aggrieved employee on behalf of the employee and other current or former  
3 employees against whom a violation of the same provision was committed pursuant to the procedures  
4 specified in Section 2699.3. “

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

8 45. Labor Code section 2699.3 sets forth the procedure for commencing an action for civil  
9 penalties under the PAGA.

10 46. On or about **February 5, 2025**, Plaintiff 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 47. A true and correct copy of Plaintiff’s written PAGA notice, entitled “Notice of Labor  
15 Code Violations” is attached hereto as Exhibit 1 and incorporated by reference as though fully set  
16 forth herein (the “PAGA notice”).

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

19 49. Within 33 calendar days of the postmark date of the notice sent by Plaintiff, neither  
20 Plaintiff nor Plaintiff’s 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 50. Now that at least 65 days have passed from Plaintiff 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, Plaintiff exhausted all  
25 prerequisites and commenced this civil action under Labor Code section 2699 *et seq.*

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

52. Plaintiff seeks 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**

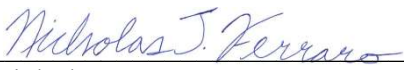
Plaintiff prays for judgment as follows:

- a. For recovery of damages in amount according to proof;
- b. For all recoverable pre- and post-judgment interest;
- c. For this action to be maintained as a representative action under the PAGA;

- 1 d. For Plaintiff and counsel of record to be provided with all enforcement capability as if  
2 the action were brought by the State of California or the California Division of Labor  
3 Enforcement;  
4 e. For recovery of all civil penalties and other recoverable amounts under the PAGA;  
5 f. For reasonable attorneys' fees and costs of suit, including expert fees, to the extent  
6 permitted by law, associated with the PAGA claims pursuant to Labor Code § 2699,  
7 and Code of Civil Procedure section 1021.5 and any other applicable sections; and  
8 g. For such other relief the Court deems just and proper.

9  
10 Dated: May 15, 2025

***Ferraro Vega Employment Lawyers, Inc.***

11   
12 \_\_\_\_\_  
13 Nicholas J. Ferraro  
14 Attorneys for Plaintiff Shree Pandey

**EXHIBIT 1**

**Notice of Labor Code Violations**

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# FERRARO VEGA

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SAN DIEGO EMPLOYMENT LAWYERS

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February 5, 2025

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

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

**Carbon Health Medical Group of  
California, P.C.**  
2100 Franklin St, Ste 355  
Oakland, CA 94612-3140

***- 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 **SHREE PANDEY** (“Plaintiff(s)”) and all other “aggrieved employees” of the following “Defendant(s)”:

### **CARBON HEALTH MEDICAL GROUP OF CALIFORNIA, P.C.**

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 Physician Assistant from about December 2023 to November 2024. 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.

Defendant engaged in an unlawful policy and practice of requiring off-the-clock work. First, Plaintiff and the aggrieved employees were required to complete charting while off the clock. Specifically, Plaintiff worked as a Physician Assistant and was required to complete charting daily, which included documenting changes to patients’ medical statuses and updating patient information. Defendants prevented Plaintiff and the aggrieved employees from completing such documentation during their scheduled shifts. Instead, Defendants required Plaintiff and the aggrieved employees to complete charting after they clocked out from their shift. Such charting often took 1-2 hours to complete. Defendants failed to document this time, resulting in unpaid hours worked.

Second, Defendant required Plaintiff and the aggrieved employees to attend morning meetings while off-the-clock. Specifically, Defendants often required Plaintiff and the aggrieved employees to attend brief morning meetings before their scheduled shifts to discuss new procedures, lab testing, and patient charts. On these mornings, Defendants unlawfully prevented Plaintiff and the aggrieved employees from clocking in for these meetings. Instead, Defendants unlawfully required Plaintiff and the aggrieved employees to attend these meetings off-the-clock, resulting in unpaid hours worked.

Finally, Defendants failed to pay Plaintiff and the aggrieved employees all Relevant Value Units (RVUs) owed. Specifically, Plaintiff earned RVU bonuses quarterly and annually. However, Plaintiff and, upon information and belief, the aggrieved employees have not been paid all RVU bonuses owed, resulting in unpaid 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.



**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.

First, 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, Plaintiff and the aggrieved employees often worked more than 8 hours in a day. On these days, Defendants engaged in an unlawful policy and practice of failing to pay these overtime hours at 1.5x the employees’ regular rate. Instead, Defendants paid Plaintiff and the aggrieved employees at their base rate regardless of overtime hours worked.

Second, as a result of the off-the-clock work described in the “Unpaid Hours Worked/Minimum Wage” section above, Defendants failed to compensate Plaintiff and the aggrieved employees for all overtime hours worked. As discussed above, Defendant engaged in an unlawful policy and practice requiring Plaintiff and the aggrieved employees to complete one to two hours of charting and attend meetings while off-the-clock. When this practice resulted in unpaid work over 8 hours in a day or 40 hours in a week, this resulted in unpaid overtime.

Third, to the extent that the RVU wages constitute a non-discretionary bonus or incentive, Defendants failed to include these additional forms of remuneration into the regular rate of pay. Defendants instead unlawfully paid Plaintiff and, upon information and belief, the aggrieved employees at 1.5x their base hourly rate.

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. Specifically, Defendants failed to pay sick leave at the regular rate of pay. Plaintiff and the aggrieved employees earned shift differentials which Defendants failed to include in the calculation of sick pay when earned in the same pay period. An illustrative example of this regular rate of pay violation appears in Plaintiff’s wage statement below:

| Carbon Health Medical Group of Florida PA 2100 Franklin St Ste 355 Oakland, CA 94612 +1 415-200-2099 |                                          |             |                    |                         |                     |              |
|------------------------------------------------------------------------------------------------------|------------------------------------------|-------------|--------------------|-------------------------|---------------------|--------------|
| Shree Pandey                                                                                         |                                          |             |                    |                         |                     |              |
| Name                                                                                                 | Company                                  | Employee ID | Pay Period Begin   | Pay Period End          | Check Date          | Check Number |
| Shree Pandey                                                                                         | Carbon Health Medical Group of Florida P | 106764      | 08/11/2024         | 08/24/2024              | 08/30/2024          |              |
|                                                                                                      | Hours Worked                             | Gross Pay   | Pre-Tax Deductions | Employee Taxes Withheld | Post-Tax Deductions | Net Pay      |
| Current                                                                                              | 53.00                                    | 5,079.65    | 497.83             | 1,066.89                | 0.00                | 3,514.93     |
| YTD                                                                                                  | 614.88                                   | 67,324.94   | 6,671.91           | 14,754.64               | 1.00                | 45,897.39    |
| Earnings                                                                                             |                                          |             |                    | Employee Taxes Withheld |                     |              |
| Description                                                                                          | Dates                                    | Hours       | Rate               | Amount                  | YTD Hours           | YTD Amount   |
| Clinician                                                                                            | 08/11/2024 - 08/24/2024                  | 53.00000    | 78.37              | 4,153.62                | 614.883332          | 48,188.52    |
| Parental Leave                                                                                       |                                          |             | 0                  |                         | 96                  | 7,523.52     |
| Sick                                                                                                 | 08/11/2024 - 08/24/2024                  | 10.5        | 78.37              | 822.89                  | 10.5                | 822.89       |
| Training                                                                                             |                                          |             | 0                  |                         | 93.583333           | 7,334.17     |
| Weekend/Holiday S08/11/2024 - 08/24/2024                                                             |                                          | 21.48333    | 4.8                | 103.14                  | 210.55              | 1,010.70     |
| wRVU Stipend                                                                                         |                                          |             | 0                  |                         | 0                   | 2,445.14     |
| Earnings                                                                                             |                                          |             |                    | 5,079.65                |                     | 67,324.94    |
|                                                                                                      |                                          |             |                    | Employee Taxes Withheld | 1,066.89            | 14,754.64    |

Extract from Plaintiff's wage statement for the pay period from 8/11/2024 to 8/24/2024 showing that Plaintiff earned a shift differential in the same pay period Plaintiff was paid sick leave.

Here, Plaintiff earned a shift differential in the same pay period they earned paid sick leave, however Plaintiff's sick leave was paid at Plaintiff's base rate. Defendants failed to factor in all additional non-excludable remuneration, including shift differentials, into the regular rate of pay calculation for the purposes of paid sick leave.

Additionally, to the extent that the RVU bonuses constitute non-discretionary bonuses, Defendants failed to include these bonuses into the regular rate of pay for purposes of calculating sick pay earned.

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 experienced missed, late, short, and interrupted meal periods to keep up with the demands of the job. Plaintiff and the aggrieved employees routinely experienced non-compliant meal periods to keep up with the demands of the job.

First, Defendants required Plaintiff and the aggrieved employees to always be present in the clinic so that they were available to answer patient-related questions and take care of patients. Due to Defendants’ unlawful policy and practice of requiring Plaintiff and aggrieved employees to always be available, Plaintiff and aggrieved employees often work through their shifts without meal periods resulting in missed meal periods. However, Defendants failed to pay missed meal period premiums for these violations, resulting in unpaid meal period premium wages.

Second, Defendants engaged in an unlawful meal period policy. Specifically, Defendants unlawfully failed to provide three meal periods to aggrieved employees when their shifts exceeded 15 hours worked. An illustrative example of this violation is shown in Defendants’ handbook below:

### ❖ Meal & Break Policy

Carbon Health encourages all Carbonauts to take all eligible paid breaks and unpaid meal periods, each shift, to rest. Please reference the chart below for guidance on meal and rest break frequency and duration, based on shift length in coordination with state specific requirements.

| Shift Length        | Paid 10-Minute Breaks | Unpaid 30-Minute meal |
|---------------------|-----------------------|-----------------------|
| Less than 3.5 hours | 0                     | 0                     |
| 3.5 to 5 hours      | 1                     | 0                     |
| 5 to 6 hours        | 1                     | 0                     |
| 6 to 10 hours       | 2                     | 1                     |
| 10 to 14 hours      | 3                     | 2                     |
| 14+ hours           | At least 4            | 2                     |

**Extract of the “Meal & Break Policy” from Defendants’ Handbook showing Defendants’ unlawful policy of providing only 2 meal periods for shifts exceeding 15 hours.**

Each time Defendants prevented aggrieved employees from taking a third meal period on shifts exceeding 15 hours worked, Defendants should have paid meal period premiums. Upon information and belief, Defendants failed to pay these premiums, resulting in unpaid meal period wage violations.

Further, when Defendants did pay meal period premiums, Defendants failed to pay these premiums at the regular rate of compensation because Defendant failed to factor in shift differentials or other forms of remuneration into the regular rate, instead electing to pay aggrieved employees at their base hourly rate, in violation of California law.

Finally, to the extent that the RVU bonuses constitute non-discretionary bonuses, Defendants failed to include these bonuses into the regular rate of pay each time Plaintiff earned a meal period premium and an RVU bonus in the same pay period.

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.

As a matter of common policy and practice, Defendants failed to provide all rest periods to which Plaintiff and the aggrieved employees were entitled. As stated in the above sections, due to the demands of the job, Defendants required Plaintiff and the aggrieved employees to always be present in the clinic. However, when Plaintiff and the aggrieved employees experienced a non-compliant rest period, Defendants did not pay rest period premiums as required by California law.

Further, when Defendants did pay rest period premiums, Defendants failed to pay these premiums at the regular rate of compensation because Defendant failed to factor in shift differentials or other forms of remuneration into the regular rate, instead electing to pay aggrieved employees at their base hourly rate, in violation of California law.

Finally, to the extent that the RVU bonuses constitute non-discretionary bonuses, Defendants failed to include these bonuses into the regular rate of pay each time Plaintiff earned a rest period premium and an RVU bonus in the same pay period.

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. Plaintiff’s last day of work for Defendant was 11/30/2024, however, Plaintiff has still not received their final wages. 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.

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. First, Plaintiff used their personal cell phone to look up medications and make dose calculations using the Epocrates application. This application cost Plaintiff \$799. Upon information and belief, the aggrieved employees used similar applications as a direct result of their job duties. However, Defendants did not reimburse Plaintiff and the aggrieved employees for these applications.

Second, Defendants required Plaintiff and the aggrieved employees to use their personal cell phones consistently throughout their shifts, but did not provide reimbursement for the related costs. Specifically, Defendants required Plaintiff to use her personal cell phone to clock in and out for shifts, communicate with patients, consult with the on-call physicians, and to look up medications and make dose calculations. However, Defendants failed to reimburse Plaintiff and the aggrieved employees for their cell-phone related costs.

In direct consequence of their job duties, Plaintiff and the aggrieved employees unavoidably and necessarily incurred these losses and costs 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,

A handwritten signature in black ink, appearing to read "Mariela Romo".

Mariela Romo

Cc Plaintiff Shree Pandey  
HR Representative  
[rochele.hawley@carbonhealth.com](mailto:rochele.hawley@carbonhealth.com)

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