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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

LINDA MEDINA, individually, and on behalf of others similarly situated, and aggrieved employees pursuant to the California Private Attorneys General Act;

Plaintiff,

vs.

EASY HEALTH, INC., a Delaware corporation; EASY HEALTH MEDICAL SOLUTIONS, P.C., a California corporation; and DOES 1 through 100, inclusive,

Defendants.

Case No.: 23SMCV04232

NOTICE OF UNOPPOSED MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT; MEMORANDUM IN SUPPORT THEREOF

Hearing Information:

Date: April 13, 2026
Time: 9:00 AM
Dept.: I
Judge: Hon. Mark H. Epstein

[Filed concurrently with: (1) Declaration of Devin Rauchwerger; (2) Declaration of Vartan Madoyan; (3) Declaration of Plaintiff Linda Medina; (4) Declaration of Jodey Lawrence, and (5) [Proposed] Order]

TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE THAT on April 13, 2026, at 9:00 AM, or as soon thereafter as this matter may be heard by the Court in Department I of the Los Angeles County Superior Court, located at Santa Monica Courthouse, 1725 Main Street, Santa Monica, CA 90401-3299, Plaintiff Linda Medina, on behalf of herself and a Settlement Class, will and hereby do move for an Order:

1) Preliminarily approving the proposed class action settlement and PAGA settlement in the above-captioned case;
2) Preliminarily certifying the Settlement Class;
3) Preliminarily approving the appointment of Plaintiff as Class Representative;
4) Preliminarily approving the appointment as Class Counsel of Lawyers for Justice, P.C. and Domb & Rauchwerger LLP;
5) Approving appointment of Phoenix Class Action Administration Solutions as the Settlement Administrator;
6) Approving and directing distribution of notice to the Settlement Class; and
7) Setting a final fairness and approval hearing that is approximately 150 days after the Court grants Preliminary Approval.

This Motion is made pursuant to Rule 3.769 of the California Rules of Court, which permits settlement of a purported class action, allows the Court to preliminarily certify a class for settlement purposes.

The proposed settlement is fair, adequate, and reasonable and in the best interests of the settlement class as a whole, and the procedures proposed by the parties are adequate to ensure the opportunity of class members to participate in, opt out of, or object to the settlement.

Date: March 4, 2026

Respectfully submitted,

DOMB & RAUCHWERGER LLP

By: Devin Rauchwerger

Zack I. Domb
Devin E. Rauchwerger
Attorneys for Plaintiff Linda Medina and the Proposed Class

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Plaintiff Linda Medina ("Plaintiff") and Defendants Easy Health, Inc. and Easy Health Medical Solutions, P.C., (collectively "Defendants") have reached a proposed class action and PAGA settlement. Plaintiff and Defendants (collectively, the "Parties") submit the Class Action and PAGA Settlement Agreement (the "Settlement" or "Settlement Agreement") to the Court for its preliminary approval. The Settlement Agreement ("SA") is attached to the Declaration of Devin Rauchwerger ("Rauchwerger Decl.") ¶ 2 as **Exhibit 1**.[1]

The Settlement provides for a **non-reversionary** payment of $200,000.00 for which Defendants will be separately responsible for any employer payroll taxes. Approximately $76,500.00 will be available for disbursement to Participating Class Members (the "Net Settlement Amount"), which does not include the separate PAGA Allocation of $25,000.00 (including Individual PAGA Payments) that will be paid only to the PAGA Members. Class Members are defined as all current and former hourly-paid or non-exempt employees who worked for any of the Defendants within the state of California during the Class Period, including all current and former medical assistants or persons who held similar job titles and/or performed similar job duties, whether classified as exempt or non-exempt. The Class Period is defined as the period from July 3, 2019 until the date of Preliminary Approval, subject to the escalator clause in the Settlement Agreement. There are believed to be approximately 24 Class Members, and the average Individual Settlement Payment will be approximately $3,187.50 (not including the separate Individual PAGA Payments that will be paid only to the PAGA Members).

The Settlement occurred as a result of extensive arm's length negotiations by experienced counsel after sufficient discovery and investigation into the facts with guidance of Steven Rottman, Esq., a highly experienced and well-respected class action mediator. As detailed below, the Settlement is fair, reasonable, and in the best interests of the Settlement Class.

[1] For ease of reference and consistency, defined terms from the Settlement Agreement are utilized below.

In order to efficiently present the Court with adequate information to determine whether to grant preliminary approval of the Settlement and award Attorneys' Fees and Costs, Enhancement Award, Administration Costs, and PAGA Penalty Amount, Plaintiff also moves for an order permitting the filing of this single consolidated memorandum, although it exceeds the page limit established by California Rules of Court, Rule 3.1113(d), instead of filing several separate motions.

II. **BACKGROUND AND PROCEDURAL HISTORY**

A. **The Pleadings & Nature of The Action**

Defendants provide at-home healthcare services to patients throughout the country. (Rauchwerger Decl. ¶ 3.) Defendants describe themselves as a tech enabled healthcare services organization, committed to redefining care in the home to support value-based care. (*Id.*) Plaintiff was employed with Defendants as a Medical Assistant from approximately October 2022 until January 2023. (*Id.*)

On July 3, 2023, Plaintiff submitted a letter to the Labor and Workforce Development Agency alleging various violations of the California Labor Code. (Declaration of Vartan Madoyan "Madoyan Decl." ¶ 10.) On September 7, 2023, Plaintiff filed a lawsuit alleging a single cause of action for violation of PAGA, alleging violations for failing to pay overtime, provide compliant meal periods, provide compliant rest periods, failing to pay minimum wages, failing to timely pay wages upon termination, failing to timely pay wages during employment, failing to provide accurate wage statements, failing to keep accurate records, and failing to reimburse necessary business expenses. (*Id.*)

In approximately March 2024, Lawyers for Justice, P.C., asked Domb & Rauchwerger LLP if their offices would associate into the case. (Rauchwerger Decl. ¶ 4.)

On or about February 25, 2026, the Parties filed a joint stipulation for Plaintiff to file a First Amended Complaint adding Class allegations ("Operative Complaint"). (Rauchwerger Decl. ¶ 5.) The First Amended Complaint alleges claims for: (1) Violation of Cal. Labor Code §§ 510, 1194, and 1198 (Unpaid Overtime), (2) Violation of Cal. Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums), (3) Violation of Cal. Labor Code § 226.7 (Unpaid Rest

Period Premiums), (4) Violation of Cal. Labor Code §§ 1194, 1197, and 1197.1 (Unpaid Minimum Wages), (5) Violation of Cal. Labor Code §§ 201, 202, and 203 (Final Wages Not Timely Paid), (6) Violation of Cal. Labor Code §§ 204 and 210 (Wages Not Timely Paid During Employment), (7) Violation of Cal. Labor Code § 226(a) (Failure to Provide Accurate Wage Statements), (8) Violation of Cal. Labor Code §§ 2800 and 2802 (Failure to Reimburse Necessary Business Expenses), (9) Violation of Cal. Business & Professions Code §§ 17200, et seq., and (10) Violation of California Labor Code § 2698, et seq. (California Labor Code Private Attorneys General Act of 2004). (*Id.*) Pursuant to the Operative Complaint and the Settlement Agreement, Class Members are defined as "[a]ll current and former hourly-paid or non-exempt employees who worked for any of the Defendants within the State of California at any time commencing four (4) years preceding the filing of Plaintiff's complaint up until the time of preliminary approval, including all current and former medical assistants or persons who held similar job titles and/or performed similar job duties whether classified as exempt or non-exempt". The First Amended Complaint will be deemed filed as soon as the Court signs the order and accepts the stipulation to amend the Complaint. (*Id.*) Plaintiff's counsel is unaware of any similar class, representative, or other collective actions in any other court in this or any other jurisdiction. (*Id.* ¶ 6.)

B. <u>Discovery Taken By The Parties</u>

On November 17, 2023, Plaintiffs' counsel propounded written discovery on both Defendants, including Form Interrogatories Employment, Form Interrogatories General, Requests for Production of Documents, and two sets of Special Interrogatories. (Madoyan Decl. ¶ 11.) After sending out discovery, the parties agreed to forgo the formal discovery and instead engaged in informal discovery prior to mediation. (Rauchwerger Decl. ¶ 7.) Defendant provided all of the time sheets and payroll records for the class members, as well as the employee handbook, various policies, job descriptions, etc. (*Id.*) Defense counsel also provided various data points needed for Plaintiff's counsel to assess the case prior to mediation. (*Id.*)

C. <u>Mediation With Steven Rottman, Esq.</u>

The Parties participated in a full-day mediation with Steven Rottman, Esq.

(Rauchwerger Decl. ¶ 8.) The Parties agreed to use Mr. Rottman based on his excellent skills and experience as a mediator in wage-and-hour class actions such as this one. (*Id.*) After contentious and lengthy negotiations, with the aid of Mr. Rottman, the Parties were able to reach a settlement at mediation for $200,000.00. (*Id.*) Thereafter, the Parties negotiated a Memorandum of Understanding which led to negotiating and executing the long-form Settlement Agreement, which is now presented to this Court for approval. (*Id.*)

III. LEGAL ANALYSIS OF SETTLEMENT

A. Two-Step Settlement Process

Any settlement of class litigation must be reviewed and approved by the Court. (Cal. Rules of Court, rule 3.769; Fed. Rules Civ. Proc. 23(e).[2]) This is done in two steps: (1) a preliminary review by the trial court, and (2) a final review after notice has been distributed to the Settlement Class informing them of the terms of the settlement and allowing them to exclude herself from and/or object to the settlement.

B. The Settlement Warrants Preliminary Approval Because It Is Fair And Reasonable.

The approval of a proposed settlement of a class action suit is a matter within the broad discretion of the trial Court. (*Wershba v. Apple Computer* (2009) 91 Cal.App.4th 224, 234-235; *Dunk v. Ford Motor Co.* (1966) 48 Cal.App.4th 1794.) Pursuant to California Rules of Court, rule 3.769(d), parties also may, at the preliminary approval stage, request that the Court provisionally approve certification of the class conditional upon final approval of the settlement. "[P]re-certification settlements are routinely approved if found to be fair and reasonable." (*Wershba v. Apple Computer, supra,* 91 Cal.App.4th at p. 240.) A number of factors are to be considered in evaluating a settlement for purposes of preliminary approval. No one factor should be determinative, but rather all factors should be considered. These criteria have been summarized as follows:

[2] The California Supreme Court has authorized California's trial courts to use Federal Rule 23 and cases applying it for guidance in considering class issues. (See *Vasquez v. Superior Court* (1971) 4 Cal.3d 800, 821; *Green v. Obledo* (1981) 29 Cal.3d 126, 145-146.) Where appropriate, Plaintiff cites Federal Rule 23 and federal case law in addition to California law.

> "If the proposed settlement appears to be the product of serious, informed, noncollusive negotiations, has no obvious deficiencies, does not improperly grant preferential treatment to Class Representative or segments of the class, and falls within the range of possible approval, then the court should direct that notice be given to the class members of a formal fairness hearing, at which evidence may be presented in support of and in opposition to the settlement."
>
> Manual of Complex Litigation, Second § 30.44, at 229.

Moreover, a proposed settlement is presumptively fair and reasonable where: (1) the settlement is reached through arm's-length bargaining; (2) investigation and discovery are sufficient to allow counsel and the court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small. (*In re Cellphone Fee Termination Cases* (2010) 186 Cal.App.4th 1380, 1389 (citations omitted).) Here, as discussed above and further below, the Settlement meets all these criteria, including having been reached through an arms-length negotiation with the assistance of an experienced mediator, having a sufficient investigation conducted to determine the settlement is fair, and being agreed to by counsel who all have extensive experience with class actions. (Rauchwerger Decl. ¶¶ 27-29; Madoyan Decl. ¶¶ 2-7.) Furthermore, there is no reason to suspect that the amount of class members objecting will be high. (Rauchwerger Decl. ¶ 9.)

C. <u>Due To The Risks Of Continued Litigation, The Settlement Is Fair And In The Best Interests Of The Class.</u>

Based on the foregoing data and their own independent investigation and evaluation, Class Counsel believe that the settlement with Defendants for the consideration and on the terms set forth in the Settlement Agreement is fair, reasonable, adequate, and is in the best interest of the Class in light of all known risks, facts and circumstances. (Rauchwerger Decl. ¶ 10.) These risks include: the fact that certifying a class would be extremely difficult given each class member signed arbitration agreements with class action waivers, the risk of significant delay in class members receiving any type of funds, and the prospect of Defendants obtaining releases from putative class members. (*Id.*)

Finally, the Settlement was reached after lengthy negotiations, exchange of documents and information, and with the assistance and supervision of Steven Rottman, Esq., who has mediated numerous wage-and-hour class actions, and clearly qualifies to oversee serious and informed negotiations conducted by the Parties. (See *Toure v. Amerigroup Corp.* (E.D. N.Y. 2012) 2012 WL 1432302, at *1 ("The assistance of an experienced mediator, Linda Singer, Esq., reinforces that the Settlement Agreement is non-collusive"); *Morales v. Stevco, Inc.* (E.D. Cal. 2011) 2011 WL 5511767, at *11 (concluding that the class action settlement was not collusive because "[t]he parties utilized an impartial mediator, and the matter was 'resolved by means of a mediator's proposal.'").)

D. <u>The *Kullar* Requirements</u>

In *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, the Court of Appeals explained that, although "not exhaustive," a determination of whether a settlement is "fair, adequate and reasonable" should take into account the strength of a plaintiff's case, the risk, expense, complexity and the likely duration of further litigation. (*Id.* at 127-128.) Subsequently, in *Munoz v. BCI Coca-Cola Bottling Co.* (2010) 186 Cal.App.4th 399, the Court of Appeals clarified:

> "[Appellant] misunderstands *Kullar*, apparently interpreting it to require the record in all cases to contain evidence in the form of an explicit statement of the maximum amount the Plaintiffs class could recover if it prevailed on all its claims—a number which appears nowhere in the record of this case. But Kullar does not, as [Appellant] claims, require any such explicit statement of value; it requires a record, which allows "an understanding of the amount that is in controversy and the realistic range of outcomes of the litigation."

(*Id.* at 409 (quoting *Kullar v. Foot Locker Retail, Inc., supra*, 168 Cal.App.4th at 120))

Here, the potential damages for the causes of action asserted in the Action along with the relative risks, complexities, and expenses are detailed below. The key data points and associated documentation upon which Plaintiff relied in analyzing the exposure are as follows:

- Total Class Size: Approximately 24 individuals.
- Total number of work weeks for class between July 3, 2019 through the present: Approximately 745 workweeks.
- Total Former Employees within 3-year SOL of July 3, 2020 through the present: Approximately 10.
- Total pay periods within 1-year SOL: Approximately 403

- Total PAGA Members: Approximately 20.
- Average Regular Rate: $31.00 per hour**.**

(Rauchwerger Decl. ¶ 11.)

1. <u>Failure to Pay Minimum and/or Overtime Wages</u>

Plaintiff alleged that the vast majority of the class members were misclassified as exempt, salaried medical assistants when they should have been classified as non-exempt, hourly medical assistants. (Rauchwerger Decl. ¶ 12.) Plaintiff alleged that these employees typically worked more than eight hours per day because of how many patients they saw, and the length of time required to travel between each patient, which would result in Defendants owing additional minimum wage and overtime payments. (*Id.*)

To determine Defendants' reasonable exposure to the class for these minimum/overtime wage allegations, Plaintiff's counsel assumed that employees lost approximately five hours per workweek which should have been paid at an overtime rate given the Defendants' misclassification as exempt instead of non-exempt. (Rauchwerger Decl. ¶ 13.) Based on the 745 workweeks, and using the average overtime rate of $46.50 per hour, this would mean that employees would have lost approximately $173,212,50. (*Id.*)

The risks related to proving these claims are significant, as it is impossible to discern from the records the exact amount of alleged off-the-clock work that each employee purportedly performed and what they are entitled to; these questions could be viewed as creating individualized issues inappropriate for class certification, particularly since Plaintiff would bear the burden of establishing liability for alleged off-the-clock work. (*Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1051 [holding "that employees are clocked out creates a presumption they are doing no work, a presumption [plaintiff] and the putative class members have the burden to rebut. As all parties agree, liability is contingent on proof [the employer] knew or should have known off-the-clock work was occurring."].

2. <u>Failure to Provide Meal & Rest Periods</u>

Plaintiff contends that she and the Class Members did not receive lawful and compliant meal periods since they were misclassified as exempt employees, nor were they paid meal period premiums when a meal period was missed, short or delayed because Defendants were not under the impression that they had to provide such premiums to Class Members given their classification as exempt. (Rauchwerger Decl. ¶ 14.) Plaintiff contends that she and the other Class members typically ate their lunch while driving from one patient to the next patient. (*Id.*) The premium owed for failing to provide a legally mandated meal or rest period, providing a short or interrupted meal or rest period, is payment of one hour of wages at the employee's regular rate of pay.

Given Defendants' policy and the realities of Class Members' job in traveling from patient to patient, Plaintiff's counsel assumed five meal break violations per workweek. (Rauchwerger Decl. ¶ 15.) At the average hourly rate of $31.00, this would make Defendants' reasonable exposure $115,475.00. (*Id.*)

Plaintiff also contends that she and the Class Members did not receive lawful rest breaks, nor were they provided rest break premiums when a rest break was missed or short because Defendants were not under the impression any premium needed to be paid given the misclassification of such employees as exempt. (Rauchwerger Decl. ¶ 16.)

Rest period premiums were calculated in the same fashion as meal periods. (Rauchwerger Decl. ¶ 17.) Estimating that each Class Member did not receive a compliant rest break at the same rate that they were denied meal periods, and that the hourly rate for each employee is $31.00, Defendants' reasonable exposure to the Class for missed rest breaks is $115,475.00. (*Id.*)

However, there are unique risks to the unrecorded rest period claims because, *inter alia*, employers are not required to record rest periods and such rest periods are paid. Thus, unlike meal periods, where there are often records showing whether an employee was subject to a violation, there is no such evidence to prove a missed rest period. Managing such claims at trial may be exceedingly difficult. Plaintiff will depend on sample witness testimony and surveys to prove the claims. While a victory with such evidence is certainly possible, relevant caselaw makes such claims risky from a trial management and due process perspective. (See *Duran v. U.S. Bank National Assn.* (2014) 59 Cal.4th 1, 31 (explaining "[I]f sufficient common questions exist to support class certification, it may be possible to manage individual issues through the use of surveys and statistical sampling.”).)

3. **<u>Failure to Reimburse Necessary Business Expenses</u>**

Plaintiff contends that Defendants failed to reimburse Plaintiff and other hourly paid employees for necessary business expenses. (Rauchwerger Decl. ¶ 18.) For example, until April 2023, Plaintiff and the Class Members were not reimbursed for mileage or parking expenses, despite having to use their personal vehicles to drive to up to eight patients in different geographic locations over the course of a day. (*Id.*) Plaintiff and the other Class members were also not reimbursed for use of their personal cell phones, which had to be used to get a hold of the Nurse Practitioners, either via a regular call or video call. (*Id.*) California Labor Code section 2802 requires employers indemnify their employees for all necessary expenditures made 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.

For the mileage reimbursement, Plaintiff’s counsel assumed an average of 60 miles per day for the 96 workweeks before Defendants started providing mileage reimbursement, and used the mileage reimbursement rate in effect in 2022 at 62.5 cents per mile, which equaled $18,000.00 in mileage reimbursement for the Class Members. (Rauchwerger Decl. ¶ 19.) For the cellphone reimbursement, Plaintiff’s counsel assumed $5 per workweek, for a total of $3,725.00. (Rauchwerger Decl. ¶ 19.)

4. **<u>Failure to Provide Accurate Written Wage Statements (Lab. Code § 226 (a))</u>**

Plaintiff contends that due to the alleged misclassification, it resulted in inaccurate wage statements since they did not reflect all hours worked as well as appropriate meal and rest break premiums. (See *Naranjo v. Spectrum Sec. Servs., Inc.* (2022) 13 Cal.5th 93, 117 (Because premium pay for missed meal and rest breaks under Lab. Code, § 226.7 compensated employees for the work performed during a break period and therefore constituted wages within the meaning of Lab. Code, §§ 200, subd. (a), 203, 226, penalties are available for an employer’s alleged failure to timely pay or report such payments.).) Pursuant to Labor Code section 226(e), statutory damages are "fifty dollars ($50) for the initial pay period in which a violation occurs and one hundred dollars ($100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars ($4,000)." As proving actual damages for each employee on a class-wide basis is unlikely, this claim would likely be subject to a one-year statutory period.[3]

Plaintiff contends that each paystub failed to include complete itemizations for monies owed, including overtime, the number of hours the Class Members worked and the appropriate hourly rates, and the meal and rest break premiums owed to the Class Members. (Rauchwerger Decl. ¶ 20.) Given Defense counsel provided Plaintiff's counsel with all the wage records, Plaintiff's counsel was able to determine the exact amount of penalties each Class Member who worked during the one year statute of limitations should receive by assuming a $50 penalty for each initial violation and $100 penalty for each subsequent violation, which came out to a total of $31,750 in wage statement violation penalties. (*Id.*)

Some hurdles to obtaining class certification would apply to this claim. Defendants contend that the wage statements were accurate in all material respects and that Labor Code section 226 requires "a knowing and intentional failure by an employer to comply with subdivision (a)." (*See* Lab. Code § 226(e); *see also* Lab. Code § 226(e)(3) (For purposes of this subdivision, a "knowing and intentional failure" does not include an isolated and unintentional payroll error due to a clerical or inadvertent mistake.")) In this regard, Defendants contend that any failure to include information on wage statements was an inadvertent or isolated mistake, and Defendants had a reasonable, good faith belief that its employees were being provided wage statements in compliance with Labor Code section 226(a). (*Naranjo v. Spectrum Sec. Servs., Inc.* (2024) 15 Cal.5th 1056, 1065 ["We now conclude that if an employer reasonably and in

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[3] "Courts that have recognized that two limitations periods apply to Section 226 have uniformly found that the $50 and $100 figures recoverable under Section 226(e)(1) are penalties, subject to a one-year limitation period." *Novoa v. Charter Communs., Ltd. Liab. Co.* (E.D. Cal. 2015) 100 F.Supp.3d 1013, 1025 (citing *Taylor v. W. Marine Prods.* (N.D. Cal. Sep. 19, 2014) No. C 13-04916 WHA, 2014 U.S. Dist. LEXIS 133728, at *7; *Sarkisov v. Stonemor Partners* (N.D. Cal. Apr. 3, 2014) *L.P.*, No. C 13-04834 WHA, 2014 U.S. Dist. LEXIS 47021, at *2; *Mouchati v. Bonnie Plants, Inc.* (C.D. Cal. Mar. 6, 2014) No. EDCV 14-00037-VAP (SPx), 2014 U.S. Dist. LEXIS 60855, at *8-9; *Singer v. Becton, Dickinson & Co., Med.-Safe Sys.* (S.D. Cal. July 23, 2008) No. 08cv821 IEG (BLM), 2008 U.S. Dist. LEXIS 56326, at *4-5e.

good faith believed it was providing a complete and accurate wage statement in compliance with the requirements of section 226, then it has not knowingly and intentionally failed to comply with the wage statement law."].).

5. Failure to Timely Pay All Final Wages

An employer who willfully fails to pay any wages due to a terminated employee at the time of their termination or within 72 hours for employees who quit, may be assessed a waiting time penalty pursuant to California Labor Code section 203. The waiting time penalty is an amount equal to the employee's daily rate of pay for each day the wages remain unpaid, up to a maximum of 30 calendar days. Using the hourly rate of $31.00, the potential exposure for waiting time penalties is $83,700.00 ($31.00/hour x 9 hours/per day[4] x 30-day maximum x 10 separated employees). (Rauchwerger Decl. ¶ 21.) However, to prevail under Section 203, Plaintiff must establish not only the underlying violations addressed above and that the wages were paid late, but also that Defendants' failure to timely pay such wages was willful. (Lab. Code § 203(a).) A good faith belief in a legal defense precludes any finding of willfulness. (*Naranjo v. Spectrum Sec. Servs., Inc.* (2023) 88 Cal.App.5th 937, 944–948 [affirming the trial court's ruling that, although meal period premiums were owed to employees, a good faith dispute that such premiums were owed precluded imposing waiting time penalties], affirmed on other grounds in *Naranjo v. Spectrum Sec. Servs., Inc.* (2024) 15 Cal.5th 1056, 1065; *Gonzalez v. Downtown LA Motors* (2013) 215 Cal.App.4th 36, 54.)

6. Civil Penalties pursuant to the Private Attorney General Act of 2004 ("PAGA") (Lab. Code § 2698 *et seq.*)

PAGA penalties for unpaid minimum wages and meal period violations are $100 per pay period for each initial violation and $200 per pay period for any subsequent violation. (Lab. Code § 2699(f)(2).) Courts have held that there is no "subsequent violation" until an employer has been notified by the Labor Commissioner or a court that its practices are in violation of the law. (*Gunther v. Alaska Airlines, Inc.* (2021) 72 Cal.App.5th 334, 355–356; *Amaral v. Cintas*

[4] Plaintiff believed that Class Members typically worked 9 hours per day instead of 8 hours per day, which is why Plaintiff used 9 hours per day for the waiting penalty calculation. (Rauchwerger Decl. ¶ 21.)

(2008)163 Cal.App.4th 1157). A Court also may award a lesser amount "if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." (Lab. Code § 2699 (e)(2).) The statute of limitations under PAGA is one year.

There are approximately 403 pay periods that were worked by the PAGA Members. (Rauchwerger Decl. ¶ 22.) Assuming that no penalty "stacking" will apply (i.e. the imposition of multiple penalties per pay period) and that the Court will use the violation rate of $100 per pay period, potential PAGA penalties equal $40,300. (*Id.*) Plaintiff's PAGA claims are also predicated on the violations described above, and thus subject to the same disputes and defenses. (*Id.*) Additionally, PAGA states that a court has discretion to award a lesser amount than the maximum penalty. (Lab. Code § 2699(e)(2); *Thurman v. Bayshore Transit Management, Inc.* (2012) 203 Cal.App.4th 1112, 1135 (reducing PAGA award); *Carrington v. Starbucks Corp.* (2018) 30 Cal.App.5th 528-529 (affirming the trial court's PAGA penalty award of $5 per violation). These uncertainties increased the risks related to the PAGA cause of action.

Pursuant to California Labor Code section 2699(l), the Settlement Agreement, this motion, and all supporting papers have been provided to the Labor and Workforce Development Agency and a proof of service is attached as **Exhibit 2** to the Declaration of Devin Rauchwerger. (Rauchwerger Decl. ¶ 23.) The amount to be paid to the LWDA ($18,750 of the $25,000.00 total) comports with PAGA settlement amounts approved by other courts.[5]

7. Unfair Competition (Bus & Prof. Code § 17200 *et. seq.*)

Though Plaintiff may assert a UCL claim for purported wage violations, remedies are still limited to restitution and injunctive relief. (See *Korea Supply v. Lockheed Martin Corp.* (2003) 29 Cal.4th 1148-51; see also *Cortez v. Purolator Air Filtration Prod. Co.* (2000) 23 Cal.4th 163, 173.) In wage-and-hour class actions, a UCL claim typically has little to no

[5] *See Chu v. Wells Fargo Investments, LLC* (N.D. Cal., Feb. 16, 2011) 2011 WL 67245, 81 (approving PAGA payment of $7,500 to LWDA out of $6.9 million common fund); *Lazarin v. Pro Unlimited, Inc.* (N.D. Cal., July 11, 2013) 2013 WL 3541217 (approving PAGA payment of $7,500 to LWDA out of $1.25 million common fund settlement); *Hicks v. Toys 'R' Us–Delaware, Inc.* (C.D. Cal. Sept. 2, 2014) 2014 WL 4703915, at *1 (approving $5,000 PAGA payment in a case involving $4 million settlement); *Franco v. Ruiz Food Prods., Inc.* (E.D. Cal. Nov. 27, 2012) 2012 WL 5941801 at *14 (approving PAGA penalties of $10,000 as part of $2.5 million settlement).

independent value and is instead pled for the purposes of extending the statute of limitations on unpaid wage claims to four years. The unfair competition law's (UCL) four-year limitations period, rather than the shorter periods of limitation applicable to contractual or statutory wage claims, governs a UCL action based on failure to pay wages because the UCL provides that "any" action on "any" UCL cause of action is subject to the four-year period of limitations. (*Cortez v. Purolator Air Filtration Prod. Co.* (2000) 23 Cal.4th 163, 178.)

8. Total Damages.

Based on the above estimates, the total amount of possible damages that the class could be awarded at trial, including PAGA penalties, is approximately $551,412.50[6]. (Rauchwerger Decl. ¶ 24.) However, after taking into account the strengths and weaknesses of each claim, the unique risks associated therewith, the general risks associated with litigating the case, and the significant additional costs and expenses that would be incurred by both sides in litigating the Action through class certification, trial, and appeals, Class Counsel's assessment of this case is that payment of $200,000.00 is an excellent result that provides the class with certain recovery over a relatively short period of time with significant savings in costs. (*Id.*)

IV. CLASS CERTIFICATION ANALYSIS

A. The Class Is Properly Certified For Settlement Purposes.

Plaintiff seek certification of this action for settlement purposes under California Code of Civil Procedure section 382. The California Supreme Court has summarized that:

> "Code of Civil Procedure section 382 authorizes class actions when the question is one of a common or general interest, of many persons, or when the parties are numerous, and it is impracticable to bring them all before the court. The party seeking certification has the burden to establish the existence of both an ascertainable class and a well-defined community of interest among class members. The "community of interest" requirement embodies three factors: (1) predominant common questions of law or fact; (2) Class Representative with claims or defenses typical of the class; and (3) Class Representative who can adequately represent the class."

(*Sav-On Drug Stores, Inc. v. Superior Court* (2004) 34 Cal.4th 319, 326 (internal citations omitted)).

[6] This takes into account 25% of the total PAGA penalties that would be awarded to the PAGA members, since 75% of the fees go to the LWDA. (Rauchwerger Decl. ¶ 24.)

While Defendants reserve all rights to dispute Plaintiff's ability to satisfy any of these requirements, the Parties agree that for purposes of settlement, Defendants will not raise such a dispute. (Rauchwerger Decl. ¶ 25.) Therefore, the proposed Settlement Class should be certified for purposes of settlement.

1. The Proposed Class is Numerous and Ascertainable

The class consists of approximately 24 members with specifically identifiable information. (Rauchwerger Decl. ¶ 26.) The requirement of Code of Civil Procedure section 382 that there be "many" parties to a class action suit is indefinite and has been construed liberally. (*Renken v. Compton City School Dist.* (1962) 207 Cal.App.2d 106, 113.) No set number is required as a matter of law for the maintenance of a class action. (*Hebbard v. Colgrove* (1972) 28 Cal.App.3d 1017, 1030; See also *Bowles v. Superior Court* (1955) 44 Cal.2d 574 (class with 10 members sufficiently numerous); see also *Rose v. City of Hayward* (1981) 126 Cal.App.3d 926, 934 (class of 48 members satisfies the numerosity requirement).) Class members are "ascertainable" where they may be readily identified without unreasonable expense or time by reference to official records. (*Rose v. City of Hayward* (1981) 126 Cal.App.3d 926, 932.) Here, the class is sufficiently numerous and there is a common interest to many persons as this claim will confer significant benefits to those persons. (Rauchwerger Decl. ¶ 26.) Furthermore, it would be impracticable to bring all of them before the Court on an individual basis. (*Id.*) Moreover, the Class is readily ascertainable as Defendants are in possession of contact information for its current and former employees via regularly maintained employment records. (*Id.*)

2. The Community of Interest Requirement Is Also Satisfied.

"The 'community of interest' requirement embodies three factors: (1) predominant common questions of law or fact; (2) Class Representative with claims or defenses typical of the class; and (3) Class Representative who can adequately represent the class." (*Sav-On Drug Stores, Inc. v. Superior Court* (2004) 34 Cal.4th 319, 326.) Here, the common questions of law and fact clearly exist, as the underlying dispute involves Defendants' employment policies and practices which affected all the employees in the proposed Class. (Rauchwerger Decl. ¶ 26.)

Plaintiff is typical of the class she seeks to represent because Plaintiff worked for Defendants, contends that the alleged violations occurred as a result of a common policy affecting all the putative Class Members, and contends that she had a similar experience to each of the Class Members because they were all subjected to common policies and practices by Defendants. (Declaration of Linda Medina "Medina Decl." ¶¶ 3-4.)

B. Class Counsel Has Extensive Experience In Class Actions And Similar Cases.

Class Counsel has extensive experience in similar cases and believes that the proposed Settlement is adequate, reasonable, fair, and in the best interests of all class members. (Rauchwerger Decl. ¶¶ 27-29; Madoyan Decl. ¶¶ 2-7.)

C. The Class Representative Is Adequate.

Plaintiff Medina is an adequate Class Representative who has similar, co-extensive interests with the proposed Class Members. (Rauchwerger Decl. ¶ 30.) Plaintiff has remained intricately involved in this lawsuit and has understood her responsibilities with respect to the class. (Medina Decl. ¶ 5.) Plaintiff understood from the beginning that she had a duty to look out for the best interests of the Class, and they understood that by taking on this case, they were agreeing to take on significant responsibility, which could include having to be deposed and provide extensive information to respond to discovery requests, as well as potentially testifying at trial. (*Id.*) Plaintiff has taken her responsibility as Class Representative seriously and learned the laws as they relate to the payment of wages, requirements for meal and rest periods, and other issues related to this Action. (Medina Decl. ¶ 6.) Moreover, Plaintiff is unaware of any conflicts between her own interests and goals and the interests and goals of anyone else in the Class. (Medina Decl. ¶ 7.)

D. Fee Split Between Lawyers for Justice PC and Domb & Rauchwerger LLP

This matter was initially filed by Lawyers for Justice on September 7, 2023. (Rauchwerger Decl. ¶ 4; Madoyan Decl. ¶ 10.) On February 28, 2024, Plaintiff approved of and signed a fee split between Lawyers for Justice and Domb & Rauchwerger whereby Domb & Rauchwerger would receive 50% of any fees received from a resolution of the matter and

Lawyers for Justice would receive 50%[7]. (Medina Decl. ¶ 8; Rauchwerger Decl. ¶ 4.) On March 7, 2024, Lawyers for Justice filed a Notice of Association of Counsel, associating in Domb & Rauchwerger as co-counsel on this matter. (Madoyan Decl. ¶ 12.)

E. <u>The Proposed Enhancement Award To Plaintiff is Reasonable.</u>

In connection with the final approval hearing, Class Counsel will request approval of the Class Representative Enhancement Award of $5,000.00 to Plaintiff for her service as Class Representative and in consideration for a general release of all claims against Defendants. This amount is based on the extent of Plaintiff's assistance in this lawsuit, including providing relevant information and documents to Class Counsel, answering various questions and providing additional information throughout the entirety of the case, reviewing the complaint and reviewing the settlement agreement and having related discussions. (*See* e.g., Medina Decl. ¶¶ 4-6.). The requested incentive payment is well within the accepted range of awards for purposes of preliminary approval. (*See*, e.g. *In re Cellphone Fee Termination Cases* (2010) 186 Cal.App.4th 1380, 1393).

F. <u>Settlement Administration Costs are Reasonable.</u>

The parties agreed upon Phoenix Class Action Administration Solutions ("Phoenix" or the "Administrator") to administer the settlement. (Rauchwerger Decl. ¶ 31.) Phoenix works in the settlement administration business, and costs of administration should not exceed $4,500.00. Plaintiff respectfully requests that the Court approve the appointment of Phoenix Class Action Administration Solutions as the Settlement Administrator. (See, e.g., Declaration of Jodey Lawrence of Phoenix Class Action Administration Solutions "Phoenix" Decl. ¶¶ 5-22.)

V. <u>THE PROPOSED SETTLEMENT</u>

A. <u>The Settlement Class & Released Claims</u>

<u>Class & Class Size</u>: The "Class," "Class Members" or "Participating Class Members" is defined as: "all current and former hourly-paid or non-exempt employees who worked for any of the Defendants within the State of California during the Class Period, including all current

[7] The agreement was revised due to an error showing the incorrect fee split, and was updated on August 26, 2024 to reflect Domb & Rauchwerger would receive 50% of any fees received from a resolution of the matter and Lawyers for Justice would receive 50%.

and former medical assistants or persons who held similar job titles and/or performed similar job duties whether classified as exempt or non-exempt" (SA § 7(a).) The "Class Period" means the period from July 3, 2019 until the date of Preliminary Approval, subject to the escalator clause. (SA §§ 7(a), 13.) Class Members who do not submit a valid and timely request for exclusion from the Class Settlement are referred to as the "Participating Class Members." (SA § 3(a).)

A "PAGA Member" means "all current and former hourly-paid or non-exempt employees who worked for any of the Defendants within the State of California during the PAGA Period, including all current and former medical assistants or persons who held similar job titles and/or performed similar job duties whether classified as exempt or non-exempt." (SA § 7(b).) "PAGA Period" means the period from July 3, 2022 until the date of Preliminary Approval, or an earlier date as provided for in paragraph 13. (*Id.*)

<u>**Release**</u>**:** The scope of the release for Participating Class Members is limited to any and all claims made, or which could have been made, in the Action based on the facts alleged in Plaintiff's Complaint and/or First Amended Complaint including, but not limited to, any claims for failure to pay minimum wage, failure to pay overtime wages, failure to provide meal periods, failure to provide rest breaks, failure to provide accurate wage statements, failure to pay wages at separation, failure to reimburse business expenses, or unfair competition based on events occurring during the Class Period, and all claims for costs, attorney's fees, statutory penalties, premium pay, and liquidated damages related thereto. (SA § 3(a).) This release shall not extend to any claims outside of the Class Period. (*Id.*) The named Plaintiff has agreed to a broader release, which only applies to the named Plaintiff. (SA § 3(b).) Plaintiff and the State of California with respect to all PAGA Members shall be deemed to have released all PAGA claims, which include all PAGA penalties arising from the California Labor Code or wage orders alleged, or that could have been alleged based on facts contained in any of the complaints in the Action, and Plaintiff's PAGA notice (SA § 3(d).)

B. <u>The Settlement Payment</u>

Defendants will, through the Settlement Administrator, create a <u>***non-reversionary***</u>

settlement fund in the amount of Two Hundred Thousand Dollars and Zero Cents ($200,000.00) ("Gross Settlement Amount"). (SA § 2(j).) The Individual Settlement Payments will be allocated as follows: ninety percent (90%) of the payment of the Class Allocation to Participating Class Members will consist of 1099 income representing payment for statutory penalties and interest, and ten percent (10%) of the payment of the Class Allocation to Participating Class Members will consist of W-2 income representing payment for wages. (SA § 7(d).) The employer share of payroll taxes that become due shall be paid separate and apart from the Gross Settlement Amount by Defendants. (SA § 2(e).) The Escalator Clause provides if, as of the date of preliminary approval, the actual number of Class and PAGA Members increases beyond 28 Class and PAGA Members for the period starting on July 3, 2019 and ending on the date the Court grants Preliminary Approval of this Settlement (i.e. should the number of Class and PAGA Members increase to 29 or more), then Defendants shall have the option of either: (a) increasing the Gross Settlement Amount on a pro-rata basis equal to the percentage increase in the number of Class Members above 28 (e.g. if the number of Class and PAGA Members is 29, the GSA will increase by 3.57%), or (b) ending the Class and PAGA Periods on the last day that the total number of Class and PAGA Members equals 28, in which case no adjustment to the Gross Settlement Amount shall be made. (SA § 13.)

C. <u>Settlement Payment Distribution Plan</u>

All expenses associated with the Settlement are to be paid from the Settlement's Gross Settlement Amount (SA § 2(d).), including up to $70,000.00 to Class Counsel for attorneys' fees (35% of the Gross Settlement Amount), and reimbursement of actual costs and expenses associated with Class Counsel's litigation and settlement of the Action, supported by declaration, in an amount not to exceed $19,000.00, to Class Counsel for reimbursement of actual litigation expenses incurred (SA § 2(c), (d).); Settlement Administration expenses up to $4,500.00 to be paid to the qualified Settlement Administrator Phoenix Class Action Administration Solutions to administer the notice and process payments (SA § 2(b).); Enhancement Award of $5,000.00 to Plaintiff for her service as Class Representative (SA § 2(a).); and a PAGA Allocation of $25,000.00. (SA § 2(g).) Pursuant to California Labor Code section 2699(i), and subject to approval by the Court under California Labor Code section 2699(l), $18,750.00 or 75% of the PAGA Allocation will be paid to the California Labor and Workforce Development Agency, in resolution of the PAGA claims for the PAGA Members. The remaining $6,250.00 of the PAGA Allocation will be paid to the PAGA Members through Individual PAGA Payments. (SA § 2(g).)

1. Calculating Participating Class Members' Individual Settlement Payments

All Participating Class Members will receive an Individual Settlement Payment. After deducting the amount of the fees award, the costs award, the enhancement award to Plaintiff, the Settlement Administrator expenses that are all finally approved by the Court, and the PAGA penalty amounts, the remaining "Net Settlement Amount" will be distributed to the Participating Class Members through "Individual Settlement Payments." (SA § 2(f).)

Individual Settlement Payment will be paid from the Net Settlement Amount and will be apportioned by dividing the estimated Net Settlement Amount by the workweeks for all Class Members during the Class Period and then multiplying by the number of workweeks worked by each Participating Class Member during the Class Period. (SA § 7(c).) The estimated Net Settlement Amount will be approximately $76,500.00 (not including the $25,000.00 PAGA Award).[8] (Rauchwerger Decl. ¶ 32.) Based on the number of class members, the average Individual Settlement Payment is approximately $3,187.50. (*Id.*)

The Parties agree that the formula for allocating the Individual Settlement Payments to Participating Class Members is reasonable and that the payments provided herein are designed to provide a fair settlement to such persons, in light of the uncertainties regarding the calculation of alleged wages, penalties, interest, and expense reimbursement to each Settlement Class Member. (Rauchwerger Decl. ¶ 33.)

[8] The estimated Net Settlement Amount of $76,500.00 is calculated by taking the $200,000.00 Total Settlement Amount and subtracting: the requested attorneys' fees of 35% of the Total Settlement Amount ($70,000.00), reimbursement of litigation costs (in the maximum amount of $19,000.00), a Class Representative Enhancement Awards of $5,000.00 to Plaintiff, Settlement Administration Costs of up to $4,500.00, and PAGA Penalty Amount of $25,000.00. (Rauchwerger Decl. ¶ 32.)

2. Calculating PAGA Members' Individual PAGA Payments

The PAGA Members' share of the PAGA allocation shall be divided among the PAGA Members on a pro rata basis based on the number of pay periods they worked during the PAGA Period. (SA § 2(h).) Specifically, the amount each PAGA Member is entitled to receive will be determined by the Administrator by taking the number of pay periods each individual PAGA Member worked during the PAGA Period and dividing that by the total number of pay periods the PAGA Members worked as a whole during the PAGA Period, and multiplying that fraction by the PAGA Members' share of the PAGA allocation. (*Id.*)

3. Distributions To Settlement Class

Within seven (7) calendar days after the Court grants final approval of the Settlement, the Administrator shall provide Defendant with written notice of the total monies Defendant must deposit. Within seven (7) days of the funding of Gross Settlement Amount, the Settlement Administrator will issue payments due under the Settlement and approved by the Court, as follows: (1) Individual Settlement Payments to the Participating Class Members; (2) Individual PAGA Payments to the PAGA Members; (3) LWDA Payment to the LWDA; (4) Enhancement Award to Plaintiff; (5) Attorneys' Fees and Costs to Class Counsel; and (6) Settlement Administration Costs to itself. (SA §§ 2, 7.) The Parties agreed that all funds associated with such checks that have not been cashed, deposited, or otherwise negotiated and which are canceled after the 120-day time period, will void and will not be reissued. (SA § 7(k).) Funds from uncashed settlement checks will be sent by the Administrator to the State of California's Unclaimed Property Division in the name of the Class Member and/or PAGA Member to whom those funds were originally issued, in accordance with California Code of Civil Procedure section 384. (SA § 7(l).)

D. Notice To The Class Members

Attached as **Exhibit A** to the Proposed Order is the [Proposed] Notice of Proposed Settlement of Class and PAGA Action. The Notice will be mailed to Class Members in English. (SA § 7(c).) To protect the rights of absent class members, the court must provide class members with the best class action settlement notice practicable. (See Cal. Rules of Court, rule 3.769(f);

Phillips Petroleum Co. v. Shutts (1985) 472 U.S. 797, 811-12.) The primary purpose of class notice is to provide affected parties with due process rights reasonably calculated to apprise interested parties of the pendency of the action affecting their interests and an opportunity to present their objections. (See *Ryan v. Cal. Interscholastic Fed'n – San Diego Section* (2001) 94 Cal.App. 1048, 1072.) The proposed Notice of Class Action Settlement and Hearing Date for Final Court Approval satisfies these requirements. The proposed Class notices ensure the Settlement Class is alerted to the terms of the Settlement and allows them to protect their rights. The proposed notice plan, calling for first-class mailed notice to all members of the Settlement Class, is consistent with noticed approved by State and Federal Courts and constitutes the best notice practicable. (*Cartt v. Super. Ct.* (1975) 50 Cal.App.3d 960, 966; *Cooper v. Am. Sav. & Loan Ass'n.* (1976) 55 Cal.App.3d 274, 285.)

VI. CONCLUSION

For the foregoing reasons, the Parties respectfully submit that the Settlement's terms are fair, adequate, and reasonable and that it is in the best interest of the Class Members. Under the applicable class action criteria and guidelines, this Class should be conditionally certified, the Settlement should be preliminarily approved, the Class should be notified regarding the Settlement, and the Court should schedule a final approval hearing for 150 days after the Court grants Preliminary Approval.

Dated: March 4, 2026

Respectfully submitted,
DOMB & RAUCHWERGER LLP

By: Devin Rauchwerger
Zack I. Domb
Devin E. Rauchwerger
Attorneys for Plaintiff Linda Medina and the Proposed Class

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LINDA MEDINA vs EASY HEALTH, INC., A DELAWARE CORPORATION, et al.

Case Number: 23SMCV04232   Case Type: Civil Unlimited   Category: Other Employment Complaint Case
Date Filed: 2023-09-07   Location: Santa Monica Courthouse - Department I

Reservation

Case Name: LINDA MEDINA vs EASY HEALTH, INC., A DELAWARE CORPORATION, et al.	Case Number: 23SMCV04232
Type: Motion re: (for Preliminary Approval of Class Action and PAGA Settlement)	Status: RESERVED
Filing Party: Linda Medina (Plaintiff)	Location: Santa Monica Courthouse - Department I
Date/Time: 04/13/2026 9:00 AM	Number of Motions: 1
Reservation ID: 623116235089	Confirmation Code: CR-KRIYPKOAA3YEXNMXD

Fees

Description	Fee	Qty	Amount
Motion re: (name extension)	0.00	1	0.00
TOTAL			**$0.00**

Payment

Amount: $0.00	Type: NOFEE
Account Number: n/a	Authorization: n/a
Payment Date: n/a	

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