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SUPERIOR COURT OF CALIFORNIA

SAN FRANCISCO COUNTY

CATHERINE HUSTED, individually and on behalf of all others similarly situated,

Plaintiff,
v.

DIGNITY HEALTH, a California nonprofit public-benefit corporation, and DOES 1 through 10, inclusive,

Defendant.

Case No. CGC-24-612854

PLAINTIFF'S SUPPLEMENTAL BRIEF IN SUPPORT OF MOTION FOR PRELIMINARY APPROVAL OF CLASS AND PAGA SETTLEMENT

Date: November 5, 2026
Time: 11:00 a.m.
Honorable Ethan P. Schulman
Department 304

(approved by Dept. 304)

I. INTRODUCTION

Plaintiff Catherine Husted submits this supplemental brief in support of her Motion for Preliminary Approval of Class and PAGA Settlement and in response to the Court's October 2, 2026 Order continuing the motion (the "Order"). The Supplemental Declaration of George R. Nemiroff ("Nemiroff Supp. Decl.") supplements counsel's September 3, 2026 declaration and describes the revisions to the proposed settlement materials. (Nemiroff Supp. Decl., ¶ 2.) Plaintiff requests preliminary approval of the $500,000 settlement, approval of the revised notice and administration procedures, and approval of the proposed definition of Released Parties as applied to the expense reimbursement claims resolved by the settlement.

The supplemental showing addresses the LWDA submission, notice corrections, settlement allocations, and revised administrator bid. It also explains why the release may expressly protect identified persons and entities related to Defendant against the settled claims. The settlement remains supported by the investigation and discovery, the contested issues affecting certification and liability, and the substantial recovery secured for the proposed settlement class. (Nemiroff Supp. Decl., ¶¶ 4, 9–15, 19–23.)

II. THE REVISED SUBMISSIONS AND NOTICE ADDRESS THE COURT'S CONCERNS

A. The Revised Agreement and Administrator Bid Support the Requested Approval

California Rules of Court, rule 3.769(c)–(g), provides for submission of the settlement agreement and proposed notice, preliminary approval, notice to the class, and a final fairness hearing. The revised Class and PAGA Representative Action Settlement Agreement, including its amendments and revised Class Notice, is identified in paragraph 22 of the supporting declaration. Phoenix's revised bid is identified in paragraph 23 and must state the final administration cap, include email notice costs, and provide for disposition of residual funds to the California Controller's Office Unclaimed Property Fund. (Nemiroff Supp. Decl., ¶¶ 22–23.)

Plaintiff's counsel submitted the proposed settlement to the Labor and Workforce Development Agency ("LWDA") on September 3, 2026. Counsel will submit the amended settlement agreement, including the revised Class Notice and all amendments, to the LWDA at

the same time these supplemental filings are filed with the Court, as directed by Section I.A of the Order. (Nemiroff Supp. Decl., ¶ 4.)

B. The Notice Correctly Identifies the Action and the Settlement Class

The revised notice identifies both the class action and the PAGA settlement. It explains in plain language that a class action seeks relief for employees with similar claims and that a PAGA action seeks civil penalties on behalf of the State of California for alleged Labor Code violations. It correctly describes the claims as concerning reimbursement of business expenses and removes the references to an "overtime lawsuit." (Nemiroff Supp. Decl., ¶ 3.)

The opening paragraph and Sections 1 and 10 identify June 3, 2026 as the Class Period end date. Section 3 explains that recipients are receiving notice because Defendant's records identify them as members of the proposed settlement class. Its class definition mirrors the revised agreement, identifies Dignity Health, and removes the erroneous reference to Mountain Mike's Pizza. Section 4 identifies the First Amended Complaint as the operative pleading. The table of contents reflects the notice's page numbers and section titles; the Section 8 title uses "Plaintiff" in the singular; and Sections 14 and 19 consistently use "Final Settlement Hearing." (Nemiroff Supp. Decl., ¶¶ 5–6.)

C. The Notice Explains Objections and Exclusion Requests

The "OBJECT TO THE SETTLEMENT" summary and Section 14 explain that only Participating Class Members may object in writing by email, fax, or mail to Phoenix, or may appear at the Final Settlement Hearing to object orally. A written objection need not be filed with the Court or mailed to counsel. The notice provides Phoenix's applicable contact information, the response deadline, and the complete case number, CGC-24-612854. (Nemiroff Supp. Decl., ¶ 7.)

The "OPT OUT" summary and Section 16 distinguish exclusion from the class settlement from participation in the PAGA settlement. A Class Member may request exclusion from the class settlement but cannot opt out of the PAGA portion. An excluded Class Member who is an eligible Aggrieved Employee remains bound by the PAGA Release and will receive an Individual PAGA Payment. Exclusion requests may be submitted to Phoenix by fax, email, or mail and should include the Class Member's name, address, telephone number, the last four digits of the

Social Security number and/or Employee ID number, and a clear statement requesting exclusion from settlement of the class claims. (Nemiroff Supp. Decl., ¶ 8.)

D. The Notice Explains the Deductions and Separate Class and PAGA Allocations

Sections 7 and 8 identify the $500,000 Gross Settlement Amount and the proposed deductions: attorneys' fees of up to $166,666.67; litigation costs not to exceed $20,000; a $5,000 Class Representative Enhancement Award; and administration costs not to exceed $6,650. The $25,000 PAGA allocation consists of $18,750 payable to the LWDA and $6,250 for Individual PAGA Payments. The notice defines LWDA at its first use and distinguishes the class distribution from the employee PAGA distribution. (Nemiroff Supp. Decl., ¶ 9.)

The supporting declaration identifies a $1 discrepancy in the prior figures. The prior declaration stated a fee request of $166,667.67, while the agreement's fee request, as described in the Order, is $166,666.67. Using the latter amount, $20,000 in costs, the $5,000 enhancement, $6,650 in administration costs, and the $18,750 LWDA payment produces total deductions of $217,066.67 and $282,933.33 available for employee distributions. That remainder does include the $6,250 employee PAGA share. The $283,332.33 figure identified in the Order instead results from using the prior $166,667.67 fee figure as well as the initial $6,250 bid from Phoenix, without email Notice. Plaintiff respectfully requests clarification of the net figure to reflect the approved fee and administration amounts. If the administration cap is $6,650 and the fee is $166,666.67, the corresponding employee remainder is $282,933.33. The agreement and notice must use the same approved figures throughout. (Nemiroff Supp. Decl., ¶¶ 9–10.)

Section 9 uses Work Months, rather than weeks, to allocate the class distribution. Section 11 uses the defined term "Aggrieved Employee" and identifies the PAGA Period as February 8, 2023 through June 3, 2026. Phoenix will divide the $6,250 employee PAGA allocation by the total PAGA Months worked by all Aggrieved Employees during that period. Each eligible employee's payment will equal that per-month amount multiplied by the employee's PAGA Months, including for eligible employees who request exclusion from the class settlement. The employee PAGA allocation is a separate component of the employee distributions and is not

deducted twice. (Nemiroff Supp. Decl., ¶¶ 9, 11–12.)

E. The Notice Clarifies Releases and Administration Procedures

In response to the Court's concerns regarding the adequacy and accuracy of the proposed Class Notice, Plaintiff has substantially revised the Notice to ensure that Class Members receive clear and accurate information concerning the claims being resolved, the releases applicable to them, their settlement payments, and the procedures governing administration of the settlement. The revised Notice also corrects several errors and inconsistencies identified by the Court. A clean copy and redline of the revised Notice are submitted with the supplemental papers. (Nemiroff Supp. Decl., ¶¶ 3, 11, 13–15.)

First, Section 15 of the revised Notice expressly distinguishes between the release of class claims applicable to Participating Class Members and the separate release of PAGA claims applicable to all Aggrieved Employees. Rather than merely summarizing the releases, the revised Notice reproduces the substantive language of Paragraphs 5.2 and 5.3 of the Settlement Agreement. It further identifies Paragraph 1.43 as defining the Released Parties. This revision ensures that Class Members are informed of the scope of the claims they will relinquish by participating in the settlement. Importantly, the Notice clarifies that a Class Member who requests exclusion from the class settlement will not release the class claims, but, if an Aggrieved Employee, will nevertheless remain bound by the PAGA Release. (Nemiroff Supp. Decl., ¶ 13.)

The scope of the Released Parties definition is separately addressed in Section III below. Second, Sections 9 and 10 clarify the methodology for calculating Individual Class Payments. The revised Notice explains that payments are allocated proportionally based on each Participating Class Member's Work Months during the Class Period, with partial months rounded up to the next whole month. Section 10 provides spaces for each recipient's estimated Individual Class Payment, credited Work Months, and, where applicable, estimated Individual PAGA Payment and credited PAGA Months. Section 9 further explains that the Settlement Administrator will notify Class Members of its final determination of their Work Months and resulting Individual Class Payments following resolution of any timely disputes. These revisions provide Class Members with information concerning both the calculation of their payments and the

Administrator's final determination. (Nemiroff Supp. Decl., ¶¶ 11–12, 15.)

Third, Sections 10 and 13 correct the prior Notice's treatment of uncashed settlement checks. The original Notice incorrectly stated that uncashed settlement funds would be donated to charity. The revised Notice instead provides that settlement checks will remain negotiable for at least 180 days and that funds attributable to uncashed checks will be transferred to the California Controller's Unclaimed Property Fund in the recipient's name. The Notice also explains that a Participating Class Member remains bound by the applicable release even if the settlement check is not cashed. (Nemiroff Supp. Decl., ¶ 15.)

Fourth, Section 20 clarifies the timing and manner of settlement funding and distribution. The revised Notice eliminates references to installment payments and instead provides that Defendant must fully fund the settlement within seven days after the Effective Date, with the Settlement Administrator mailing settlement checks within seven days after funding. The revised language is intended to conform the Notice to the settlement's funding provisions and eliminate any suggestion that settlement payments will be made in installments.

Finally, Section 21 corrects the instructions for accessing the Court's records. The revised Notice removes the outdated references to "DomainWeb" and "Case Theory," directs Class Members to the San Francisco Superior Court's current case-information website, and instructs them to select "Case Query" and search using Case No. CGC-24-612854. It also advises Class Members that they may review court documents in person at the Clerk's Office. Because the settlement does not require Class Members to submit claim forms, the revised Notice removes references to a separate claims process and directs settlement-related inquiries to the Settlement Administrator rather than the Court. (Nemiroff Supp. Decl., ¶ 14.)

Collectively, these revisions address the Court's concerns by providing Class Members with a more accurate and understandable explanation of the settlement, the claims being released, the allocation and distribution of settlement proceeds, and the procedures available to protect their rights. Plaintiff respectfully submits that the revised Class Notice satisfies the requirements of California Rules of Court, rule 3.769(f), and requests that the Court approve its distribution to the Settlement Class.

III. THE RELEASE MAY EXPRESSLY INCLUDE RELATED PERSONS AND ENTITIES FOR THE SETTLED CLAIMS

A. The Requested Definition Addresses Responsibility for the Alleged Conduct

In response to the Court's concern about the definition of "Released Parties," Plaintiff requests approval of a definition that includes the related persons and entities identified in the proposed agreement, insofar as the release concerns their alleged responsibility for the expense reimbursement practices resolved in this action. The requested definition includes Dignity Community Care, CommonSpirit Health, and Dignity Health Medical Foundation, together with the related persons and entities described in the agreement. The requested protection is tied to the settled claims and applicable release periods.

The First Amended Complaint names Doe defendants and alleges that "additional defendants may be legally responsible in some manner for the unlawful acts referred to herein." (FAC, ¶ 11.) The pleading thus contemplates responsibility extending beyond the named Defendant. A release expressly addressing persons or entities alleged to bear responsibility for the same conduct, including under joint employer, agency, successor, or alter ego theories, can resolve the claims the parties intended to settle. Plaintiff seeks approval of that defined protection within the factual scope of the reimbursement claims, without extending the release to independent conduct or claims outside the settlement.

B. *Moniz* Supports Evaluating the Release Against the Underlying Claims

In addressing settlement scope, *Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, 81–83, disapproved on other grounds by *Turrieta v. Lyft, Inc.* (2024) 16 Cal.5th 664, 710, rejected a categorical objection to releasing PAGA claims not individually listed in the LWDA notice when those claims involved the same primary right litigated. *Moniz* also upheld inclusion of Associates where the notice encompassed all current and former employees, including but not limited to Colleagues, although Associates were not expressly named. (*Moniz*, at pp. 81–83.)

Moniz concerns claim and employee scope rather than directly deciding which nonparties may receive a release. Its reasoning nevertheless supports Plaintiff's position that the proposed release should be evaluated against the underlying conduct and interests represented. Here, the

requested related-party protection concerns potential responsibility for the same alleged reimbursement practices. Expressly identifying those beneficiaries would resolve the intended dispute without requiring the Court to treat every possible theory of responsibility as a separate claim. The proposed release remains subject to the Court's scrutiny of its factual scope and fairness.

C. *Grande* Supports Express Identification of Intended Release Beneficiaries

Grande v. Eisenhower Medical Center (2022) 13 Cal.5th 313 illustrates why the identity of the released parties matters. A nurse settled wage and hour claims against a staffing agency and later pursued claims against the hospital where she had worked. The Supreme Court upheld the determination that the hospital fell outside the actual release and separately rejected the asserted basis for privity and claim preclusion. (*Id.* at pp. 321–322, 326–331.) The Court explained that "future litigants can specify that their releases extend to staffing agency clients—if that result is intended." (*Id.* at p. 322.)

That distinction supports an express definition here. Defendant seeks certainty that payment of the settlement will resolve the specified claims against the intended beneficiaries, rather than leave the parties to litigate whether an unnamed person or entity fits an unstated category. Limiting the definition to Defendant and an incomplete list of representatives or related entities could leave disputes about whether other intended beneficiaries were protected. A clear definition tied to the settled conduct reduces that uncertainty, promotes finality, and limits duplicative litigation over the same alleged violations.

Plaintiff does not ask the Court to determine the preclusive effect of the settlement on an unidentified future action. The requested ruling is approval of an expressly defined release, with the class and PAGA releases and the notice consistently identifying their respective scope. The goal is to avoid repeated litigation and attempted duplicate recovery for claims the parties have resolved, while preserving claims outside those releases. The Court can evaluate that request by examining the identified beneficiaries, their connection to the challenged conduct, and the consideration paid for the settlement.

IV. THE SETTLEMENT REMAINS REASONABLE IN LIGHT OF THE LITIGATION RISKS

The settlement followed contested discovery, investigation, and mediation. Defendant disputes whether the alleged practices were system-wide, whether personal-device and home-internet use was necessary, and whether it had notice of unreimbursed expenses. Those disputes create risks to certification and recovery on the merits. The settlement class is limited to the exempt Nurse Manager position Plaintiff held, reducing the risks associated with pursuing the broader group of exempt employees. (Nemiroff Supp. Decl., ¶ 19.)

Counsel estimated potential exposure of $445,351.07 for cell service, $105,110 for home internet, $49,000 for mobile devices, and $1,213,200 in PAGA penalties, totaling $1,812,661.07. The estimates use 10,511 work-months, 196 Class Members, and 12,132 pay periods, with the assumptions stated in counsel's prior declaration. They are estimates of disputed potential exposure, not established liability. The $500,000 settlement represents approximately $2,551.02 per Class Member before deductions; that gross average is not an estimate of any individual's net payment. (Nemiroff Supp. Decl., ¶ 20.)

The Court's PAGA review considers whether the compromise is fair, reasonable, and adequate in light of the statute's enforcement and deterrence purposes. (*Moniz*, *supra*, 72 Cal.App.5th at pp. 76–77.) The settlement allocates $25,000 to PAGA, with $18,750 to the LWDA and $6,250 to Aggrieved Employees, and distributes the employee portion by PAGA Months. (Nemiroff Supp. Decl., ¶¶ 9, 12.) Plaintiff submits that this allocation, considered with the recovery for reimbursement claims and the documented litigation risks, supports approval. Counsel continues to recommend preliminary approval and the revised notice procedures. (*Id.*, ¶¶ 19–21.)

V. CONCLUSION

Plaintiff respectfully requests that the Court grant preliminary approval of the Class and PAGA Settlement, approve the related-party release within the scope described above, clarify the net settlement calculation based on the approved deductions, approve the revised Class Notice and administration procedures, and set the Final Settlement Hearing and associated notice

deadlines.

Dated: October 28, 2026

WYNNE LAW FIRM

By: _____
George R. Nemiroff
Attorneys for Plaintiff and the Putative Class