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County of San Diego

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

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

Plaintiffs,

vs.

EPPIC MEDICAL DBA AT-HOME MEDICAL;
ACCESS MEDICAL, INC; and DOES 1 through
50, inclusive,

Defendants.

Case No. 24CU010214C

*Hon. Carolyn Caietti
Dept. 70*

CLASS ACTION

**FIRST AMENDED CLASS AND
REPRESENTATIVE ACTION
COMPLAINT**

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

1 Plaintiff BETTY PEREZ, on behalf of all others similarly situated and the State of California
2 under the Private Attorneys General Act (“Plaintiff”) brings this FIRST AMENDED CLASS AND
3 REPRESENTATIVE ACTION COMPLAINT against Defendants EPPIC MEDICAL DBA AT-
4 HOME MEDICAL; ACCESS MEDICAL, INC; and DOES 1 through 50, inclusive (collectively
5 “Defendants”), alleging as follows:

6 **INTRODUCTION**

7 1. This is a class action for wage and hour violations of the California Labor Code.

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

10 3. Defendants also underpaid the Class Members’ wages by failing to include all forms
11 of remuneration, including commissions, into the regular rate of pay calculation for overtime, sick
12 pay, and premiums.

13 4. Plaintiff and Class Members were not always given an adequate opportunity to take
14 compliant meal and rest breaks, yet Defendants did not pay Plaintiff and Class Members for meal or
15 rest period premiums.

16 5. Defendants also failed to reimburse Plaintiff and Class Members for necessary
17 expenses incurred in furtherance of the Class Members’ job duties.

18 6. Defendants’ employment policies, practices, and payroll administration systems
19 enabled and facilitated these violations on a company-wide basis with respect to the Class Members.

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

22 8. Plaintiff seeks to recover the underpaid damages, plus associated penalties, interests,
23 attorney’s fees and costs.

24 **JURISDICTION & VENUE**

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

27 10. The monetary damages and restitution sought exceed the minimal jurisdiction limits of
28 the Superior Court.

11. This Court has jurisdiction over Defendants because, upon information and belief, Defendants have sufficient minimum contacts in California, or otherwise intentionally avail themselves to the California economy so as to render the exercise of jurisdiction over them by the California courts consistent with traditional notions of fair play and substantial justice.

PARTIES

13. Plaintiff Perez is an individual over 18 years of age who worked for Defendants in California as a non-exempt employee from about January 2016 to present. Plaintiff worked as a Purchasing Agent and Durable Medical Equipment Specialist.

B. Defendants

16. Defendant Access Medical, Inc is a Utah corporation that maintains operations and conducts business throughout the State of California, including in this county.

each of DOES 1 through 50 constitutes a legal employer or is otherwise legally responsible in some manner for the acts and omissions alleged herein. This Complaint may be amended to reflect their true names and capacities once ascertained.

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

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

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

CLASS ALLEGATIONS

21. This action is brought individually and on behalf of the following class pursuant to Code of Civil Procedure section 382:

- a. All current and former non-exempt employees who worked for Defendants in California at any time from four years (plus the additional 178-day statutory tolling period under Emergency Rule 9) prior to the filing of this action through date of class certification.

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

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

- a. Numerosity: The class is estimated to exceed 50 individuals, although the precise membership of the entire class is unknown at this time. The class is so

1 numerous that joinder of all class members is impracticable. The identities of
2 class members are ascertainable by inspection of Defendants' employment and
3 payroll records.

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

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

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

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

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

GENERAL ALLEGATIONS

25. Plaintiff and Class Members worked for Defendants as non-exempt employees and were compensated on an hourly basis.

26. Plaintiff and, on information and belief, the aggrieved employees were employed for both Defendant Eppic Medical dba At-Home Medical and its joint employer, Defendant Access Medical, Inc. Plaintiff often worked approximately 5 hours a week for Defendant Eppic Medical dba At-Home Medical and over 40 hours a week for Defendant Access Medical, Inc. However, Defendants failed to aggregate all hours worked by Plaintiff for purposes of overtime pay. Based on information and belief, this unlawful practice occurred with respect to other aggrieved employees.

27. Defendants repeatedly underpaid Plaintiff and Class Members by not accounting for all hours they worked. Plaintiff and Class Members that worked for both Defendants in the same week were regularly not credited with all hours worked, therefore, their time records did not reflect all hours worked. This practice resulted in unpaid minimum, regular, and overtime wages for Plaintiff and Class Members.

28. Further, Defendants failed to pay Plaintiff and Class Members overtime wages at the “regular rate of pay” for overtime hours worked, resulting in unpaid overtime wages. An illustrative example of this violation is found on the wage statement Defendant issued to Plaintiff for the pay period from March 10, 2024, to March 23, 2024. *See Fig. 1.*

Statement of Earnings For: Betty Perez							Eppic Medical			
Employee #:	2	Location	700	Period Begin:	3/10/2024	Check Date:	3/29/2024	3266 Grey Hawk Ct Carlsbad, CA 92010		
Clock Number:				Period End:	3/23/2024	Pay Type:	Hourly			
Company Id:	SDEMED	Federal Filing:	Single	Exemptions:	3	Additional Tax:				
		State Filing:	Single or	Exemptions:	3	Additional Tax:				
Check Number		Check Amount		Gross Pay		Net Pay		Check Message		
82263		\$715.83		\$791.56		\$715.83				
EARNINGS		*Not included in Totals		^Hrs/Units = Units (Units not included in Totals)		TAXES				
Description	Rate	Hrs/Units	Dollars	YTD	Hrs/Unit	YTD Dollars	Description	Current	YTD	Description
Hourly Regular	18.5000	32.00	592.00		115.86	2,143.42	SOC SEC EE	49.08	163.62	
Overtime	27.7500	2.90	80.48		2.90	80.48	MED EE	11.48	38.27	
Commission			119.08		0.00	119.08	FEDERAL WH	6.46	6.46	
Holiday			0.00		16.00	296.00	CALIFORNIA SDI	8.71	29.03	
*Exp Reimb NT			0.00		0.00	533.02				

Fig. 1, wage statement ending on March 23, 2024.

1 29. Plaintiff earned a sales commission of \$119.08 in the same period she earned overtime
2 wages. However, Defendants failed to properly include the bonus payment in Plaintiff’s overtime rate,
3 as the 2.9 overtime hours were paid at 1.5x Plaintiff’s base rate rather than 1.5x her “regular rate of
4 pay.” Defendants committed the same “regular rate of pay” violation against Plaintiff and Class
5 Members as a matter of common payroll administration and company policy in a manner susceptible
6 to common proof.

7 30. Due to employee responsibilities and the continuous flow of business, Plaintiff and
8 Class Members suffered late, short, interrupted, and/or missed meal and rest periods. Specifically,
9 Defendant expected Plaintiff and Class Members to work through their meal periods to comply with
10 its policy that phones are answered within less than thirty seconds of receiving a call. This expectation
11 was memorialized in Defendants’ written standards for employees. Moreover, this practice was
12 facilitated by Defendants’ short staffing practices, which meant that not enough employees were
13 available to cover the phones while other employees went to lunch, therefore Plaintiff and Class
14 Members regularly worked through their meal periods.

15 31. Likewise, Plaintiff and Class Members experienced short meal periods to assist
16 customers. Specifically, Defendants would ask Plaintiff and Class Members to assist customers with
17 compressions when they were off the clock. This required taking detailed measurements and providing
18 tutorials to customers of how to put the compression stockings on.

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32. To meet Defendants' expectations and keep up the work demands, Plaintiff and Class Members experienced late meal periods often. As shown on Plaintiff's time records from August 3, 2023, to August 10, 2023, she experienced six late meal periods in the span of one week. *See Fig. 2.*

Thursday	8/3/2023	08:00 AM	02:15 PM	700
		02:45 PM	(04:30 PM)	700
		(04:30 PM)	04:32 PM	700
Friday	8/4/2023	07:34 AM	01:31 PM	700
		02:01 PM	03:31 PM	700
Monday	8/7/2023	08:00 AM	02:01 PM	700
		02:31 PM	(04:30 PM)	700
		(04:30 PM)	04:32 PM	700
Tuesday	8/8/2023	07:28 AM	03:05 PM	700
		03:35 PM	(03:58 PM)	700
		(03:58 PM)	04:00 PM	700
Wednesday	8/9/2023	07:31 AM	02:01 PM	700
		02:33 PM	04:02 PM	700
Thursday	8/10/2023	08:25 AM	(04:25 PM)	700
		(04:25 PM)	05:01 PM	700

Fig. 2, time records covering the period from August 3, 2023 to August 10, 2023.

33. For the same reasons Plaintiff and Class Members suffered late, short, interrupted, and/or missed meal periods, Plaintiff and Class Members suffered from non-compliant rest periods. Plaintiff and Class Members regularly worked through rest periods to keep up with Defendant's work demands. Plaintiff and Class Members would assist customers and answer phone calls during their rest breaks. However, when Plaintiff and Class Members suffered these deficient meal and rest periods, Defendants did not pay Plaintiff and Class Members premiums.

34. Defendants failed to comply with California's paid sick leave laws with respect to the aggrieved employees. Due to Defendants' unlawful policy of requiring Plaintiff and the aggrieved employees to complete work off-the-clock during their meal periods, Defendants failed to provide

1 Plaintiff and the aggrieved employees with all sick leave accrued. Therefore, Plaintiff and the
2 aggrieved employees were underpaid sick pay.

3 35. Defendants also required Plaintiff and Class Members to incur necessary, work-related
4 costs, without reimbursement. Plaintiff and Class Members were required to use their personal cell
5 phones and computers to work from home and complete tasks for Defendants. However, despite
6 requiring employees to incur expenses from personal device and home internet use for employment-
7 related activities, Defendants did not compensate employees accordingly. Plaintiff further believes
8 and alleges that other Class Members also incurred these costs without reimbursement from
9 Defendants.

10 36. As a result of the off-the-clock work completed by Plaintiff and Class Members,
11 Defendants failed to aggregate all hours worked by its employees. Therefore, Defendants did not
12 provide accurate wage statements that included the accurate gross or net wages, listed all applicable
13 hourly wage rates, and listed both Defendants and their addresses on wage statements. Thus,
14 Defendants failed to pay Plaintiff and Class Members at least minimum wage for all hours worked,
15 resulting in inaccurate wage statements.

16 37. Moreover, Defendants also failed to list both joint employer names on its paystubs.
17 Plaintiff and, on information and belief, the aggrieved employees were employed for both Defendant
18 Eppic Medical dba At-Home Medical and its joint employer, Defendant Access Medical, Inc.
19 However, Defendants failed to list both employer names and addresses on Plaintiff and the aggrieved
20 employees' wage statements. Therefore, Defendants have provided inaccurate and noncompliant wage
21 statements to Class Members.

22 38. These violations create derivative liability for failure to pay all wages owed each
23 payday or upon separation of employment.

24 **FIRST CAUSE OF ACTION**

25 **MINIMUM WAGE VIOLATIONS**

26 **Violation of Labor Code §§ 1194, 1194.2 and 1197**

27 **(All Claims Alleged by Plaintiff and Class Members Against All Defendants)**

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

40. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code §§ 1182.12, 1194, 1194.2, 1197, 1197.1 and 1198 and the IWC Wage Orders (the “Hours and Days of Work” and “Minimum Wages” sections of the applicable orders), which require non-exempt employees be timely paid at least the state or local minimum wage (if higher) for each hour of work, and further provide a private right of action for an employer’s failure to pay all minimum wages (plus liquidated damages).

42. Defendants' unlawful acts and omissions deprived Plaintiff and class members of minimum, regular and overtime wages in amounts to be determined at trial. Plaintiff and class members are entitled to recover the full amount of the unpaid wages, plus liquidated damages in an amount equal to the wages unlawfully unpaid (and interest thereon), in addition to interest, attorneys' fees, and costs to the extent permitted by law, including under Labor Code sections 1194 and 1194.2.

FAILURE TO PAY ALL OVERTIME WAGES

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

45. Defendants failed in their affirmative obligation to pay Plaintiff and class members no less than one and one-half times their respective “regular rate of pay” for all hours worked in excess

1 of eight hours in one day, 40 hours in one week, or the first eight hours worked on the seventh day of
2 work in any one workweek, and no less than twice their respective “regular rate of pay” for all hours
3 over 12 hours in one day and any work in excess of eight hours on any seventh day of a workweek for
4 such hours worked, in violation of Labor Code sections 204, 510, 558, 1194, and 1198 and the IWC
5 Wage Orders (the “Hours and Days of Work” sections of the applicable orders).

6 46. Plaintiff and class members are entitled to recover the full amount of the unpaid
7 overtime, in addition to interest, statutory and civil penalties, and attorneys’ fees, and costs to the
8 extent permitted by law.

9 **THIRD CAUSE OF ACTION**

10 **MEAL PERIOD VIOLATIONS**

11 **Violation of Labor Code §§ 226.7 and 512**

12 47. All outside paragraphs of this Complaint are incorporated into this section.

13 48. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code
14 §§ 226.7, 558 and 512, which require non-exempt employees be provided complaint meal periods (or
15 meal period premiums in lieu thereof), and which further provide a private right of action for an
16 employer’s failure to lawfully provide all meal periods and/or pay meal period premiums at the lawful
17 regular rate of compensation.

18 49. Defendants willfully failed in their affirmative obligation to consistently provide
19 Plaintiff and class members compliant, duty-free meal periods of not less than 30 minutes beginning
20 before the fifth hour of hour for each work period of more than five hours per day and a second duty-
21 free meal period of not less than 30 minutes beginning before the tenth hour of hour of work in
22 violation of Labor Code sections 226.7, 512, 558, 1198 and the IWC Wage Orders (the “Meal Periods”
23 sections of the applicable orders).

24 50. Further, Defendants willfully failed in their affirmative obligation to consistently pay
25 Plaintiff and class members one additional hour of pay at the respective regular rate of compensation
26 for each workday that a fully compliant meal period was not provided, in violation of Labor Code
27 sections 226.7, 512, 558, and 1198 and the IWC Wage Orders (the “Meal Periods” sections of the
28 applicable orders).

51. Plaintiff and class members are entitled to recover the full amount of the meal period premiums owed, in addition to interest, statutory and civil penalties, and attorneys' fees, and costs to the extent permitted by law.

FOURTH CAUSE OF ACTION

REST PERIOD VIOLATIONS

Violation of Labor Code §§ 226.7 and 516

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

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

54. Defendants willfully failed in their affirmative obligation to consistently authorize and permit Plaintiff and class members to receive compliant, duty-free rest periods of not less than ten (10) minutes for every four hours worked (or major fraction thereof) in violation of Labor Code sections 226.7, 516, 558, and 1198 and the IWC Wage Orders (the “Rest Periods” sections of the applicable orders).

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

FIFTH CAUSE OF ACTION

FAILURE TO PAY ALL PAID SICK LEAVE WAGES

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

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

57. Defendants knowingly and intentionally failed in their affirmative obligation to pay sick leave wages to Plaintiff and a paid sick leave subclass in violation of Labor Code section 246 *et seq.* Paid sick leave earnings constitute wages for purposes of California wage and hour law.

(*Murphy v. Kenneth Cole Productions, Inc.* (2007) 40 Cal.4th 1094, 1103 [“Courts have recognized that ‘wages’ also include those benefits to which an employee is entitled as a part of his or her compensation, including money, room, board, clothing, vacation pay, and sick pay”].)

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

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

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

61. As a result, Defendants violated the Labor Code and are liable to Plaintiff and class members for underpaid sick leave wages, in addition to interest, attorneys’ fees, and costs.

SIXTH CAUSE OF ACTION

UNTIMELY PAYMENT OF WAGES

Violation of Labor Code §§ 204, 210, 218

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

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

64. Defendants willfully failed in their affirmative obligation to timely pay all wages, including paid sick leave and meal and rest premiums, earned by Plaintiff and class members twice during each calendar month on days designated in advance by the employer as regular paydays (for

employees paid on a non-weekly basis) and on the regularly-scheduled weekly payday for weekly employees, if any, in violation of Labor Code sections 204 and 204b and the IWC Wage Orders (the “Minimum Wages” sections of the applicable orders).

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

SEVENTH CAUSE OF ACTION

WAGE STATEMENT VIOLATIONS

Violation of Labor Code § 226

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

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

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

69. Defendants’ unlawful acts and omissions deprived Plaintiff and class members of accurate itemized wage statements, causing confusion and concealing wage and premium underpayments.

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

1 **EIGHTH CAUSE OF ACTION**

2 **WAITING TIME PENALTIES**

3 **Violation of Labor Code §§ 201 *et seq.***

4 71. All outside paragraphs of this Complaint are incorporated into this section.

5 72. This cause of action is brought by a waiting time subclass pursuant to Labor Code
6 §§ 201 through 203, which require an employer to timely pay all wages earned upon termination of
7 employment, and which further provide a private right of action to recover statutory waiting time
8 penalties each day an employer fails to comply with this obligation, up to a maximum of 30 days
9 wages.

10 73. Defendants willfully failed and continue to fail in their affirmative obligation to pay all
11 wages earned and unpaid to Plaintiff and class members immediately upon termination of employment
12 or within 72 hours thereafter for employees who did not provide at least 72 hours prior notice of his
13 or her intention to quit, and further failed to pay those sums for 30 days thereafter in violation of Labor
14 Code sections 201 through 203 and the IWC Wage Orders.

15 74. Plaintiff and class members are entitled to recover a waiting time penalty for a period
16 of up to 30 days, in addition to interest, attorneys' fees, and costs to the extent permitted by law.

17 **NINTH CAUSE OF ACTION**

18 **FAILURE TO REIMBURSE BUSINESS EXPENSES**

19 **Violation of Labor Code § 2802**

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

21 76. Defendants willfully failed in their affirmative obligation to reimburse Plaintiff and a
22 reimbursement subclass for all necessary expenditures, losses, expenses, and costs incurred by them
23 in direct discharge of the duties of their employment, in violation of Labor Code section 2802.

24 77. Defendants' unlawful acts and omissions deprived Plaintiff and class members of
25 lawful reimbursements for business expenses in amounts to be determined at trial. Plaintiff and class
26 members are entitled to recover the amount unreimbursed expenses of Plaintiff and class members in
27 addition to interest, attorneys' fees, and costs to the extent permitted by law, including under Labor
28 Code section 2802.

1 **TENTH CAUSE OF ACTION**

2 **UNFAIR COMPETITION**

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

4 78. All outside paragraphs of this Complaint are incorporated into this section.

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

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

14 81. Plaintiff is a victim of Defendants' unfair and/or unlawful conduct alleged in this
15 Complaint, and Plaintiff, as an individual and on behalf of others similarly situated, seeks full
16 restitution of the moneys as necessary and according to proof to restore all monies withheld, acquired,
17 and/or converted by Defendants pursuant to Business and Professions Code §§ 17203 and 17208.

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

22 83. Plaintiff and class members are entitled to injunctive relief against Defendants,
23 restitution, and other equitable relief to return all funds over which Plaintiff and class members have
24 an ownership interest and to prevent future damage and the public interest under Business and
25 Professions Code § 17200 *et seq.* Plaintiff and class members are further entitled to recover interest,
26 attorneys' fees, and costs to the extent permitted by law, including under Code of Civil Procedure
27 § 1021.5.

1 **ELEVENTH CAUSE OF ACTION**

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

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

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

5 84. All outside paragraphs of this Complaint are incorporated into this section.

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

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

12 86. Plaintiff reserves the right to amend, supplement, or add to this description of the
13 aggrieved employees, according to proof.

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

18 88. Labor Code section 2699(a) provides: “Notwithstanding any other provision of law,,
19 any provision of this code that provides for a civil penalty to be assessed and collected by the Labor
20 and Workforce Development Agency or any of its departments, divisions, commissions, boards,
21 agencies, or employees, for a violation of this code, may, as an alternative, be recovered through a civil
22 action brought by an aggrieved employee on behalf of himself or herself and other current or former
23 employees pursuant to the procedures specified in Section 2699.3. “

24 89. Labor Code section 2699(f) provides: “For all provisions of this code except those for
25 which a civil penalty is specifically provided, there is established a civil penalty for a violation of these
26 provisions, as follows: ... (2) If, at the time of the alleged violation, the person employs one or more
27 employees, the civil penalty is one hundred dollars (\$100) for each aggrieved employee per pay period
28

1 for the initial violation and two hundred dollars (\$200) for each aggrieved employee per pay period for
2 each subsequent violation.”

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

6 91. Labor Code section 2699.3 sets forth the procedure for commencing an action for civil
7 penalties under the PAGA.

8 92. On or about **August 29, 2024**, Plaintiff paid the requisite PAGA filing fee and provided
9 written notice (by online electronic filing with the LWDA and by certified mail to Defendants) of
10 Defendants’ alleged Labor Code violations, including the facts and theories to support the alleged
11 violations.

12 93. A true and correct copy of Plaintiff’s written PAGA notice, entitled “Notice of Labor
13 Code Violations” is attached hereto as Exhibit 1 and incorporated by reference as though fully set
14 forth herein (the “PAGA notice”).

15 94. To date, neither Plaintiff nor Plaintiff’s counsel has received a response to Plaintiff’s
16 written PAGA notice from the LWDA.

17 95. Within 33 calendar days of the postmark date of the notice sent by Plaintiff, neither
18 Plaintiff nor Plaintiff’s counsel has received written notice by certified mail from any defendant
19 providing a description of any actions taken to cure the alleged violations.

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

24 97. As set forth in the PAGA notice attached as Exhibit 1 and incorporated into this
25 Complaint, Defendants committed the following violations and are liable for all corresponding civil
26 penalties:

- 27 a. ***Unpaid Hours Worked/Minimum Wage.*** Violation of Labor Code §§ 1194,
28 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.

98. 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(g).

PRAYER

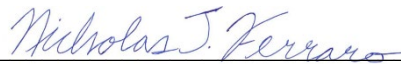
Plaintiff prays for judgment as follows:

- a. For certification of this action as a class action;
- b. For appointment of Plaintiff as the class representative;
- c. For appointment of above-captioned counsel for Plaintiff as Class Counsel;
- d. For division of class members into appropriate classes and/or subclasses according to proof;
- e. For recovery of all statutory penalties and liquidated damages;
- f. For disgorgement of all amounts wrongfully obtained to the extent permitted by law;

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

16 Dated: November 5, 2024

Ferraro Vega Employment Lawyers, Inc.

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19 Nicholas J. Ferraro

20 Attorneys for Plaintiff Betty Perez

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EXHIBIT 1

Notice of Labor Code Violations

FERRARO VEGA

SAN DIEGO EMPLOYMENT LAWYERS

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Lauren N. Vega
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August 29, 2024

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

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

Eppic Medical dba At-Home Medical
3266 Grey Hawk Court
Carlsbad, California 92010

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

Access Medical, Inc.
3266 Grey Hawk Court
Carlsbad, California 92010

Dear LWDA Officer and Company Representatives:

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

EPPIC MEDICAL (DBA AT-HOME MEDICAL); ACCESS MEDICAL, INC.

Defendants(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(k). 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 Durable Medical Equipment ("DME") Specialist for At-Home Medical and Purchasing Agent for Access Medical, Inc. from about January 2016 to the present. 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. Defendants violated the Labor Code and IWC Wage Order Minimum Wage sections in several ways.

First, as discussed in the “Unpaid Overtime” section below, Defendants failed to aggregate all hours worked by Plaintiff and the aggrieved employees for both Defendant Eppic Medical dba At-Home Medical and its joint employer, Defendant Access Medical, Inc. for purposes of calculating overtime pay. Additionally, Defendants maintained a policy and practice of failing to include commissions and other forms of remuneration in the regular rate of pay when employees worked overtime in the same pay period commissions were earned. As a result, Plaintiff and the aggrieved employees were not adequately compensated for all wages earned.

Second, as explained in the “Unpaid Meal Premium Wages” section, Defendants failed to provide compliant meal periods. Due to the demands of the job and understaffing, Plaintiff and the aggrieved employees would often have to work through their meal periods while they were off the clock to answer phones or assist customers with compressions. To the extent Defendants paid meal period premiums, those premiums were underpaid because Defendants failed to include additional remuneration, such as commissions, in the regular rate of pay.

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

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

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

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

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

First, Plaintiff and, on information and belief, the aggrieved employees were employed for both Defendant Eppic Medical dba At-Home Medical and its joint employer, Defendant Access Medical, Inc. Plaintiff often worked approximately 5 hours a week for Defendant Eppic Medical dba At-Home Medical and over 40 hours a week for Defendant Access Medical, Inc. However, Defendants failed to aggregate all hours worked by Plaintiff for purposes of overtime pay. Based on information and belief, this unlawful practice occurred with respect to other aggrieved employees.

Second, Defendants maintained a practice and policy of failing to include commissions and other forms of remuneration in the regular rate of pay when employees worked overtime in the same pay period commissions were earned. An illustrative example of Defendants’ regular rate of pay violation is found on Plaintiff’s wage statements for the pay period 3/10/24 to 3/23/24 as it pertains to overtime is shown below:

Statement of Earnings For: Betty Perez						Eppic Medical 3266 Grey Hawk Ct Carlsbad, CA 92010		
Employee #:	2	Location:	700	Period Begin:	3/10/2024	Check Date:	3/29/2024	
Clock Number:		Federal Filing:	Single	Period End:	3/23/2024	Pay Type:	Hourly	
Company Id:	SDEMED	State Filing:	Single or	Exemptions:	3	Additional Tax:		
				Exemptions:	3	Additional Tax:		
Check Number	Check Amount	Gross Pay	Net Pay		Check Message			
82263	\$715.83	\$791.56	\$715.83					
EARNINGS	*Not included in Totals		^Hrs/Units = Units (Units not included in Totals)		TAXES			
Description	Rate	Hrs/Units	Dollars	YTD Hrs/Unit	YTD Dollars	Description	Current	YTD
Hourly Regular	18.5000	32.00	592.00	115.86	2,143.42	SOC SEC EE	49.08	163.62
Overtime	27.7500	2.90	80.48	2.90	80.48	MED EE	11.48	38.27
Commission			119.08	0.00	119.08	FEDERAL WH	6.46	6.46
Holiday			0.00	16.00	296.00	CALIFORNIA SDI	8.71	29.03
*Exp Reimb NT			0.00	0.00	533.02			

Extracts from Plaintiff's wage statements for pay period 3/10/24 to 3/23/24 showing that she earned a \$119.08 sales commission in the same pay period she earned overtime wages.

During this pay period, Plaintiff earned a sales commission of \$119.08 based on the number of sales she made for Defendant Eppic Medical dba At-Home Medical. However, Defendants failed to properly include the commission payment in Plaintiff's overtime rate, as the 2.90 overtime hours were paid at 1.5x Plaintiff's base rate of \$18.50, rather than 1.5x her regular rate of pay. Defendants committed the same "regular rate of pay" violation against Plaintiff and other aggrieved employees as a matter of common payroll administration and company policy in a manner susceptible to common proof. This resulted in the underpayment of wages to employees.

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. Due to Defendants’ unlawful policy of requiring Plaintiff and the aggrieved employees to complete work off-the-clock during their meal periods, Defendants failed to provide Plaintiff and the aggrieved employees with all sick leave accrued. Therefore, Plaintiff and the aggrieved employees were underpaid sick pay.

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

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

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

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

workday that a compliant meal period is not provided. Pursuant to Section 11(A) of the IWC Wage Orders, the California Supreme Court has held that the on-duty meal period exception is “exceedingly narrow” and applies only when (1) “the nature of the work prevents the employee from being relieved of all duty” and (2) *both* “the employer and employee have agreed, in writing, to the on-duty meal period.” *Augustus v. AMB Security Services, Inc.* (2016) 2 Cal. 5th 257, 266-276 (emphasis added). If these two requirements are not met, then the employer owes the employee one hour of premium pay for each non-compliant meal period taken under the purported on-duty meal arrangement. *Naranjo v. Spectrum Security Services, Inc.* (2019) 40 Cal. 5th 444, 459.

Plaintiff and other aggrieved employees routinely experienced, missed, late, short, and interrupted meal periods due to the demands of the job and understaffing. Specifically, Plaintiff and the aggrieved employees would work during their meal periods because Defendants had a policy and practice of ensuring the phones were answered within less than thirty seconds of the call. Plaintiff and the aggrieved employees received calls for both Defendant Eppic Medical dba At-Home Medical and its joint employer, Defendant Access Medical, Inc. However, Defendants did not schedule enough employees to allow phones to be covered during meal periods, so Plaintiff and aggrieved employees would be required to answer calls during their meal periods. An illustrative example of Defendants’ policy of answering phones is shown below:

Appointment ACCESS STANDARDS:

Medical Appointment Types	Standard
Timeliness of physician office telephone answer	Within < 30 second of the call

Extract of Defendants’ policy regarding timeliness of answering phones.

Additionally, Plaintiff and the aggrieved employees would be required to cut their meal periods short to help customers. Specifically, Defendants would ask Plaintiff and the aggrieved employees when they were off the clock to assist customers with compressions. This required taking detailed measurements and providing tutorials to customers of how to put the compression stockings on. Even when Plaintiff and the aggrieved employees were able to take their meal periods, these were often taken after the fifth hour of work in violation of Labor Code 512. An illustrative example of this is shown below:

Thursday	8/3/2023	08:00 AM	02:15 PM	700
		02:45 PM	(04:30 PM)	700
		(04:30 PM)	04:32 PM	700
Friday	8/4/2023	07:34 AM	01:31 PM	700
		02:01 PM	03:31 PM	700
Monday	8/7/2023	08:00 AM	02:01 PM	700
		02:31 PM	(04:30 PM)	700
		(04:30 PM)	04:32 PM	700
Tuesday	8/8/2023	07:28 AM	03:05 PM	700
		03:35 PM	(03:58 PM)	700
		(03:58 PM)	04:00 PM	700
Wednesday	8/9/2023	07:31 AM	02:01 PM	700
		02:33 PM	04:02 PM	700
Thursday	8/10/2023	08:25 AM	(04:25 PM)	700
		(04:25 PM)	05:01 PM	700

Extract of Plaintiff's time records from 8/3/23 to 8/10/23 showing she regularly took her meal periods after the fifth hour of work.

Here, Plaintiff routinely took her meal periods after the fifth hour of work due to the demands of the job and understaffing. Upon information and belief, when Defendants did not provide compliant meal periods, Defendants failed to pay Plaintiff and other aggrieved employees a meal period premium in violation of Labor Code section 226.7.

To the extent Defendants paid any meal period premium, the premiums were not paid at the regular rate of compensation because the premium did not factor in bonuses or other forms of remuneration, instead electing to pay aggrieved employees at their base hourly rate, in violation of California law.

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.

Defendants had an unlawful policy and practice of encouraging Plaintiff and other aggrieved employees to work through their rest periods without being paid rest period premiums. As stated above in the "Unpaid Meal Period Premium" section, due to the demands of the job and understaffing, Plaintiff and other aggrieved employees rarely, if at all, took all their rest periods.

When Defendants did not provide compliant rest periods, Defendants failed to pay Plaintiff and other aggrieved employees a rest period premium in violation of Labor Code section 226.7. To the extent Defendants ever paid a rest period premium, Defendants violated Labor Code section 226.7 because such premiums were not paid at the regular rate of compensation to aggrieved employees, which would have factored in bonuses, commissions, and other forms of remuneration.

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

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

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

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

penalty” of \$100 for an initial violation and \$200 plus 25% of the amount unlawfully withheld for a subsequent violation.

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

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

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

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

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

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

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

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

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

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

Defendants failed to provide accurate itemized wage statements to the aggrieved employees each pay period as a result of the policies and practices set forth in this notice. Defendants violated Labor Code section 226(a)(1) and (5) by not listing the correct “gross wages earned” or “net wages earned,” as the employees earned wages and premiums that were not paid, resulting in an inaccurate reflection, and recording of “gross wages earned” on those wage statements. Further, due to Defendants failing to pay Plaintiff and the aggrieved employees for all overtime hours worked for both Defendant Eppic Medical dba At-Home Medical and its joint employer, Defendant Access Medical, Inc., the gross and net wages earned by Plaintiff and the aggrieved employees were inaccurately listed on their wage statements.

Additionally, Defendants violated Labor Code section 226(a)(2) by not accurately listing the total hours worked by Plaintiff and the aggrieved employees. As mentioned in the “Unpaid Overtime” section above, Defendants failed to aggregate all hours worked by Plaintiff and the aggrieved employees. This resulted in Plaintiff and the aggrieved employees’ total hours worked to be listed inaccurately on their wage statements.

Defendants also violated Labor Code section 226(a)(8) by not listing both joint employer names on its paystubs. Specifically, Plaintiff and, on information and belief, the aggrieved employees were employed for both Defendant Eppic Medical dba At-Home Medical and its joint employer, Defendant Access Medical, Inc. However, Defendants failed to list both employer names and addresses on Plaintiff and the aggrieved employees’ 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. Upon information and belief, Plaintiff occasionally worked from home and was required to use her personal laptop, cell phone, and internet. The use of her personal devices was necessary to complete the required job duties because Defendants did not provide Plaintiff with a work laptop or cell phone. Thus, in direct consequence of her job duties, Plaintiff was required to supply and use her own office equipment for work-related purposes. Defendants did not reimburse Plaintiff and other aggrieved employees for expenses incurred from obtaining and using their own office equipment that was necessary for the job.

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(g)

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

- LITIGATION HOLD NOTICE -

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

be maintained. Failure to preserve and retain relevant evidence may constitute spoliation of evidence and result in an adverse inference or sanctions.

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

- CONCLUSION -

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

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

Sincerely,

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

Mariela Romo

Cc Plaintiff Betty Perez

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