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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES**

ANDREA F. PUNGI, individually and in
Plaintiff's representative capacity as a private
attorney general on behalf of the State of
California and other Aggrieved Employees,

Plaintiff,

vs.

ALTER HEALTH GROUP, INC., a
California corporation, ALTER
MANAGEMENT, LLC, a California limited
liability company, ALTER MENTAL
HEALTH – DANA POINT, LLC, a
California limited liability company, ALTER
MENTAL HEALTH LLC, a California
limited liability company, ALTER
WELLNESS CARE LLC, a California
limited liability company, ALTIGNIS
CAMPUS LLC, a California limited liability
company, CAMBRIDGE MENTAL
HEALTH MANAGEMENT LLC dba
ALTER BEHAVIORAL HEALTH, a
California limited liability company,
ALTIGNIS HEALTH, LLC, a California
limited liability company, ALTER
BEHAVIORAL HEALTH – CAPISTRANO
BEACH, LLC, a California limited liability
company, and DOES 1 through 100,
inclusive,

Defendants.

Case No.:

**REPRESENTATIVE ACTION COMPLAINT
FOR:**

(1) VIOLATION OF THE PRIVATE
ATTORNEYS GENERAL ACT OF 2004
("PAGA") [Lab. Code § 2698 *et seq.*]

JURY TRIAL DEMANDED

COMES NOW Plaintiff Andrea F. Pungi (“Plaintiff”), individually and in a representative (non-individual) capacity for the State of California and for other Aggrieved Employees as a private attorney general, based upon facts that either have evidentiary support or are likely to have evidentiary support after a reasonable opportunity for further investigation and discovery, alleges as follows:

INTRODUCTION

1. Plaintiff Andrea F. Pungi (“Plaintiff”) is an individual residing in the County of Orange, State of California. As relevant here, Plaintiff was an employee of Defendants (as defined below) from April 2021, until her wrongful termination on December 8, 2023. Defendants classified Plaintiff as a non-exempt employee and paid her an hourly rate and other employee benefits. During Plaintiff’s employment, Plaintiff worked sufficient hours to be eligible to incur overtime and to be eligible for meal and rest periods throughout her employment. Plaintiff also suffered numerous wage and hour violations including, but not limited to, forced off-the-clock work as a result of Defendants’ timekeeping policies and practices and the many derivative penalties arising therefrom as a result of the policies and practices of Defendants as described herein.

2. At all pertinent times during the applicable limitations period, Defendants have implemented various wage and hour policies that fail to comply with the California Labor Code. Among other things, Defendants would fail to accurately track time and pay Plaintiff and other aggrieved employees by engaging in improper rounding practices and forcing Aggrieved Employees to engage in uncompensated pre-shift and post-shift work, which resulted in uncompensated time. Upon information and belief, Defendants also failed to incorporate all necessary information and data in calculating their employees’ regular rate of pay for purposes of determining and properly paying overtime premiums, meal period violation premiums, or rest period violation premiums. During the relevant time period, Plaintiff was exposed to these improper wage and hour practices, including, but not limited to, being subjected to improper rounding practices and being required to engage in uncompensated pre-shift and post-shift work, which resulted in untracked time and a failure to pay Plaintiff for all hours worked at Plaintiff’s regular rate of pay. These issues also lead to direct and derivative penalties for failure to provide

1 accurate wage records and waiting time penalties, each of which is a separate labor code violation
2 suffered by Plaintiff. Plaintiff therefore qualifies as an Aggrieved Employee because Plaintiff is a
3 “person who was employed by the alleged violator and against whom one or more of the alleged
4 violations was committed.” (Labor Code § 2699, subd. (c).)

5 3. In addition to the regular rate payment issues, Defendants engaged in various other
6 improper payment practices, described more fully herein.

7 4. Accordingly, Defendants regularly failed to properly: (1) pay overtime pay; (2) pay
8 minimum wages; (3) provide uninterrupted off-duty meal periods and/or required premium wages;
9 (4) provide uninterrupted off-duty rest periods and/or required premium wages; (5) maintain
10 adequate records including tracking hours worked; (6) furnish proper and/or accurate wage
11 statements; and (7) timely pay all wages due upon termination, among other things. The
12 Defendants’ time records and policies will confirm some of these violations including numerous
13 violations of the PAGA and the California Labor Code, as well as other laws, decisions, orders, or
14 rulings that are enforceable through the PAGA.

15 5. For over 50 years, California’s courts and legislature have recognized that this
16 State’s wage-and-hour laws serve a compelling public interest of fostering a stable job market.
17 Wages are not ordinary debts. Because of the economic position of the average worker and his or
18 her family, it is essential to the public welfare that employers obey the wage-and-hour laws so that
19 employees are promptly paid the minimum wages that the Legislature has required for employees.
20 So fundamental are California’s wage-and-hour laws that the Legislature has criminalized certain
21 types of violations.

22 6. Plaintiff brings this action pursuant to PAGA and seeks to obtain all applicable relief
23 for Defendants’ violations, including all available relief under PAGA and the applicable Labor
24 Code provisions or other law enforceable through PAGA. As a result of Defendants’ unlawful
25 conduct alleged herein, Defendants violated California Labor Code sections 201-203, 204, 204c,
26 206, 206.5, 207, 210, 216, 226, 226(a)-(f), 226.3, 226. 6, 226.7, 227.3, 233-234, 245-249, 432,
27 432.5, 510, 512(a), 558, 558.1, 1174(d), 1174.5, 1182.12, 1183, 1194, 1194.2, 1197, 1197.1,
28

1 1197.2, 1198-1198.5, 2800, 2802, 2810.5, and all applicable Industrial Welfare Commission Wage
2 Orders (“Wage Orders”).

3 **PAGA REPRESENTATIVE ACTION**

4 7. Plaintiff is pursuing this specific action as a PAGA action, and not as a Class Action,
5 for the various important reasons, which were articulated by the California Supreme Court in its
6 recent decision, *Estrada v. Royalty Carpet Mills, Inc.* (2024) 15 Cal.5th 582 (*Estrada*), quoted, in
7 pertinent part, in sections a. through e. below:

8 a. In 2003, the Legislature enacted PAGA to remedy “systemic
9 underenforcement” of the Labor Code. (*Williams v. Superior Court* (2017) 3 Cal.5th 531, 545
10 (*Williams*)). PAGA provides for civil penalties for various Labor Code violations and authorizes
11 “aggrieved employees, acting as private attorneys general, to recover [those] penalties.” (*Iskanian v.*
12 *CLS Transportation Los Angeles, LLC* (2014) 59 Cal.4th 348, 379 (*Iskanian*) abrogated in part on
13 other grounds in *Viking River Cruises, Inc. v. Moriana* (2022) 596 U.S. ____ [142 S.Ct. 1906, 213
14 L.Ed.2d 179] (*Viking River*.) Under the statute, an “ ‘aggrieved employee’ ” is “any person who was
15 employed by the alleged violator and against whom one or more of the alleged violations was
16 committed.” (§ 2699, subd. (c)).

17 b. The term “ ‘[a]ggrieved employee’ governs not just who has standing to
18 bring a PAGA claim, but also who may recover a share of penalties.” (*Kim v. Reins International*
19 *California, Inc.* (2020) 9 Cal.5th 73, 87 (*Kim*)). And a PAGA plaintiff may seek penalties for
20 violations involving aggrieved employees other than the PAGA plaintiff. (*ZB, N.A. v. Superior Court*
21 (2019) 8 Cal.5th 175, 185 (*ZB*)). We have sometimes referred to this as a “ ‘representative’ ” (*Adolph*
22 *v. Uber Technologies, Inc.* (2023) 14 Cal.5th 1104, 1118, italics omitted, quoting *Iskanian, supra*, 59
23 Cal.4th at p. 384) or “nonindividual” PAGA claim (*Adolph*, at p. 1114).

24 c. Civil penalties recovered on a PAGA claim are split between the state and
25 aggrieved employees. (*Iskanian, supra*, 59 Cal.4th at p. 382; see § 2699, subd. (i) [75 percent of civil
26 penalties go to state labor law enforcement agency, 25 percent go to aggrieved employees¹].) “[C]ivil

27 ¹ For cases filed before June 19, 2024, 75% of the civil penalties would go to the State, and 25% would go to the
28 aggrieved employees. For PAGA cases in which the notice and complaint were filed on or after June 19, 2024, 65% of
the civil penalties go to the State, and 35% go to the aggrieved employees.

1 penalties recovered on the state’s behalf are intended to ‘remediate present violations and deter future
2 ones,’ not to redress employees’ injuries.” (*Kim*, supra, 9 Cal.5th at p. 86.).

3 d. “PAGA suits exhibit virtually none of the procedural characteristics of class
4 actions.” (*Viking River*, supra, ___ U.S. ___ [142 S.Ct. at p. 1920]; see also *Hamilton {v. Wal-Mart*
5 *Stores, Inc.* (9th Cir. 2022)), supra, 39 F.4th {575} at pp. 583, 588 [summarizing distinctions].) “A
6 class-action plaintiff can raise a multitude of claims because he or she represents a multitude of absent
7 individuals; a PAGA plaintiff, by contrast, represents a single principal, the [Labor and Workforce
8 Development Agency] LWDA, that has a multitude of claims.” (*Viking River*, 142 S.Ct. at p. 1920.)
9 Thus, because PAGA actions do not adjudicate individually held claims, the due process rights of
10 third parties are not paramount. (*Viking River*, at p. 1921.) While “nonparty employees as well as the
11 government are bound by the judgment” in a PAGA action as to a claim for civil penalties, nonparty
12 employees are not bound with respect to “remedies other than civil penalties.” (*Arias v. Superior*
13 *Court* (2009) 46 Cal.4th 969, 986–987 (*Arias*).) Moreover, “PAGA does not make other potentially
14 aggrieved employees parties or clients of plaintiff’s counsel, does not impose on a plaintiff or counsel
15 any express fiduciary obligations, and does not subject a plaintiff or counsel to scrutiny with respect
16 to the ability to represent a large class.” (*Williams*, supra, 3 Cal.5th at pp. 546–547.).

17 e. Similar{to federal law}, under California law, in determining whether a class
18 action may be maintained, courts consider whether common issues predominate and whether a class
19 action is a superior method of adjudication. (See *Washington Mutual Bank v. Superior Court* (2001)
20 24 Cal.4th 906, 913–914 (*Washington Mutual*).) Manageability is considered in connection with such
21 inquiries. (See *Duran*, supra, 59 Cal.4th at p. 29 [“In considering whether a class action is a superior
22 device for resolving a controversy, the manageability of individual issues is just as important as the
23 existence of common questions uniting the proposed class”]; *Civil Procedure Before Trial*, supra, ¶
24 14:11.10 [“The proponent of class certification must demonstrate that the proposed class action is
25 manageable,” which “requires the trial court ‘to carefully weigh the respective benefits and burdens
26 of a class action, and to permit its maintenance only where substantial benefits will be accrued by
27 both litigants and the courts alike’ ”].) In contrast, “an employee’s representative action against an
28 employer . . . seeking civil penalties under [PAGA]” need not “satisfy class action requirements.”

(*Arias*, *supra*, 46 Cal.4th at p. 975.) Specifically, there is no requirement that a plaintiff establish predominance of common issues to state a PAGA claim. (See *Wesson*, *supra*, 68 Cal.App.5th at p. 766.) Likewise, there is no authority suggesting that superiority is a requirement for a representative PAGA action. On the contrary, PAGA is based on the Legislature’s intent to maximize the enforcement of labor laws. (*ZB*, *supra*, 8 Cal.5th at p. 184.) PAGA’s legislative history also reveals that the Legislature wanted to seek to “achieve maximum compliance with state labor laws.” (*Arias*, *supra*, 46 Cal.4th at p. 980; see *Wood v. Kaiser Foundation Hospitals* (2023) 88 Cal.App.5th 742, 758 (*Wood*) [explaining that the Legislature was concerned with massive underenforcement of labor laws causing state revenue losses].) A legislative intent to maximize the enforcement of labor laws is in tension with the class action superiority requirement, which requires a court to “ ‘carefully weigh respective benefits and burdens and to allow maintenance of the class action only where substantial benefits accrue both to litigants and the courts.’ ” (*Linder v. Thrifty Oil Co.* (2000) 23 Cal.4th 429, 435 (*Linder*)).

8. The California Supreme Court in *Estrada* further recognized various differences between PAGA actions and Class Actions, which prevent class action manageability requirements from being grafted onto PAGA claims, including: (1) structural differences between PAGA claims and Class Action claims; and (2) differing jurisprudential histories, including, but not limited to: (a) differences in standing requirements; (b) differences with respect to the relevance of federal law, and (c) the lack of a federal PAGA analogue, in holding that the Court of Appeal properly concluded that a trial court “cannot dismiss a PAGA claim based on manageability.” *Estrada, supra*, generally, and at 620 (quoting language from the underlying Court of Appeal decision, *Estrada v. Royalty Carpet Mills, Inc.* (2022) 76 Cal.App.5th 685 (*Estrada II*), 76 Cal.App.5th at p. 709.).)

9. In the underlying Court of Appeal decision, the *Estrada II* Court also provided reasons for distinguishing PAGA actions from class actions, including the trial court’s role as a quasi-LWDA. As part of its decision rejecting application of a class action type of manageability requirement to PAGA actions, the *Estrada II* court noted, for example, “where the LWDA has discretion to assess a civil penalty, the courts are to exercise the *same discretion*, subject to the

1 same limitations and conditions as the LWDA.’ (*LaFace*, *supra* , 75 Cal.App.5th at p. 401, 290
2 Cal.Rptr.3d 447 ; § 2699, subd. (e)(1).) Imposing a manageability requirement would create an
3 extra hurdle in PAGA cases that does not apply to LWDA enforcement actions. This would
4 undermine PAGA's purpose as an ‘administrative enforcement action conducted in court on behalf
5 of the state by an aggrieved employee.’ (See *LaFace* , at p. 397, 290 Cal.Rptr.3d 447 ; *Williams v.*
6 *Superior Court*, *supra* , 3 Cal.5th at p. 548, 220 Cal.Rptr.3d 472, 398 P.3d 69 [“Hurdles that
7 impede the effective prosecution of representative PAGA actions undermine the Legislature's
8 objectives”].)” *Estrada II*, *supra*, at 712-13.

9 10. In short, PAGA actions are materially different from class actions in numerous ways
10 that make the adjudication of a PAGA action unique in its own right and largely orthogonal to class
11 action litigation of similar claims.

12 **JURISDICTION AND VENUE**

13 11. Plaintiff brings this action – individually and in Plaintiff’s representative capacity
14 as a private attorney general on behalf of the State and other Aggrieved Employees – against
15 Defendants (defined below) and Does 1 through 100 for California Labor Code violations, unfair
16 business practices, and civil penalties stemming from Defendants’ failure to pay overtime
17 compensation, failure to provide meal periods, failure to authorize and permit rest periods, failure
18 to pay minimum wage, failure to timely pay wages, failure to provide written notice of paid sick
19 leave and supplemental paid sick leave, failure to provide accurate wage statements, failure to
20 maintain accurate time and payroll records, and failure to reimburse necessary business-related
21 expenses.

22 12. Plaintiff’s First Cause of Action is brought individually and in Plaintiff’s
23 representative capacity as a representative action on behalf the State of California and other current
24 and former employees of Defendants against whom one or more of the alleged violations was
25 committed (hereinafter collectively referred to as the “Aggrieved Employees”) pursuant to
26 California Labor Code sections 2698, *et seq.* Plaintiff is an aggrieved employee against whom one
27 or more of the alleged violations occurred. The civil penalties sought by Plaintiff exceed the
28 minimal jurisdiction limits of the Superior Court and will be established according to proof at trial.

1 13. Plaintiff brings this action as a Representative Action on behalf of the LWDA and
2 other Aggrieved Employees against Defendants ALTER MANAGEMENT, ALTER HEALTH,
3 ALTER DANA POINT, ALTER MENTAL HEALTH, ALTER WELLNESS, ALTIGNIS
4 CAMPUS, CAMBRIDGE MENTAL HEALTH MANAGEMENT, ALTIGNIS HEALTH,
5 AND/OR ALTER CAPISTRANO BEACH, and DOES 1 to 100 (“Defendants”) for PAGA
6 penalties based on, among other things, Defendants’: (a) failure to pay all wages due and owing in
7 a timely manner, (b) failure to track or pay all or some vested vacation at the appropriate rate of
8 pay, (c) failure to timely pay final wages, (d) failure to provide accurate itemized wage statements,
9 (e) failure to reimburse all reasonable and necessary expenses incurred, (f) failure to keep accurate
10 and complete payroll records, (g) and failure to provide written notice of sick leave available,
11 among other Labor Code violations.

12 1. The “PAGA Period” is designated as the period from the date the PAGA letter was
13 filed with the LWDA, plus applicable tolling, through the present.

14 2. The Court has jurisdiction over this action pursuant to the California Constitution,
15 Article VI, Section 10, which grants the superior court “original jurisdiction in all other causes”
16 except those given by statute to other courts. The statutes under which this action is brought do not
17 specify any other basis for jurisdiction.

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

22 4. Venue is proper in this county under section 395.5 of the California Code of Civil
23 Procedure as Defendants operate various locations throughout the State, such that some or many of
24 the allegations herein took place within the County of Los Angeles. Further, Defendants employ
25 individuals throughout the State, including employees who have performed work for Defendants in
26 Los Angeles County including in Long Beach and Los Angeles. Accordingly, Aggrieved Employees
27 were employed and/or performed work during the PAGA Period for Defendants in Los Angeles
28 County. Finally, many of the acts alleged herein including Defendants’ failure to reimburse

1 Aggrieved Employees for a reasonable portion of their expenses, occurred in Los Angeles County.
2 Venue is therefore proper in Los Angeles County.

3 5. Venue is proper in any county in which any aggrieved employee worked and Labor
4 Code violations allegedly occurred. (*Crestwood Behavioral Health, Inc. v. Superior Court*, (2021)
5 60 Cal.App.5th 1069, 1075.).

6 **EXHAUSTION**

7 6. Plaintiff complied with the notice requirements pursuant to California Labor Code §
8 2699.3 and gave written notice via online filing and certified mail of the specific provisions alleged
9 to have been violated to the Labor and Workforce Development Agency and Defendants. See,
10 LWDA Case No.: LWDA-CM-1053698-24. The notice sent to the LWDA and to Defendants is
11 incorporated herein by reference.

12 7. The LWDA has not provided notice of its intention to investigate Defendant's
13 violations.

14 **PARTIES**

15 8. Plaintiff Andrea F. Pungi ("Plaintiff") is an individual residing in the County of
16 Orange, State of California. As relevant here, Plaintiff was an employee of Defendants (as defined
17 below) from April 2021, until her termination on December 8, 2023.

18 9. Plaintiff is informed, believes, and based thereon alleges that defendant ALTER
19 HEALTH GROUP, INC. ("Alter Health") is a California corporation with its principal place of
20 business in Dana Point, California. Plaintiff is informed and believes, and thereon alleges that, at all
21 times relevant herein, Defendant employed more than ten (10) employees for each working day
22 during each of twenty (20) or more calendar weeks in each relevant calendar year. Alter Health
23 operates as behavioral health organization doing business in California including hiring California
24 residents as employees within the State of California. Plaintiff is informed and believes that
25 defendant Alter Health generally employs more than ten (10) employees working within California.

26 10. Plaintiff is informed, believes, and based thereon alleges that defendant ALTER
27 MANAGEMENT, LLC ("Alter Management") is a California limited liability company with its
28 principal place of business in Dana Point, California. Plaintiff is informed and believes, and thereon

1 alleges that, at all times relevant herein, Defendant employed more than ten (10) employees for each
2 working day during each of twenty (20) or more calendar weeks in each relevant calendar year. Alter
3 Management operates as behavioral health organization doing business in California including hiring
4 California residents as employees within the State of California. Plaintiff is informed and believes
5 that defendant Alter Management generally employs more than ten (10) employees working within
6 California.

7 11. Plaintiff is informed, believes, and based thereon alleges that defendant ALTER
8 MENTAL HEALTH – DANA POINT, LLC (“Alter Dana Point”) is a California limited liability
9 company with its principal place of business in Dana Point, California. Plaintiff is informed and
10 believes, and thereon alleges that, at all times relevant herein, Defendant employed more than ten
11 (10) employees for each working day during each of twenty (20) or more calendar weeks in each
12 relevant calendar year. Alter Dana Point operates as behavioral health organization doing business
13 in California including hiring California residents as employees within the State of California.
14 Plaintiff is informed and believes that defendant Alter Dana Point generally employs more than ten
15 (10) employees working within California.

16 12. Plaintiff is informed, believes, and based thereon alleges that defendant ALTER
17 MENTAL HEALTH LLC (“Alter Mental Health”) is a California limited liability company with its
18 principal place of business in Dana Point, California. Plaintiff is informed and believes, and thereon
19 alleges that, at all times relevant herein, Defendant employed more than ten (10) employees for each
20 working day during each of twenty (20) or more calendar weeks in each relevant calendar year. Alter
21 Mental Health operates as behavioral health organization doing business in California including
22 hiring California residents as employees within the State of California. Plaintiff is informed and
23 believes that defendant Alter Mental Health generally employs more than ten (10) employees working
24 within California.

25 13. Plaintiff is informed, believes, and based thereon alleges that defendant ALTER
26 WELLNESS CARE LLC (“Alter Wellness”) is a California limited liability company with its
27 principal place of business in Dana Point, California. Plaintiff is informed and believes, and thereon
28 alleges that, at all times relevant herein, Defendant employed more than ten (10) employees for each

1 working day during each of twenty (20) or more calendar weeks in each relevant calendar year. Alter
2 Wellness operates as behavioral health organization doing business in California including hiring
3 California residents as employees within the State of California. Plaintiff is informed and believes
4 that defendant Alter Wellness generally employs more than ten (10) employees working within
5 California.

6 14. Plaintiff is informed, believes, and based thereon alleges that defendant ALTIGNIS
7 CAMPUS LLC (“Altignis Campus”) is a California limited liability company with its principal place
8 of business in Dana Point, California. Plaintiff is informed and believes, and thereon alleges that, at
9 all times relevant herein, Defendant employed more than ten (10) employees for each working day
10 during each of twenty (20) or more calendar weeks in each relevant calendar year. Altignis Campus
11 operates as behavioral health organization doing business in California including hiring California
12 residents as employees within the State of California. Plaintiff is informed and believes that
13 defendant Altignis Campus generally employs more than ten (10) employees working within
14 California.

15 15. Plaintiff is informed, believes, and based thereon alleges that defendant
16 CAMBRIDGE MENTAL HEALTH MANAGEMENT LLC dba ALTER BEHAVIORAL HEALTH
17 (“Cambridge Mental Health Management”) is a California limited liability company with its principal
18 place of business in Dana Point, California. Plaintiff is informed and believes, and thereon alleges
19 that, at all times relevant herein, Defendant employed more than ten (10) employees for each working
20 day during each of twenty (20) or more calendar weeks in each relevant calendar year. Cambridge
21 Mental Health Management operates as behavioral health organization doing business in California
22 including hiring California residents as employees within the State of California. Plaintiff is informed
23 and believes that defendant Cambridge Mental Health Management generally employs more than ten
24 (10) employees working within California.

25 16. Plaintiff is informed, believes, and based thereon alleges that defendant ALTIGNIS
26 HEALTH, LLC (“Altignis Health”) is a California limited liability company with its principal place
27 of business in Dana Point, California. Plaintiff is informed and believes, and thereon alleges that, at
28 all times relevant herein, Defendant employed more than ten (10) employees for each working day

1 during each of twenty (20) or more calendar weeks in each relevant calendar year. Altignis Health
2 operates as behavioral health organization doing business in California including hiring California
3 residents as employees within the State of California. Plaintiff is informed and believes that
4 defendant Altignis Health generally employs more than ten (10) employees working within
5 California.

6 17. Plaintiff is informed, believes, and based thereon alleges that defendant ALTER
7 BEHAVIORAL HEALTH – CAPISTRANO BEACH, LLC (“Alter Capistrano Beach,” and together
8 with Alter Health, Alter Management, Alter Dana Point, Alter Mental Health, Altignis Campus, and
9 Cambridge Mental Health Management, “Alter” or “Defendants”) is a California limited liability
10 company with its principal place of business in Dana Point, California. Plaintiff is informed and
11 believes, and thereon alleges that, at all times relevant herein, Defendant employed more than ten
12 (10) employees for each working day during each of twenty (20) or more calendar weeks in each
13 relevant calendar year. Alter Capistrano Beach operates as behavioral health organization doing
14 business in California including hiring California residents as employees within the State of
15 California. Plaintiff is informed and believes that defendant Alter Capistrano Beach generally
16 employs more than ten (10) employees working within California.

17 18. At all relevant times, under the California Labor Code, Defendants have been
18 employers and/or joint employers of Plaintiff. The employment of Plaintiff and the other workers by
19 ALTER MANAGEMENT is not completely disassociated from employment by ALTER HEALTH,
20 ALTER DANA POINT, ALTER MENTAL HEALTH, ALTER WELLNESS, ALTIGNIS
21 CAMPUS, CAMBRIDGE MENTAL HEALTH MANAGEMENT, ALTIGNIS HEALTH, and/or
22 ALTER CAPISTRANO BEACH. Defendants do not act entirely independently of each other and are
23 not completely dissociated with respect to the employment of Plaintiff and the other workers. ALTER
24 MANAGEMENT maintains significant control over the work performed by the workers. ALTER
25 MANAGEMENT plays a significant role in establishing, maintaining, and directing the work-related
26 policies that have been applied to Plaintiff and the other workers. ALTER MANAGEMENT benefits
27 financially from the work that Plaintiff and the other workers perform. Additionally, ALTER
28 MANAGEMENT has acted directly or indirectly in their joint interests in relation to supervision over,

1 and control of, Plaintiff and the other workers. As employers and/or joint employers of Plaintiff and
2 the other workers, Defendants are responsible both individually and jointly for compliance with all
3 applicable provisions of the California Labor Code.

4 19. Pursuant to California Labor Code § 2810.3, ALTER MANAGEMENT, individually
5 and/or collectively, shares with ALTER HEALTH, ALTER DANA POINT, ALTER MENTAL
6 HEALTH, ALTER WELLNESS, ALTIGNIS CAMPUS, CAMBRIDGE MENTAL HEALTH
7 MANAGEMENT, ALTIGNIS HEALTH, and/or ALTER CAPISTRANO BEACH, all civil legal
8 responsibility and civil liability for all workers supplied by the labor contractors for both of the
9 following: (1) the payment of wages; and (2) failure to secure valid workers' compensation coverage
10 as required by Section 3700. This complaint identifies numerous violations of law relating to those
11 two categories of shared responsibility and liability set forth in 2810.3(b). Accordingly, to the extent
12 that the distributors/super-agents have civil legal responsibility and civil liability for the violations of
13 law cited in this complaint, ALTER MANAGEMENT, individually and/or collectively with ALTER
14 HEALTH, ALTER DANA POINT, ALTER MENTAL HEALTH, ALTER WELLNESS,
15 ALTIGNIS CAMPUS, CAMBRIDGE MENTAL HEALTH MANAGEMENT, ALTIGNIS
16 HEALTH, and/or ALTER CAPISTRANO BEACH, share in that responsibility and liability, and
17 accordingly, Plaintiff seeks to recover monies from each and every one of them (including without
18 limitation pursuant to the statutes cited in this letter), on behalf of the State and the other aggrieved
19 employees.

20 20. Plaintiff has previously provided Defendants, pursuant to California Labor Code §
21 2810.3(d), of the violations under California Labor Code § 2810.3(b).

22 21. The true names and capacities of the defendants named herein as Does 1 through 100,
23 inclusive, whether individual, corporate, associate or otherwise, are unknown to Plaintiff who
24 therefore sues such defendants by fictitious names pursuant to California Code of Civil Procedure
25 section 474. Plaintiff is informed and believes that all of the Doe defendants are California residents.
26 Plaintiff will amend this Complaint to show such true names and capacities when they have been
27 determined

28 22. Plaintiff is informed and believes that at all times relevant herein, each Defendant

1 designated, including ALTER MANAGEMENT, ALTER HEALTH, ALTER DANA POINT,
2 ALTER MENTAL HEALTH, ALTER WELLNESS, ALTIGNIS CAMPUS, CAMBRIDGE
3 MENTAL HEALTH MANAGEMENT, ALTIGNIS HEALTH, and/or ALTER CAPISTRANO
4 BEACH , and Does 1 through 100, was the agent, managing agent, principal, owner, partner, joint
5 venturer, representative, manager, servant, employee and/or co-conspirator of each of the other
6 defendants, and was at all times mentioned herein acting within the course and scope of said agency
7 and employment, and that all acts or omissions alleged herein were duly committed with the
8 ratification, knowledge, permission, encouragement, authorization and consent of each Defendant
9 designated herein. Defendants, if not separately noted, are collectively liable under either a joint
10 employer or a single enterprise theory, or in the alternative that each is an alter ego of one another.

11 23. Defendant is, and at all times herein mentioned was conducting business in the County
12 of Los Angeles, State of California. Defendant also was the employer of Plaintiff from on or about
13 January 2024, through June 22, 2024, consistent with the California Labor Code and Industrial
14 Welfare Commission Wage Orders (the “Wage Orders”).

15 24. Plaintiff further alleges that Defendants directly or indirectly controlled or affected the
16 working conditions, wages, working hours, and conditions of employment of Plaintiff and the
17 Aggrieved Employees, so as to make each of said Defendants employers jointly liable under the
18 statutory provisions set forth herein.

19 **GENERAL ALLEGATIONS**

20 25. Defendants are engaged in the business of staffing and/or providing various
21 employees, including medical professionals such as Certified Nursing Assistants (“CNAs”) and other
22 medical professionals to work at various rehabilitation and treatment facilities throughout the State
23 of California.

24 26. At all relevant times set forth herein, Defendants employed Plaintiff as an hourly-paid
25 non-exempt employee.

26 27. Throughout the time period involved in this case, Defendants had the authority to hire
27 and terminate Plaintiff and the Aggrieved Employees; to directly or indirectly control work rules,
28 working conditions, wages, working hours, and conditions of employment of Plaintiff and the

1 Aggrieved Employees; and to hire and terminate the employment of Plaintiff and the Aggrieved
2 Employees.

3 28. At all times herein mentioned, Defendants were subject to the Labor Code of the State
4 of California and the applicable IWC Orders.

5 29. Plaintiff is informed and believes, and thereon alleges that Defendants engaged in an
6 ongoing and systematic scheme of wage abuse against their employees. As set forth in more detail
7 below, this scheme involved, *inter alia*, regularly requiring Plaintiff and the Aggrieved Employees
8 to work without compensation and/or without timely compensation, thereby failing to pay them for
9 all hours worked, including minimum and overtime wages. In addition, Defendants routinely failed
10 to permit Plaintiff and the Aggrieved Employees to take timely and duty-free meal periods and rest
11 periods in violation of California law. Defendants also failed to reimburse Plaintiff and the Aggrieved
12 Employees for all necessary business-related expenses.

13 30. Throughout the time period involved in this case, Defendants implemented policies
14 and/or practices which failed to provide Plaintiff and the Aggrieved Employees with timely and duty-
15 free meal periods. Defendants routinely failed to relieve Plaintiff and the Aggrieved Employees of
16 all duties during their meal periods, regularly failed to relinquish control over Plaintiff and the
17 Aggrieved Employees during their meal periods, regularly failed to provide Plaintiff and the
18 Aggrieved Employees with a reasonable opportunity to take their meal periods, and regularly
19 impeded or discouraged Plaintiff and the Aggrieved Employees from taking thirty (30) minute
20 uninterrupted meal breaks no later than the end of their fifth hour of work and/or from taking a second
21 thirty (30) minute uninterrupted meal break no later than their tenth hour of work for shifts lasting
22 more than ten (10) hours. Defendants also failed to maintain accurate records of meal periods taken
23 by Plaintiff.

24 31. Throughout the time period involved in this case, Defendants did not adequately
25 inform Plaintiff and the Aggrieved Employees of their right to take meal periods under California
26 law. Moreover, Defendants systematically disregarded its own written policies regarding the
27 provision and timing of meal periods for Plaintiff and the Aggrieved Employees. Instead, Defendant's
28 actual policy and practice was to schedule Plaintiff and the Aggrieved Employees in a way that

1 prohibited them from taking timely and duty-free meal periods, and to require Plaintiff and the
2 Aggrieved Employees to work through their meal periods, for which they were not compensated.

3 32. Throughout the time period involved in this case, Defendants failed to pay Plaintiff
4 and the Aggrieved Employees premium wages for meal periods that were missed, late, interrupted,
5 or shortened in violation of California law. Defendants knew or should have known that Plaintiff and
6 the Aggrieved Employees were entitled to receive all meal periods or payment of one additional hour
7 of pay at their regular rate of pay when a meal period was missed, short, late, and/or interrupted.
8 Notwithstanding this knowledge, Defendants routinely failed to provide legally compliant meal
9 periods to Plaintiff and the Aggrieved Employees, and routinely failed to pay one additional hour of
10 pay to Plaintiff and the Aggrieved Employees at their regular rate of pay when a meal period was
11 missed, short, late, and/or interrupted.

12 33. Throughout the time period involved in this case, Defendants have implemented
13 policies and practices which prohibited Plaintiff and the Aggrieved Employees from taking timely
14 and duty-free rest periods. Defendants regularly failed to provide, authorize, and permit Plaintiff and
15 the Aggrieved Employees to take full, uninterrupted, off-duty rest periods for every shift lasting three
16 and one-half (3.5) to six (6) hours and/or two full, uninterrupted, off-duty rest periods for every shift
17 lasting six (6) to ten (10) hours, and failed to make a good faith effort to authorize, permit, and provide
18 such rest breaks in the middle of each work period.

19 34. Throughout the time period involved in this case, Defendants did not adequately
20 inform Plaintiff and the Aggrieved Employees of their right to take rest periods under California law.
21 Moreover, Defendants systematically disregarded its own written policies regarding the provision
22 and timing of rest periods for Plaintiff and the Aggrieved Employees. Instead, Defendant's actual
23 policy and practice was to schedule Plaintiff and the Aggrieved Employees in a way that regularly
24 prohibited them from taking timely and duty free rest periods, and to regularly require Plaintiff and
25 the Aggrieved Employees to work through their rest periods.

26 35. Throughout the time period involved in this case, Defendants failed to pay Plaintiff
27 and the Aggrieved Employees premium wages for rest periods that were missed, late, interrupted, or
28 shortened in violation of California law. Defendants knew or should have known that Plaintiff and

1 the Aggrieved Employees were entitled to receive all rest periods or payment of one additional hour
2 of pay at their regular rate of pay when a rest period was missed, short, late, and/or interrupted.
3 Notwithstanding this knowledge, Defendants routinely failed to authorize and permit Plaintiff and
4 the Aggrieved Employees to take duty-free rest periods, and failed to pay one additional hour of pay
5 to Plaintiff and the Aggrieved Employees at their regular rate of pay when a rest period was missed,
6 short, late and/or interrupted.

7 36. Throughout the time period involved in this case, Defendants paid Plaintiff and the
8 Aggrieved Employees with paychecks that would bounce, or delay the issuance of payments, so that
9 payment would not be received by Plaintiff and the Aggrieved Employees until after the time period
10 designated and required by the California Labor Code.

11 37. Throughout the time period involved in this case, Defendants implemented policies
12 that prohibited Plaintiff and the Aggrieved Employees from accurately recording the actual time
13 worked, resulting in a failure to pay Plaintiff and the Aggrieved Employees all wages owed.

14 38. Throughout the time period involved in this case, Plaintiff and the Aggrieved
15 Employees worked more than eight (8) hours in a day, and/or forty (40) hours in a week.

16 39. Throughout the time period involved in this case, Defendants regularly failed to pay
17 all overtime compensation owed to Plaintiff and the Aggrieved Employees when they worked in
18 excess of eight (8) hours in a single work day and/or forty (40) hours in a single work week, or in
19 excess of twelve (12) hours in a single work day and/or eighty (80) hours in a single work week.
20 Defendants knew or should have known that Plaintiff and the Aggrieved Employees were entitled to
21 receive certain wages for overtime compensation and that they were not receiving wages for overtime
22 compensation.

23 40. Throughout the time period involved in this case, Defendants failed to pay overtime
24 to Plaintiff and the Aggrieved Employees for all overtime hours worked based on regular rates of pay
25 correctly calculated to include all applicable remuneration.

26 41. Throughout the time period involved in this case, Defendants regularly failed to pay
27 Plaintiff and the Aggrieved Employees at least minimum wages for all hours worked. Defendants
28 knew or should have known that Plaintiff and the Aggrieved Employees were entitled to receive at

1 least minimum wages for all hours worked and that they were not receiving at least minimum wages
2 for all hours worked. Defendant's failure to pay minimum wages included, *inter alia*, failing to pay
3 Plaintiff and the Aggrieved Employees at the required minimum wage pursuant to California law.

4 42. Throughout the time period involved in this case, Defendants regularly failed to pay
5 Plaintiff and the Aggrieved Employees all wages owed to them upon discharge or resignation.
6 Defendants knew or should have known that Plaintiff and the Aggrieved Employees were entitled to
7 receive all wages owed to them upon termination within the time permissible under California Labor
8 Code section 202. Plaintiff and the Aggrieved Employees did not receive payment of all final wages
9 owed to them upon discharge or resignation, including overtime compensation and minimum wages
10 within any time permissible under California Labor Code section 202.

11 43. Throughout the time period involved in this case, Defendants regularly failed to pay
12 Plaintiff and the Aggrieved Employees all wages within any time permissible under California law,
13 including, *inter alia*, California Labor Code section 204. Defendants knew or should have known
14 that Plaintiff and the Aggrieved Employees were entitled to receive all wages owed to them during
15 their employment. Plaintiff and the Aggrieved Employees did not receive payment of all wages,
16 including overtime compensation, minimum wages, and meal and rest period premiums.

17 44. Throughout the time period involved in this case, Defendants regularly failed to
18 provide complete or accurate wage statements to Plaintiff and the Aggrieved Employees. Defendants
19 knew or should have known that Plaintiff and the Aggrieved Employees were entitled to receive
20 complete and accurate wage statements in accordance with California law, but, in fact, they did not
21 receive complete and accurate wage statements from Defendant. The deficiencies included, *inter alia*,
22 the failure to include the total number of hours worked, the actual gross wages earned, the correct
23 rates of pay, and the address of the legal entity of the employer.

24 45. California Labor Code section 246(I) states that an "employer shall provide an
25 employee with written notice that sets forth the amount of paid sick leave available, or paid time off
26 leave an employer provides in lieu of sick leave, for use on either the employee's itemized wage
27 statement as described in Section 226 or in a separate writing provided on the designated pay date
28 with the employee's payment of wages." Defendants knowingly and intentionally failed to provide

1 timely, accurate, itemized wage statements to Plaintiff and the Aggrieved Employees in accordance
2 with Labor Code sections 226(a) and 246(i), and to keep accurate records as required by § 1174(d).
3 The wage statements provided to Plaintiff and the Aggrieved Employees, and the records maintained
4 by Defendant, have not accurately reflected the amounts of available paid sick leave, vacation, or
5 paid time off. Such failures caused injury to Plaintiff and the Aggrieved Employees, by, among other
6 things, depriving them of the rights afforded them by the California Paid Sick Leave laws, and by
7 impeding them from knowing the accurate amounts of available paid sick leave, vacation, or paid
8 time off.

9 46. Throughout the time period involved in this case, Defendants regularly failed to keep
10 complete or accurate payroll records for Plaintiff and the Aggrieved Employees. Defendants knew or
11 should have known that Defendants were required to keep complete and accurate payroll records for
12 Plaintiff and the Aggrieved Employees in accordance with California law, but, in fact, did not keep
13 complete and accurate payroll records.

14 47. Throughout the time period involved in this case, Defendants regularly failed to
15 maintain accurate records relating to Plaintiff's work periods, meal periods, total daily hours, hours
16 per pay period, and applicable pay rates.

17 48. Throughout the time period involved in this case, Defendants failed to reimburse
18 Plaintiff and the Aggrieved Employees for all necessary business-related expenses, including but not
19 limited to cell phone usage. Defendants knew or should have known that Defendants were required
20 to reimburse Plaintiff and the Aggrieved Employees for all necessary business-related expenses and
21 costs, but, in fact, failed to do so in violation of California law.

22 49. Throughout the time period involved in this case, Defendants knew or should have
23 known that they had a duty to compensate Plaintiff and the Aggrieved Employees pursuant to
24 California law. Defendants had the financial ability to pay such compensation, but willfully,
25 knowingly, and intentionally failed to do so, and falsely represented to Plaintiff and the Aggrieved
26 Employees that they paid all wages owed to them, all in order to increase Defendants' profits.

27 50. California Labor Code section 218 states that nothing in Article 1 of the Labor Code
28 shall limit the right of any wage claimant to "sue directly ... for any wages or penalty due to him [or

her] under this article.”

FIRST CAUSE OF ACTION

(Violation of California Labor Code § 2699, et seq.)

(Against All Defendants)

51. Plaintiff incorporates by reference and re-alleges as if fully stated herein each and every allegation set forth above.

52. Plaintiff brings Plaintiff’s first cause of action individually and as a representative action on behalf of the State and other Aggrieved Employees in Plaintiff’s representative capacity as a private attorney general pursuant to the Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* (“PAGA”).

53. PAGA specifically provides for a private right of action to recover civil penalties for violations of the Labor Code as follows: “Notwithstanding any other provision of law, any provision of this code that provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency or any of its departments, divisions, commissions, boards, agencies, or employees, for a violation of this code, may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of himself or herself and other current or former employees pursuant to the procedures specified in Section 2699.3.” Cal. Lab. Code § 2699(a).

54. Plaintiff was employed by Defendants and the Labor Code violations alleged above were committed against Plaintiff during Plaintiff’s time of employment. Plaintiff is therefore, an “aggrieved employee” under PAGA.

55. As set forth in detail above, during all times relevant to this Action, Defendants have routinely subjected Plaintiff and the Aggrieved Employees to violations of California Labor Codes by:

- a. Failing to pay Plaintiff and the Aggrieved Employees all earned minimum wage compensation in violation of Labor Code §§ 1194 and 1198 *et seq.*
- b. Failing to pay Plaintiff and the Aggrieved Employees all earned overtime compensation in violation of Labor Code §§ 204, 510, 1194, and 1198 *et seq.*

- c. Failing to provide legally required meal periods to Plaintiff and the Aggrieved Employees and failing to pay Plaintiff and the Aggrieved Employees an additional hour of premium pay at the employee's regular rate of pay for meal period violations in violation of Labor Code §§ 226.7 and 512.
- d. Failing to provide authorize and permit Plaintiff and the Aggrieved Employees to take duty-free rest periods and failing to pay Plaintiff and the Aggrieved Employees an additional hour of premium pay at the employee's regular rate of pay for rest period violations in violation of Labor Code §§ 226.7 and 512.
- e. Failing to timely pay Plaintiff and the Aggrieved Employees all wages at the end of their employment in violation of Labor Code § 203.
- f. Failing to timely pay Plaintiff and the Aggrieved Employees all wages owed during employment in violation of Labor Code § 204.
- g. Failing to furnish Plaintiff and the Aggrieved Employees with complete, accurate, itemized wage statements in violation of Labor Code § 226.
- h. Failing to maintain accurate records relating to Plaintiff and the Aggrieved Employees' work periods, meal periods, total daily hours, hours per pay period, total wages and compensation, and applicable pay rates in violation of Labor Code § 1174(d) and the applicable IWC Wage Order.
- i. Failing to reimburse Plaintiff and the Aggrieved Employees for necessary business-related expenses in violation of Labor Code §§ 2800 and 2802.

56. Pursuant to California Labor Code sections 2699 and 2699.5, Plaintiff, individually and in Plaintiff's representative capacity, on behalf of the Aggrieved Employees and the State of California, requests and is entitled to recover penalties against Defendants for the Labor Code violations described above, including but not limited to penalties under California Code of Regulations Title 8 section 11010, penalties under California Labor Code sections 2699, 558, 210, 1197.1, 226, 226.3 and 1174.5, and 1197.1, and any and all additional penalties and sums as provided by the California Labor Code and/or other statutes. The exact amount of the applicable penalties, in all, is in an amount to be shown according to proof at trial.

57. Plaintiff, through Plaintiff's counsel of record, has exhausted Plaintiff's administrative remedies pursuant to Labor Code § 2699.3 by online filing with the Labor and Workforce Development Agency ("LWDA") and by certified mail to the Defendants. Accordingly, Plaintiff has notified Defendants and the LWDA of the specific provisions of the Labor Code and IWC Wage Orders that Defendants have violated, including the facts and theories to support the violations, and of Plaintiff's intent to bring a claim for civil penalties under PAGA. Plaintiff also paid the filing fee required under Labor Code § 2699.3.

58. As of the filing of this Complaint, more than sixty-five (65) days have elapsed since the mailing of Plaintiff's notice, and the Labor and Workforce Development Agency has not indicated that it intends to investigate the violations discussed in the notice. Accordingly, Plaintiff may commence a civil action to recover penalties on behalf of the State and other Aggrieved Employees pursuant to Labor Code § 2699.3.

59. Plaintiff was compelled to retain the services of counsel to file this court action to protect the State's interests and the interests of the Aggrieved Employees, and to assess and collect the civil penalties owed by Defendants. Plaintiff, in Plaintiff's representative capacity, therefore seeks an award of reasonable attorneys' fees and costs pursuant to Labor Code § 2699(g)(1), and any other applicable statute.

60. Plaintiff may amend this complaint as a matter of right pursuant to California Labor Code § 2699.3 as this complaint has been filed within sixty days of the time periods specified in Labor Code §2699.3.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, individually and in Plaintiff's representative capacity on behalf of the State and all other members of the general public similarly situated as Aggrieved Employees, prays for relief and judgment against Defendants, jointly and severally, as follows:

As to the First Cause of Action

1.	For statutory attorneys' fees and costs pursuant to 2699(g)(1) of California Labor Code;
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1 2. For the imposition of civil penalties pursuant to California Labor Code §§ 2699, 210,
2 558, 226, 226.3, 1174.5, 1197.1, and all other penalties allowed by the California Labor Code and/or
3 other applicable statutes; and

4 3. For such other relief as the Court deems just and proper.

5
6 Dated: December 2, 2024

WORRELL LAW FIRM, APC

7
8 By:



9 KYLE C. WORRELL
10 *Attorneys for Plaintiff*
11 Andrea F. Pungi
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DEMAND FOR TRIAL BY JURY

Plaintiff demands a trial by jury as to all causes of action triable by a jury.

Dated: December 2, 2024

WORRELL LAW FIRM, APC

By: 

KYLE C. WORRELL
Attorneys for Plaintiff
Andrea F. Pungi