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LOS ANGELES SUPERIOR COURT

JAN 14 2020

S. DREW



## SUPERIOR COURT OF THE STATE OF CALIFORNIA

#### FOR THE COUNTY OF LOS ANGELES

CHRISTINE DANELIAN, an individual, on behalf of herself and all others similarly situated

Plaintiff.

٧.

MEDIX STAFFING SOLUTIONS, INC., an Illinois corporation; CITY OF HOPE NATIONAL MEDICAL CENTER, a California corporation; CITY OF HOPE, an entity of unknown form; and DOES 1 through 50, inclusive,

Defendants.

Case No.: BC649846

Consolidated with Lead Case No. BC630925

#### **CLASS ACTION**

Assigned for all purposes to: Hon. Kenneth R. Freeman Dept. 14, Spring Street Courthouse

ORDER GRANTING
PLAINTIFF'S UNOPPOSED MOTION FOR
FINAL APPROVAL OF JOINT
STIPULATION OF CLASS SETTLEMENT
AND RELEASE, ATTORNEYS' FEES AND
EXPENSES, AND REPRESENTATIVE
ENHANCEMENT AWARD

[Filed concurrently with Notice of Motion and Motion for Final Approval; Memorandum of Points and Authorities; Declarations of Sofia Munoz, David Yeremian, Alvin B. Lindsay, and Christine Danelian; and [Proposed] Judgment]

Following Hearing on: Date: January 14, 2020

Time: 9:00 a.m.

Dept.: 14, 312 North Spring Street, Los Angeles

Complaint Filed: February 8, 2017

First Amended Complaint: March 6, 2017

Trial Date: None Set

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### **ORDER**

On January 14, 2020 at 9:00 a.m. in Department 14, Plaintiff's unopposed motion for final approval of the Parties' Amended Joint Stipulation of Class Settlement and Release ("Final Approval Motion") came before the Court for hearing. The motion followed successful completion of settlement administration following entry of the Court's Order granting preliminary approval to the Settlement on August 29, 2019. The Court granted preliminary approval following the application of Plaintiff CHRISTINE DANELIAN ("Plaintiff") on behalf of herself and all other similarly situated employees of Defendants MEDIX STAFFING SOLUTIONS, INC. ("Medix"), CITY OF HOPE and CITY OF HOPE NATIONAL MEDICAL CENTER (together, "City of Hope") ("Defendants" and with Plaintiff, "the Parties"), for preliminary approval of the Settlement set forth in the Parties' Amended Joint Stipulation of Class Settlement and Release ("Settlement" or "Stipulation"). A copy of the Settlement Agreement was provided at Exhibit A to the Declaration of Class Counsel in support of the Final Approval Motion. (Yeremian Decl., Exhibit A, Settlement). Full and adequate notice having been given to the Class as required in the Court's Preliminary Approval Order, and the Court having considered all papers filed and proceedings held herein and otherwise being fully informed in the premises and good cause appearing:

# NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

- 1. This Order incorporates by reference the definitions in the Stipulation, and all terms used, but not defined herein, shall have the same meanings as in the Stipulation.
- 2. This Court has jurisdiction over the subject matter of the Action and over all Parties to the Action, including all Class Members.
- The Motion for final approval is granted. The Court approves the settlement as fair, reasonable and adequate. The Court makes the following awards and approves the following payments:
  - \$52,500.00 in attorneys' fees and \$9,384.13 in costs incurred by Class Counsel; a.
- \$6,500.00 as an incentive and service award and Class Representative b. Enhancement to Plaintiff Christine Danelian for serving as the Class Representative; and

- c. \$6,000.00 in costs to the settlement administrator, CPT Group, Inc.
- 4. In accordance with the Settlement and the terms set forth in this order, this Order shall not be deemed a judgment in favor of Class members or any of them and shall not constitute an obligation for direct compensation of any one or any number of the Class members, but rather it simply approves and undertakes to monitor the execution of the settlement between the Parties. Except for the payment due under the Stipulation, the Parties are each to bear their own costs and attorneys' fees. The Court approves the Stipulation and Defendants and the Released Parties are discharged from all Released Claims in accordance with the terms of the Stipulation.
- 5. In this wage and hour class action lawsuit, Plaintiff sues Defendants for a variety of Labor Code violations. The operative complaint alleges that Defendants failed to pay minimum wages and overtime, failed to provide meal and rest breaks, failed to provide accurate wage statements, failed to pay final wages when due, committed unfair business practices under California's Unfair Competition Law ("UCL"), and violated the Private Attorneys General Act of 2004 ("PAGA"), all in violation of California law. The operative complaint seeks recovery of unpaid minimum wages and overtime, premium pay for improper meal and rest breaks, penalties for improper wage statements, waiting time penalties, restitution under the UCL, penalties under Labor Code § 2699 et seq., prejudgment interest, post-judgment interest, and attorneys' fees and costs.
- 6. The Parties settled this matter at mediation and thereafter sought and obtained preliminary approval of the class action settlement on **August 29, 2019**. Defendants made and make no admission of liability and none shall be inferred from the Stipulation or entry of judgment. Neither this order nor the Stipulation shall be used or submitted into evidence in any proceeding or action, except for the sole purpose of enforcing the terms hereof.
- 7. In California, the notice to class members must have "a reasonable chance of reaching a substantial percentage of the class members." Wershba v. Apple Computer, Inc. (2001) 91 Cal.App.4th 224, 251. Importantly, however, the plaintiff need not demonstrate that each member of the class received notice. As long as the notice had a "reasonable chance" of reaching a substantial percentage of class members, it should be found effective.

- 8. As reported in the concurrently filed Declaration from the Settlement Administrator, CPT Group received the class data file and listing from Defendants' counsel on September 6, 2019. (See Declaration of Sofia Munoz of CPT Group, Inc. in support of Final Approval ("Munoz Decl."), at ¶ 5). On September 27, 2019, the Notice Packet was finalized and mailed to the 31 individual Class members. (Id. at ¶ 7; see also Exhibit A thereto for Class Notice as mailed). No Class members objected to the Settlement or requested exclusion from it, thus resulting in a 100% participation rate (id. at ¶¶ 4-11), and there are no undeliverable Notice Packets following an address search by CPT Group. (Id. at ¶ 8). Plaintiff now seeks final approval of the Settlement. Based on the foregoing, the Court finds that the notice provided to class members conforms to due process requirements.
- 9. It is the duty of the Court, before finally approving the settlement, to conduct an inquiry in the fairness of the proposed settlement. The trial court has broad discretion in determining whether the settlement is fair. In exercising that discretion, it normally considers the following factors: strength of the plaintiff's case; the risk, expense, complexity and likely duration of further litigation; the risk of maintaining class action status through trial; amount offered in settlement; extent of discovery completed and stage of the proceedings; experience and views of counsel; presence of a governmental participant; and reaction of the class members to the proposed class settlement. *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801; *In Re Microsoft I-V Cases* (2006) 135 Cal.App.4th 706, 723. This list is not exclusive and the Court is free to balance and weigh the factors depending on the circumstances of the case. *Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 244-245.
- 10. The proponent bears the burden of proof to show the settlement is fair, adequate and reasonable. 7-Eleven Owners for Fair Franchising v. Southland Corp. (2000) 85 Cal.App.4th 1135, 1165-1166; Wershba, supra, 91 Cal.App.4th at 245. There is a presumption that a proposed settlement is fair and reasonable when it is the result of arms'-length negotiations. 2 Herbert Newburg & Albert Conte, Newburg on Class Actions §11.41 at 11-88 (3d ed. 1992); Manual for Complex Litigation (Third) §30.42.

- The Gross Settlement Amount of \$150,000.00<sup>1</sup> represents a recovery for the Class members of approximately **39.24%** of the total maximum liability exposure Plaintiff estimated Defendant faced. (Yeremian Decl. re: Final Approval, ¶ 16). With all 31 Class Members participating, and a Net Settlement Amount estimated at \$67,750.00, the average gross payment is \$2,185.48, with the highest gross payment being \$7,802.77. (Munoz Decl., ¶¶ 12-13). The Court finds these numbers to be within the range of reasonableness deserving of final approval.
- 12. Had this case not settled, there would have been additional risks and expense associated with continuing to litigate, including but not limited to: (i) obtaining and maintaining class certification; (ii) the burdens of proof necessary to establish liability; (iii) the class certification and merits defenses raised by Defendants; (iv) the difficulties in establishing damages; (v) the likelihood of success at trial; and (vi) the probability of appeal in the event of a favorable judgment for Plaintiff. Such hurdles were likely to prolong the litigation as well as any recovery by the class members.<sup>2</sup>
- 13. Even if Plaintiff had obtained certification of one or more classes, there is always a risk of decertification. Weinstat v. Dentsply Intern., Inc. (2010) 180 Cal.App.4th 1213, 1226 ("Our Supreme Court has recognized that trial courts should retain some flexibility in conducting class actions, which means, under suitable circumstances, entertaining successive motions on certification if the court subsequently discovers that the propriety of a class action is not appropriate.").
- 14. As part of the Court's analysis of this factor, the Court should take into consideration the admonition in *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 133. In *Kullar*, objectors to a class settlement argued the trial court erred in finding the terms of the settlement to be fair, reasonable, and adequate without any evidence of the amount to which class members would be entitled if they prevailed in the litigation, and without any basis to evaluate the reasonableness of the agreed recovery. The Court of Appeal agreed with the objectors

<sup>&</sup>lt;sup>1</sup> Defendant Medix's share of the gross settlement amount is \$35,000, and Defendant City of Hope's share is \$115,000.

To be clear Defendants contest liability, as well as the propriety of certification, and are prepared to vigorously oppose certification and to defend against Plaintiff's claims if the settlement of this action is not finally approved.

that the trial court bore the ultimate responsibility to ensure the reasonableness of the settlement terms. Although many factors had to be considered in making that determination, and a trial court was not required to decide the ultimate merits of class members' claims before approving a proposed settlement, an informed evaluation could not be made without an understanding of the amount in controversy and the realistic range of outcomes of the litigation.

- 15. Defendants have agreed to settle for the non-reversionary amount of \$150,000.00 all in, with no additional sums being due from Defendants for damages, costs, attorneys' fees, contributions, reimbursements or for any other reason. According to the claims administrator's calculations, the average settlement payment will be over \$2,100.00 per Class Member. (Munoz Decl., ¶ 13).
- 16. Class Counsel conducted an investigation that included informal discovery, reviewed time records, interviewed class members, reviewed Plaintiff's documents, and formed damage models based on all of these. The Parties also mediated this case with Hon. Carl J. West (Ret.), a respected and highly experienced mediator in wage and hour class actions. In connection with mediation and through discussions with counsel for Defendant, Class Counsel also discussed all aspects of the case, including the risks of litigation and the risks to both parties of proceeding with a motion for class certification as well as the law relating to meal and rest periods.
- 17. Class Counsel has experience with wage and hour class litigation. (Yeremian Declaration re: Preliminary Approval, ¶¶ 3-9; Lindsay Decl., ¶¶ 10-20). Class Counsel is of the opinion that this settlement is in the best interest of the class provides substantial benefit to class members.
- 18. The class reacted very positively with a 100% participation rate and no Class Members requesting exclusion or objecting. (Munoz Decl., ¶¶ 10-13).
- 19. On balance, this is a fair settlement that satisfies the *Dunk* factors, such that final approval is warranted.
- 20. Class Counsel requested attorneys' fees of \$52,500.00. The Court employs the lodestar method in awarding fees, as opposed to a "percentage of the common fund" method. This amount would reflect the actual work performed, plus a multiplier (if applicable) to recognize

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counsel's efforts. In common fund cases, the Court may employ a percentage of the benefit method, as cross-checked against the lodestar. *Laffitte v. Robert Half Int'l.*, *Inc.* (2016) 1 Cal.5<sup>th</sup> 480, 503.

- 21. Here, fees are sought pursuant to the percentage method, with Class Counsel seeking 35% of the Gross Settlement Amount for its fees. The determination of what constitutes an appropriate percentage "is somewhat elastic and depends largely on the facts of a given case, but certain factors are commonly considered. Specifically, the court may address the percentage likely to have been negotiated between private parties in a similar case, percentages applied in other class actions, the quality of class counsel, and the size of the award." *In re Ikon Office Solutions, Inc., Securities Litigation* (E.D. Pa. 2000) 194 F.R.D. 166, 193.
- 22. These factors favor the \$52,500.00 award. As for the first factor, private contingency fee agreements are routinely 30% to 40% of the recovery. (In re Ikon, 194 F.R.D. at 194.) As for the second factor, "most fees appear to fall in the range of nineteen to forty-five percent." (Id.) As for the third factor, Class Counsel has experience in class actions, including wage and hour cases. Most importantly, Class Counsel achieved good results for the class as evidenced by the class members' reaction to the settlement. As for the fourth factor, Class Counsel negotiated a \$150,000.00 gross settlement. Applying the lodestar cross-check, Class Counsel states that members of his firm have spent at least 232 hours on this case. (Yeremian Declaration, ¶¶ 24-25, Exhibits B-C; Lindsay Decl., ¶¶ 7-9, Exhibit A). At Counsel's hourly rates of \$685 and \$650 per hour, the lodestar is calculated at \$137,125. (Yeremian Declaration, ¶25). The hourly rates appear to be reasonable for attorneys with their respective years of experience (id.), and the hours spent are reasonable for this case. It appears that Class Counsel utilized skill in litigating this case, and by all accounts, have good reputations in the legal community; at the very least, there is no evidence before the Court to indicate that the attorneys have negative reputations in the legal community. It also appears that Class Counsel spent appreciable time on the case, which time could have been spent on other meritorious fee-generating cases. Based on the \$137,125 lodestar, the fee request of \$52,500 translates into a multiplier of negative 2.61, meaning Class Counsel is requesting fees for less than half of their actual lodestar. Because the fee request is based on a

reasonable percentage of the settlement fund and is supported by the lodestar calculation, and because the Class was provided with notice of the fee request and did not object, the Court awards Class Counsel fees in the amount requested of \$52,500.00.

- 23. Class Counsel requests costs in the amount of \$9,384.13 (Yeremian Declaration, ¶ 40, and Exhibit I thereto), which is less than the \$10,000.00 allocated to Costs under the Settlement. Any funds not awarded to fees and costs will be returned to the Net Settlement Fund for distribution to the participating Class members. Class Counsel's actual costs, totaling approximately \$9,384.13, consist of filing fees, mediation fees, court appearances, copying, filing and service fees. These costs appear reasonable and necessary to the conduct of the litigation. Further, as with the fee requests, the maximum cost request was disclosed to class members and deemed unobjectionable. For these reasons, the cost request is granted in the amount of \$9,384.13. The unawarded costs will remain included in the Net Settlement Fund for distribution to the participating Class members.
- 24. Claims administrator CPT Group, Inc. requests administration costs of \$6,000.00. (Munoz Decl., ¶15). Based upon the work performed and yet to be performed, and the fact that the class was provided notice of the initial requested claims administration expenses and none objected, the request for administration costs of \$6,000.00 is granted.
- 25. The Court approves the allocation of \$5,000.00 from the Settlement to the PAGA Claim, with \$3,750.00 being paid to the LWDA and the remaining \$1,250.00 being added into the Net Settlement Fund for distribution to the participating Class members.
- 26. Finally, Class Counsel has requested a class representative enhancement and service award payment of \$10,000.00 to the class representative. The Court considers the following factors, among others, in determining whether to pay an incentive or enhancement award to a class representative: whether an incentive was necessary to induce the class representative to participate in the case; actions, if any, taken by the class representative to protect the interests of the class; the degree to which the class benefited from those actions; the amount of time and effort the class representative expended in pursuing the litigation; the risk to the class representative in commencing suit, both financial and otherwise; the notoriety and personal difficulties encountered

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by the class representative; the duration of the litigation; and the personal benefit (or lack thereof) enjoyed by the class representative as a result of the litigation. California Practice Guide, Civil Procedure Before Trial, ¶14:146.10 (The Rutter Group 2012) (citing Clark v American Residential Services, LLC (2009) 175 Cal. App. 4th 785, 804; Bell v. Farmers Ins. Exch. (2004) 115 Cal. App. 4th 715, 726; In re Cellphone Fee Termination Cases (2010) 186 Cal.App.4th 1380, 1394; Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles (2010) 186 Cal. App. 4th 399, 412. Plaintiff devoted approximately 50 hours to this litigation. (Danelian Declaration, ¶¶ 6-8). She assisted her attorneys by having multiple conferences with them and by providing documents, and helped Class Counsel prepare for mediation. (Id.). Plaintiff freely chose to champion the rights of the class and accepted the risks associated with acting as a class representative. (Id. at ¶¶ 10-11). The Court grants an enhancement award of \$6,500.00 to Plaintiff, as Plaintiff spent significant time on this litigation, Plaintiff's actions benefitted the class, and Plaintiff accepted the risks and notoriety that are associated with acting as a class representative. The unawarded amount of \$3,500.00 from the original allocation will remain included in the Net Settlement Fund for distribution to the participating Class members.

- 27. All Parties, including each and all Class members, are bound by this Final Approval Order and by the Stipulation. All Class Members shall be deemed to have entered into the Stipulation and the releases provided therein. Defendants shall have no obligation to pay any sums in excess of the \$150,000.00 settlement payment set forth in the Stipulation (save and except for the additional employer payroll taxes associated therewith). Other than as provided in the Stipulation, Defendants shall have no obligation after entry of judgment to pay any sum to any person, whether for costs, attorneys' fees, class member reimbursement or contribution, as a result of entry of judgment.
- 28. The Court previously conditionally certified the Action as a class action for Settlement purposes under California Code of Civil Procedure § 382. The Class is defined as follows:

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- "Settlement Class Members:" as: "all persons who are currently employed, or formerly have been employed, by Medix as Clinical Research Coordinators at City of Hope at any time between February 8, 2013 and July 1, 2018, and who do not timely opt out of the Settlement Amended Settlement Agreement."
  - b. "Class Period:" is defined as February 8, 2013 through July 1, 2018.
- 29. Excluded from the Class would have been those persons who validly requested exclusion in accordance with the requirements set forth in the Preliminary Approval Order. However, there were no exclusions, and all 31 Class Members participated.
- 30. The certified Class continues to meet all the requirements of California Code of Civil Procedure section 382, as already found, and for the reasons set forth in the Court's Preliminary Approval Order.
- 31. Plaintiff Christine Danelian is the Court-appointed Class Representative for the Class.
- 32. David Yeremian and Alvin B. Lindsay of the law firm David Yeremian & Associates, Inc., are the Court-appointed Class Counsel.
- 33. Upon the Effective Date (as defined in the Stipulation), all Released Claims of each and every member of the Classes are and shall be deemed to be conclusively released as against the Releasees. All persons and entities who are in the Classes are hereby forever barred and enjoined from commencing, prosecuting or continuing, either directly or indirectly, against the Releasees, in this or any other jurisdiction or forum, any and all Released Claims (as defined in the Stipulation).
- 34. It is hereby ordered that the Settlement Administrator will distribute individual Settlement payments to the 31 Participating Class Members after funding by Defendants in accordance with the implementation schedule as addressed and approved at Exhibit C to the Amended Settlement.
- 35. The funds represented by individual Settlement award checks returned as undeliverable, and those Settlement Award checks remaining un-cashed for more than 180 days after issuance, shall be voided by the Claims Administrator and the funds shall be transmitted to

the Unclaimed Property Division of the State Controller's Office to be held in the Unclaimed Property Fund for the Settlement Class Member's benefit.

- 36. Without affecting the finality of this Order or the Judgment in any way, this Court hereby retains continuing jurisdiction over: (a) implementation of the Stipulation and any award or distribution of the Net Settlement Amount, including interest earned thereon; (b) disposition of the Net Settlement Amount; (c) hearing and determining applications for attorney fees and expenses in the Action; and (d) all Parties hereto for the purpose of construing, interpreting, enforcing, and administrating the Stipulation and the Settlement terms therein.
- 37. Notice of entry of this Order and the Judgment shall be given to the Class members by posting a copy of them on the case web-site for a period of at least sixty (60) calendar days following entry, and further individual notice is not required beyond the Settlement Award checks themselves.
- 38. There is no just reason for delay in the entry of judgment approving the Class Settlement and immediate entry by the Clerk of the Court is expressly directed.
- 39. The Court also sets a non-appearance post-distribution status review for **October** 16, 2020.

IT IS SO ORDERED.

Dated: Jsn. 17, 2020

Hon. Kenneth R. Freeman Judge of the Superior Court

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## PROOF OF SERVICE

## STATE OF CALIFORNIA, COUNTY OF LOS ANGELES:

I am employed in the aforesaid county, State of California; I am over the age of 18 years and not a party to the within action; my business address is 535 N. Brand, Blvd. Suite 705, Glendale CA 91203.

On January 14, 2020, I served the foregoing: [PROPOSED] ORDER GRANTING PLAINTIFF'S UNOPPOSED MOTION FOR FINAL APPROVAL OF JOINT STIPULATION OF CLASS SETTLEMENT AND RELEASE, ATTORNEYS' FEES AND EXPENSES, AND REPRESENTATIVE ENHANCEMENT AWARD on Interested Parties in this action by placing a true copy thereof, enclosed in a sealed envelope, addressed as follows:

Roxanne M. Wilson
Alexus B. Payton
MAYER BROWN LLP
City of Hope National Medical Center

350 South Grand Street, 25th floor

James N. Nelson GREENBERG TRAURIG, LLP 1201 K Street, Suite 1100 Sacramento, CA 95814

Los Angeles, CA 90071

Ashley Farrel Pickett Attorneys for Defendant Medix Staffing Solutions, Inc. GREENBERG TRAURIG, LLP 1840 Century Park East, Suite 1900

Jonathan LaCour PIERRE LACOUR PC 2655 N. Pine Street Pomona, CA 91767

Los Angeles, CA 90067

Attorney for Plaintiff Christine Danelian

[ ] (BY MAIL) I placed such envelope with postage thereon fully paid in the United States mail at Glendale, California. I am "readily familiar" with this firm's practice of collecting and processing correspondence for mailing. It is deposited with U.S. Postal Service on that same day in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than 1 day after date of deposit for mailing in affidavit.

[X] (BY ELECTRONIC SERVICE VIA CASE ANYWHERE) Based on a court order, I caused the above-entitled document(s) to be served through Case Anywhere at www.caseanywhere.com addressed to all parties appearing on the electronic service list for the above-entitled case. The service transmission was reported as complete and a copy of the Case Anywhere Filing Receipt Page/Confirmation will be filed, deposited, or maintained with the original document(s) in this office.

[X] (STATE) I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on January 14, 2020, at Glendale, California.

Natalia Bermudes