

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

LAVERNE KERRIDGE,

Plaintiff,

v.

EMBLEM HEALTH, INC.,

Defendant.

Civil Action No.:

COMPLAINT

JURY TRIAL DEMANDED

Plaintiff Laverne Kerridge (“Kerridge” or “Plaintiff”), by and through her attorneys, Crabill PLLC, hereby allege as follows against Defendant Emblem Health, Inc. (“Emblem,” “Company,” or “Defendant”):

PRELIMINARY STATEMENT

1. At Emblem, Kerridge repeatedly complained about the Company’s failure to pay Grievance and Appeals Specialists—her subordinates—their earned overtime wages, including to her direct supervisor Semone Morgan (“Morgan”).

2. Kerridge also testified in a class action lawsuit against Emblem related to its failure to pay Grievance and Appeals Specialists overtime pay which the Company has agreed to settle for \$3,795,000.

3. Even after the Company agreed to pay nearly \$3.8 million to resolve the above-referenced class action lawsuit, Emblem continued to deny Grievance and Appeals Specialists their earned overtime pay.

4. As a result, Kerridge continued to complain about Emblem’s blatant wage violations.

5. In response, Defendant placed Kerridge on a Performance Improvement Plan (“PIP”) in an obvious attempt to generate a pretextual justification to fire her for engaging in protected activities.

6. Indeed, prior to complaining about the Company’s wage violations and during her over 24 years working at Emblem, Kerridge consistently earned praise for her commitment and hard work.

7. Still, Emblem followed through with its plan to terminate Kerridge for speaking up about the Company’s unlawful wage practices and fired her on March 26, 2025.

8. Defendant’s deplorable treatment of Kerridge violates, *inter alia*, Fair Labor Standards Act, 29 U.S.C. §§ 201, *et seq.* (“FLSA”) and the New York Labor Law, N.Y. Lab. Law §§ 1, *et seq.* (“NYLL”).

JURISDICTION AND VENUE

9. Pursuant to 28 U.S.C. § 1331, this Court has subject matter jurisdiction over this action because it involves federal questions regarding the deprivation of Plaintiff’s rights under the FLSA.

10. Pursuant to 28 U.S.C. § 1367, this Court has supplemental jurisdiction over Plaintiff’s related claims arising under State law.

11. Pursuant to 28 U.S.C. § 1391, venue is proper because a substantial part of the events or omissions giving rise to this action, including the unlawful employment practices alleged herein, occurred in this District.

PARTIES

I. PLAINTIFF LAVERNE KERRIDGE

12. Kerridge is a resident of the State of Florida.

13. Kerridge was employed by from in or around July 2007 through on or around March 26, 2025.

14. At all relevant times, Kerridge performed remote work for Emblem’s headquarters in New York from her home in Florida, but was a New York state employee under all relevant statutes who, *inter alia*, had New York State income taxes and New York Paid Family Leave Act insurance payment withheld from her paychecks.

15. At all relevant times, Kerridge’s main job duty was to supervise Grievance and Appeals Specialists in connection with their processing grievances and appeals related to health insurance claim determinations submitted by medical providers operating primary, in not exclusively, in New York state.

16. At all relevant times, Kerridge was an “employee” of Emblem within the meaning of all relevant statutes and regulations.

II. DEFENDANT EMBLEM HEALTH, INC.

17. Emblem is a not-for-profit health care insurance company that provides medical, dental, and other health coverage to individuals, families, and employers in New York.

18. Emblem is a multi-billion-dollar company with over three million members enrolled in the Company’s health plans and one of the United States’ largest non-profit health organizations.

19. Emblem’s principal place of business is located at 55 Water Street, New York, New York 10041.

20. At all relevant times, Emblem established, implemented, disseminated, and controlled the employment policies applicable to Kerridge, including, *inter alia*, policies concerning timekeeping, work allocation, task supervision, monitoring work product, and payroll.

21. At all relevant times, Emblem maintained and exercised authority to hire, fire, discipline, and promote Kerridge and all persons similarly situated.

22. At all relevant times, Emblem was an “employer” within the meaning of all relevant statutes and regulations.

FACTS

I. BACKGROUND

23. In 2007, Kerridge joined Emblem as a Grievance and Appeals Specialist.

24. In that role, Kerridge processed grievances and appeals related to health insurance claim determinations submitted to Emblem by medical providers operating primary in New York state.

25. Soon after starting at the Company, Kerridge established herself as a hard worker and regularly received praise for her strong work performance.

26. Through her hard work and dedication, Kerridge earned a promotion to Senior Specialist on the Grievance and Appeals team in 2012.

27. In 2013, Kerridge earned another promotion to Supervisor of Grievance and Appeals.

II. EMBLEM FAILS TO PAY GRIEVANCE AND APPEALS SPECIALISTS THEIR EARNED OVERTIME PAY

28. On April 8, 2022, Dasya María Cordova (“Cordova”) and Ada Casarus (“Casarus”), Grievance and Appeals Specialists for Emblem, filed a federal lawsuit with the case captioned *Cordova, et al., v. EmblemHealth Inc., et al.*, Civil Action No. 22 Civ. 2933 (JHR) (GWG) (the “Cordova Action”).

29. In the Cordova Action, Cordova and Casarus alleged, *inter alia*, that Emblem unlawfully misclassified them and other Grievance and Appeals Specialists as overtime-exempt

employees to avoid paying them overtime wages in violation of the FLSA and NYLL. *See* Ex. A (Federal Complaint from the Cordova Action).

30. The primary job duties for a Grievance and Appeals Specialist are to process appeals and grievances related to health insurance claim determinations made by medical providers who accepted an Emblem health insurance plan.

31. Typically, Grievance and Appeals Specialists are expected to process and keep track of several dozen appeals and grievances at any given time.

32. Also, each day, Grievance and Appeals Specialists are assigned several new appeals and grievances to process.

33. As part of their job duties, Grievance and Appeals Specialists collect information and records concerning appeals and grievances.

34. Usually, Grievance and Appeals Specialists decide whether an appeal or grievance should be denied or granted.

35. However, for certain types of cases involving medical necessary procedures and treatment, Grievance and Appeals Specialists are required to pass information along to medical coordinators/directors, nurses, or physicians who determine whether Emblem should grant or deny the appeal or grievance in question.

36. Once a decision on an appeal or grievance is reached, the decision is communicated to a Grievance and Appeals Specialist.

37. The Grievance and Appeals Specialist then memorializes the decision in a determination letter which is sent to the party who filed the appeal or grievance.

38. To meet the demands of their jobs, Cordova, Casarus, and other Grievance and Appeals Specialists regularly work more than 40 hours in a workweek.

39. Indeed, Grievance and Appeals Specialists often work more than 60 or 70 hours in a workweek.

40. However, throughout Kerridge's employment, Emblem failed to pay Grievance and Appeals Specialists one and one-half their regular rates for all hours worked over 40 hours in a workweek.

41. As a result, Emblem denied Grievance and Appeals Specialists their earned overtime wages.

III. EMBLEM FIRES KERRIDGE FOR ENGAGING IN PROTECTED ACTIVITIES

42. As a supervisor on the Grievance and Appeal team, Kerridge was aware that Grievance and Appeals Specialists regularly worked more than 40 hours in a workweek and that Emblem failed to pay them overtime wages.

43. As such, in connection with the Cordova Action, Kerridge was identified as a witness.

44. In or around 2022, Kerridge testified during a deposition related to the Cordova Action and was questioned about information she had related to the claims and defenses asserted in that lawsuit.

45. Soon thereafter, beginning in or around 2023, Kerridge began regularly complaining to Emblem about Grievance and Appeals Specialists regularly working more than 40 hours in a workweek and Emblem failing to pay them at their overtime rates for those hours.

46. For example, beginning in or around 2023 and through the end of her employment at Emblem, Kerridge had regular one-on-one meetings with Morgan, the Director of the Grievance and Appeals team at Emblem, during which she complained about Grievance and Appeals Specialists not being paid their earned overtime wages.

47. Ultimately, Emblem agreed to resolve the Cordova Action for \$3,795,000 and Cordova and Casarus filed a joint motion for approval of a class and collective settlement on November 19, 2024. *See* Cordova Action at ECF Nos. 90-91.

48. Nevertheless, Emblem still failed to pay Grievance and Appeals Specialists their earned overtime wages.

49. As such, Kerridge continued to complain to Morgan about Emblem failing to pay Grievance and Appeals Specialists overtime pay for all hours worked over 40 in a workweek.

50. In connection with her complaints, Kerridge specifically referenced the Cordova Action and the allegations that Emblem failed to pay Grievance and Appeals Specialists their earned overtime wages.

51. Emblem failed to take any action to address any of Kerridge's complaints.

52. Instead, in or around mid-January 2025, only weeks after the joint motion seeking approval of a settlement in Cordova Action was filed and while Kerridge was continuing to complain about overtime wage violations, Emblem placed Kerridge on a 60-day PIP.

53. Prior to receiving the PIP, Kerridge had not received any verbal or written criticism related to her performance.

54. Instead, as stated earlier, Kerridge was routinely praised for hard work and dedication to Emblem.

55. Also, the PIP contained performance criticisms that were unjustified.

56. Even though Emblem was clearly retaliating against her for engaging in protected activities, Kerridge continued to complain about Emblem failing to pay Grievance and Appeals Specialists their earned overtime wages.

57. During a meeting attended by Morgan, Kerridge, and two other Supervisors of Grievance and Appeals—Gladys Garcia and Daniel Mitchell (“Mitchell”)—around February 2025, Kerridge complained about Grievance and Appeals Specialists being overworked and not receiving overtime pay for hours worked over 40 in a workweek.

58. In response Mitchell said, “Make them [Grievance and Appeals Specialists] do it.”

59. In other words, Kerridge was pressured to continue requiring the Grievance and Appeals Specialists working under her to work more than 40 hours in a workweek without receiving overtime pay.

60. Morgan did not say anything in response to Kerridge’s complaint or Mitchell’s response to her complaint.

61. On March 26, 2025, Kerridge received a notification for her to attend a virtual meeting via Microsoft Teams with Morgan and Bari Pulcini (“Pulcini”), an HR employee at Emblem.

62. During the meeting, Morgan told Kerridge that Emblem was firing her because she supposedly had not met the requirements stated in the PIP.

63. On March 30, 2025, Kerridge sent an email to Michael Palmateer (“Palmateer”), Emblem’s CEO, and Karen Ignani (“Ignani”), Executive Chair of Emblem, in which she reiterated, *inter alia*, her complaints about the unrealistic demands the Company places on Grievance and Appeals Specialists and how Grievance and Appeals Specialists are regularly forced to work more than 40 hours in a workweek even though Emblem claims that the Grievance and Appeals Specialist job is supposed to be limited to 40 hours per week.

64. However, neither Palmateer nor Ignani responded to Kerridge’s email.

FIRST CAUSE OF ACTION
VIOLATIONS OF THE FLSA: RETALIATION

65. Plaintiff realleges and incorporates by reference all preceding paragraphs as though fully set forth herein.

66. During the full statutory period, Plaintiff was protected by the provisions of the FLSA, 29 U.S.C §§ 201, *et seq.*, and applicable regulations thereunder.

67. As set forth above, Plaintiff complained to Emblem regarding its violations of the FLSA, including complaining about the Company's failure to pay Grievance and Appeals Specialists their earned overtime pay for all hours worked over 40 in a workweek.

68. Also, Plaintiff testified in the Cardova Action related allegations that Emblem failed to pay Grievance and Appeals Specialists their earned overtime pay for all hours worked over 40 in a workweek.

69. Emblem retaliated against Plaintiff for her protected activities by, *inter alia*, terminating her employment.

70. As a direct and proximate result of Emblem's unlawful retaliatory conduct in violation of the FLSA, Plaintiff has suffered, and continues to suffer, monetary and/or economic harm for which she is entitled to an award of damages.

71. Plaintiff is further entitled to an award of liquidated damages, prejudgment interest, and attorneys' fees and costs.

SECOND CAUSE OF ACTION
VIOLATIONS OF NYLL § 215: RETALIATION

72. Plaintiff realleges and incorporates by reference all preceding paragraphs as though fully set forth herein.

73. During the full statutory period, Plaintiff was protected by the provisions of NYLL § 215 and applicable regulations thereunder.

74. As set forth above, Plaintiff complained to Emblem regarding its violations of NYLL § 215, including complaining about the Company's failure to pay Grievance and Appeals Specialists their earned overtime pay for all hours worked over 40 in a workweek.

75. Also, Plaintiff testified in the Cardova Action related allegations that Emblem failed to pay Grievance and Appeals Specialists their earned overtime pay for all hours worked over 40 in a workweek.

76. Emblem retaliated against Plaintiff for her protected activities by, *inter alia*, terminating her employment.

77. As a direct and proximate result of Emblem's unlawful retaliatory conduct in violation of NYLL § 215, Plaintiff has suffered, and continues to suffer, monetary and/or economic harm for which she is entitled to an award of damages.

78. As a direct and proximate result of Emblem's unlawful and retaliatory conduct in violation of NYLL § 215, Plaintiff has suffered, and continues to suffer, severe mental and emotional distress for which she is entitled to an award of damages.

79. Emblem's unlawful retaliatory actions constitute malicious, willful and wanton violations of NYLL § 215 for which Plaintiff is entitled to an award of statutory liquidated damages.

80. Plaintiff is further entitled to an award of prejudgment interest, and attorneys' fees and costs.

THIRD CAUSE OF ACTION
VIOLATIONS OF NYLL § 740: RETALIATION

81. Plaintiff realleges and incorporates by reference all preceding paragraphs as though fully set forth herein.

82. During the full statutory period, Plaintiff was protected by the provisions of NYLL § 740 and applicable regulations thereunder.

83. As set forth above, Plaintiff complained to Emblem regarding its violations of NYLL § 740, including complaining about the Company's failure to pay Grievance and Appeals Specialist their earned overtime pay for all hours worked over 40 in a workweek.

84. Emblem retaliated against Plaintiff for her protected activities by, *inter alia*, terminating her employment.

85. As a direct and proximate result of Emblem's unlawful retaliatory conduct in violation of NYLL § 740, Plaintiff has suffered, and continues to suffer, monetary and/or economic harm for which she is entitled to an award of damages.

86. As a direct and proximate result of Emblem's unlawful and retaliatory conduct in violation of NYLL § 740, Plaintiff has suffered, and continues to suffer, severe mental and emotional distress for which she is entitled to an award of damages.

87. Emblem's unlawful retaliatory actions constitute malicious, willful and wanton violations of NYLL § 740 for which Plaintiff is entitled to an award of punitive damages.

88. Plaintiff is further entitled to an award of prejudgment interest, and attorneys' fees and costs.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff respectfully requests that this Court:

- A. Declare that the practices complained of herein are unlawful under applicable state and federal law;
- B. Grant an injunction and order permanently restraining Defendant from engaging in such unlawful conduct;
- C. Grant Plaintiff an award of damages, in an amount to be determined after a trial, to compensate her for all non-monetary and/or compensatory damages she has suffered, including, *inter alia*, compensation for her mental anguish, humiliation, embarrassment, stress and anxiety, emotional pain and suffering, and emotional distress;
- D. Grant Plaintiff an award of damages, in an amount to be determined after a trial, for any and all other monetary and/or non-monetary losses she has suffered;
- E. Grant Plaintiff an award of prejudgment interest on the damages she awarded to the greatest extent permitted by law;
- F. Grant Plaintiff an award of reasonable attorneys' fees to the greatest extent permitted by law;
- G. Grant Plaintiff liquidated damages under the FLSA and NYLL § 215 to the greatest extent permitted by law;
- H. Grant reinstatement;
- I. Grant Plaintiff punitive damages under NYLL § 740 for Defendant's willful, wanton, and malicious retaliation against her;
- J. Grant Plaintiff her reasonable attorneys' fees and costs and disbursements in this action including, without limitation, any accountants' or experts' fees; and

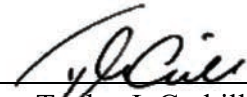
K. Grant Plaintiff such other and further relief that the Court deems just and proper.

DEMAND FOR JURY TRIAL

Plaintiff hereby demands a trial by jury on all issues of fact and damages.

Dated: February 23, 2026
Queens, New York

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