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8 SUPERIOR COURT FOR THE STATE OF CALIFORNIA
9 COUNTY OF SAN DIEGO

11 ASHLEY CORREA FERREIRA,)
12)
13 Plaintiff,)
14 vs.)
15)
16)
17 R.M. GALICIA, INC., EXPERIAN)
18 INFORMATION SOLUTIONS, INC.)
19 Defendants.)
20)

Case No.: 37-2021-00043145-CU-MC-CTL
COMPLAINT FOR VIOLATIONS OF:
THE FAIR CREDIT REPORTING
ACT, 15 U.S.C. § 1681 ET SEQ.
THE CONSUMER CREDIT
REPORTING AGENCIES ACT, CAL.
CIV. CODE § 1785 ET SEQ.
JURY TRIAL DEMANDED

INTRODUCTION

1. The United States Congress has found that the banking system is dependent upon fair and accurate credit reporting. Inaccurate consumer reports directly impair the efficiency of the banking system, and unfair credit reporting methods undermine the public confidence, which is essential to the continued functioning of the banking system. As such, Congress enacted the Fair Credit Reporting Act (“FCRA”), 15 U.S.C. § 1681 et seq, to insure fair and accurate reporting, promote efficiency in the banking system and protect consumer privacy. The FCRA seeks to ensure consumer reporting agencies exercise their grave responsibilities with fairness, impartiality, and a respect for the consumer’s right to privacy because consumer reporting agencies have assumed such a vital role in assembling and evaluating consumer credit and other information on consumers. The FCRA also imposes duties on the sources that provide credit information to credit reporting agencies, called “furnishers.”
2. The California legislature also determined that accurate credit reporting is vital and enacted the California Consumer Credit Reporting Agencies Act (“CCRAA”), Cal. Civ. Code § 1785.1 et seq.
3. Ashley Correa Ferreira (“Plaintiff”) brings this action to challenge the conduct of R.M Galicia, Inc., (“Galicia”), and Experian Information Solutions, Inc., (“Experian”) (collectively “Defendants”) with regard to Defendants’ continued misrepresentations of Plaintiff’s personal liability for an inaccurate debt.
4. Plaintiff makes these allegations based on personal knowledge and investigation conducted by Plaintiff’s attorneys.
5. While many violations are described below with specificity, this Complaint alleges violations of the statute cited in its entirety.
6. Any violations by Defendants were knowing, willful, and intentional, and Defendants did not maintain procedures reasonably adapted to avoid any such violations.

1 7. Unless otherwise indicated, the use of a Defendants' names in this Complaint
2 includes all agents, employees, officers, members, directors, heirs, successors,
3 assigns, principals, trustees, sureties, subrogees, representatives, and insurers of
4 Defendants named.

5 **JURISDICTION AND VENUE**

6 8. Jurisdiction of this Court arises pursuant to general state jurisdiction.

7 9. This action arises out of Defendants' violations of the Fair Credit Reporting Act
8 (FCRA), 15 U.S.C. § 1681, et seq, and the California Consumer Credit Reporting
9 Agencies Act ("CCRAA"), Cal. Civ. Code § 1785.1 et seq.

10 10. Because Defendants are authorized to and regularly conduct business in the State
11 of California, personal jurisdiction is established.

12 11. Venue is proper in San Diego County because Plaintiff resides in San Diego
13 County and the events giving rise to Plaintiff's cause(s) of action against
14 Defendant occurred withing San Diego County.

15 **PARTIES & DEFINITIONS**

16 12. Plaintiff is a natural person that resides in San Diego County and is a "consumer"
17 as that term is defined by 15 U.S.C. § 1681a(c) and Cal. Civ. Code § 1785.3 (b).

18 13. Galicia is a collection company that conducts business in San Diego County.
19 Galicia is a furnisher of information under 12 CFR § 1022.41(c) because it
20 regularly, and in the ordinary course of business, furnishes information relating
21 to consumers to one or more consumer reporting agencies for inclusion in
22 consumer reports. Galicia furnishes information to consumer reporting agencies
23 about consumer transactions or experiences with consumers like Plaintiff and is
24 bound by U.S.C. 1681s-2.

25 14. Experian is a corporation headquartered in California that does business where
26 Plaintiff resides. It is a "consumer reporting agency" as defined by 15 U.S.C. §
27 1681a(f) and is a "consumer credit reporting agency" as defined by Cal. Civ.
28 Code § 1785.3(d).

1 15. Defendants are “persons” as defined by 15 U.S.C. § 1681a(b) and Cal. Civ. Code
2 § 1785.3(d).

3 16. The causes of action herein pertain to Plaintiff’s “consumer report” under 15 U.S.
4 Code § 1681a(d) and Plaintiff’s “consumer credit report” under Cal. Civ. Code §
5 1785.3(c), in that inaccurate representations of Plaintiff’s credit worthiness,
6 credit standing and credit capacity were made via written, oral, or other
7 communication of information by a consumer credit reporting agency, which is
8 used or is expected to be used, or collected in whole or in part, for the purposes
9 of serving as a factor in establishing Plaintiff’s eligibility for, among other things,
10 credit to be used primarily for personal, family, household and employment
11 purposes.

12 **FACTUAL ALLEGATIONS**

13 17. On or around April 17, 2020, Plaintiff received a letter from the Department of
14 Health Care Services, stating Plaintiff was enrolled in Molina Healthcare Medi-
15 Cal benefits effective May 1, 2020.

16 18. Under Plaintiff’s Medi-Cal benefits plan through Molina Healthcare, Sharp
17 Memorial Hospital is an “in-network” provider.

18 19. Plaintiff’s Molina Healthcare Medi-Cal plan provides that the plan has “no copay,
19 co-insurance, or deductible above \$0.00.”

20 20. On or around May 10, 2020, Plaintiff received medical services at Sharp
21 Memorial Hospital located at 7901 Frost Street, San Diego, CA 92123.

22 21. During the May 10, 2020, visit Plaintiff provided Sharp Memorial Hospital
23 Plaintiff’s Molina Healthcare benefits card.

24 22. When Plaintiff was discharged, Plaintiff inquired about payment. Plaintiff was
25 informed that insurance had covered all costs and Plaintiff was not financially
26 liable for any services.

27 23. To date, Plaintiff has not received any medical bills from Sharp Memorial
28 Hospital regarding the May 10, 2020 visit.

1 24. On or around May 27, 2020, Plaintiff again visited Sharp Memorial Hospital
2 located at 7901 Frost Street, San Diego, CA 92123. During the visit Plaintiff
3 presented proof of insurance and was again informed that Molina Healthcare
4 Medi-Cal benefits had covered all costs for medical services.

5 25. To date, Plaintiff has not received any medical bills from Sharp Memorial
6 Hospital regarding the May 27, 2020 visit.

7 26. Plaintiff later became aware that Plaintiff's credit score had dropped
8 significantly. Plaintiff requested consumer reports from Trans Union, Experian,
9 and Equifax.

10 27. To Plaintiff's surprise, Galicia was reporting two collection accounts on
11 Plaintiff's Experian consumer report associated with Plaintiff's May 10, 2020
12 visit and May 27, 2020 visit to Sharp Memorial Hospital.

13 28. On or around August 27, 2021, Plaintiff mailed written dispute communications
14 for the two Galicia collection accounts to Experian, pursuant to 15 U.S.C.
15 1681i(a).

16 29. Plaintiff's disputes contained sufficient identifying information for Galicia, and
17 Experian to locate Plaintiff's account. Such identifying information included
18 Plaintiff's name, date of birth, phone number, driver's license number, photocopy
19 of Plaintiff's driver's license, address, and the disputed tradeline, and a copy of a
20 Sharp Memorial Hospital's bill demonstrating Plaintiff's insurance covered all
21 expenses and Plaintiff was not liable for any payment.

22 30. Plaintiff's dispute communications outlined the facts surrounding the
23 inaccuracies, which included information such as the Galicia tradeline numbers
24 in dispute, the dates Plaintiff received treatment at Sharp Memorial Hospital, and
25 that all medical services were 100% covered by insurance.

26 31. Upon information and belief, Experian timely notified Galicia of Plaintiff's
27 disputes and included the documents provided therewithin.

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1 32. Galicia was required to conduct a reasonable reinvestigation into its furnishing
2 on Plaintiff's consumer report pursuant to 15 U.S.C. § 1681s-2(b)(1)(A).

3 33. Plaintiff's disputes explicitly established the need for Experian to conduct an
4 investigation into the two negative Galicia tradelines because Plaintiff does not
5 owe any debts to Galicia nor the original creditor, Sharp.

6 34. Yet, the tradelines on Plaintiff's Experian consumer report contain the most
7 damaging information because the Galicia tradelines are Plaintiff's only
8 tradelines in collection on Plaintiff's report.

9 35. Plaintiff is only 20 years old and has only four accounts on her Experian
10 consumer report, two of which are the Galicia tradelines. These negative
11 tradelines have severely affected and lowered Plaintiff's FICO score as a result.

12 36. Galicia was required to conduct a reasonable reinvestigation into its furnishing
13 of information on Claimant's consumer reports pursuant to 15 U.S.C. § 1681s-
14 2(b)(1)(A) yet failed to do so.

15 37. On or around September 8, 2021, Experian responded to Plaintiff's dispute letter,
16 verifying both disputed Galicia tradelines as accurate.

17 38. Despite information to the contrary, the negative information remains on
18 Claimant's Experian report as of the date of this filing.

19 39. Experian was required to conduct a reasonable reinvestigation into this specific
20 Galicia tradelines on Plaintiff's consumer report pursuant to 15 U.S.C. § 1681i.

21 40. To date, Experian did not provide notice to Plaintiff that Plaintiff's disputes were
22 "frivolous or irrelevant" under 15 U.S.C. § 1681i(a)(3).

23 41. Galicia was required to conduct a reasonable reinvestigation into its furnishing
24 of information on Plaintiff's consumer report pursuant to 15 U.S.C. § 1681s-
25 2(b)(1)(A) yet failed to do so.

26 42. Defendants' investigation, if any, were completely and totally ineffective and
27 unreasonable.

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1 43. More specifically, Galicia should have discovered from its own records, and
2 Plaintiff's formal disputes, that the information it was furnishing was inaccurate
3 and false.

4 44. Plaintiff contends that it was completely unreasonable for Defendants not to
5 reinvestigate the Galicia tradelines which would have brought to light the fact
6 that Plaintiff is not responsible for the collection accounts, and that the debts are
7 incorrectly reported as Plaintiff's responsibility. Galicia failed to review all
8 relevant information provided by Plaintiff in the disputes in violation of 15
9 U.S.C. § 1681s-2(b)(1)(B).

10 45. Due to Galicia's failure to reasonably investigate, Galicia further failed to correct
11 and update Plaintiff's information as required by 15 U.S.C. § 1681s-2(b)(1)(E).

12 46. As a result of its faulty investigation, Galicia failed to report accurate results to
13 the consumer reporting agencies in violation of 15 U.S.C. § 1681s-2(b)(1)(D).

14 47. Experian failed to determine that the information Galicia furnished could not be
15 verified after the reinvestigation. Experian did not modify, delete, or permanently
16 block the reporting of the inaccurate information in violation of 15 U.S.C. §
17 1681s-2(b)(1)(E).

18 48. Through this conduct Galicia violated Cal. Civ. Code § 1785.25(a) by furnishing
19 information to consumer reporting agencies that it knew or should have known
20 was inaccurate.

21 49. Plaintiff's disputes provided Galicia with at least 30 days of notice prior to filing
22 this action. Galicia has not contacted Plaintiff about the disputes, or otherwise
23 since the dispute was submitted to the consumer reporting agencies.

24 50. The disputes informed Defendants that the tradelines being reported are
25 inaccurate and explained Plaintiff's basis for this belief. Specifically, Plaintiff is
26 not responsible for the collection accounts associated with the tradelines,
27 Plaintiff's insurance covered all medical services giving rise to the tradelines, and
28

1 therefore, Galicia has failed to accurately furnish information on Plaintiff's
2 consumer reports.

3 51. Galicia failed to diligently investigate Plaintiff's claims, if it conducted an
4 investigation at all.

5 52. To date, the inaccurate information remains on Plaintiff's Experian report and
6 Galicia continues to furnish negative information related to the tradelines every
7 thirty days.

8 53. Plaintiff's continued efforts to correct Defendants' erroneous and negative credit
9 reporting were fruitless.

10 54. Defendants continued inaccurate and negative reporting of the inaccurate
11 information despite Defendants' knowledge of the actual error was willful or at
12 least reckless at a minimum.

13 55. Defendants' failure to correct inaccuracies on Plaintiff's consumer reports was
14 intentional or was in reckless disregard of Defendants' duty to refrain from
15 reporting inaccurate information.

16 56. Accordingly, Defendants willfully failed to comply with Defendants' duty to
17 reasonably investigate Plaintiff's disputes.

18 57. Defendants' inaccurate and negative reporting damaged Plaintiff's credit score
19 and creditworthiness.

20 58. Plaintiff has spent hours dealing with this inaccurate information and provided
21 all information needed for the reinvestigation.

22 59. While Plaintiff was thorough in Plaintiff's disputes, the Defendants failed to
23 consider any of the specific information identified in Plaintiff's dispute.

24 60. Plaintiff's anxiety, frustration, stress, lack of sleep, nervousness and
25 embarrassment continues to this day because the inaccurate information
26 mischaracterizes Plaintiff as someone that avoids financial obligations which
27 significantly harms Plaintiff's credit score.

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1 61. As a direct and proximate result of Defendants' willful action and inaction,
2 Plaintiff has suffered damages, including but not limited to, time spent reviewing
3 consumer reports, preparing, and mailing detailed disputes, attorney fees, loss of
4 access to credit, mental and emotional distress and anguish, humiliation, and
5 embarrassment. Plaintiff has spent countless hours and has suffered in attempting
6 to correct Defendants' inaccurate, incorrect, and derogatory information without
7 success.

8 62. Experian received documents in connection with Plaintiff's disputes that directly
9 contradicted the inaccurate credit reporting. These documents should have
10 caused Experian to remove the inaccurate information from Plaintiff's credit
11 report.

12 63. By intentionally continuing to report negative information, Defendants acted in
13 conscious disregard for Plaintiff's rights.

14 64. To continuously report inaccurate information, despite exculpatory information
15 and documents in Plaintiff's disputes, demonstrates that Galicia and Experian
16 took action involving an unjustifiably high risk of harm that was either known or
17 so obvious that it should be known to them.

18 65. Since Plaintiff's dispute efforts were unsuccessful, Plaintiff was forced to bring
19 this action to finally resolve Plaintiff's disputes.

20 66. Based upon the facts above, Plaintiff contends that punitive damages are
21 appropriate here.

22 **CAUSES OF ACTION**

23 **COUNT I**

24 **THE FAIR CREDIT REPORTING ACT**

25 **15 U.S.C. § 1681 ET SEQ.**

26 **[AGAINST ALL DEFENDANTS]**

27 67. Plaintiff incorporates by reference all of the above paragraphs of this Complaint
28 as though fully stated herein.

1 68. The foregoing acts and omissions constitute numerous and multiple violations of
2 the FCRA.

3 69. As a result of each and every negligent violation of the FCRA, Plaintiff is entitled
4 to actual damages, pursuant to 15 U.S.C. § 1681o(a)(1) and reasonable attorney
5 fees and costs pursuant to 15 U.S.C. § 1681o(a)(2) from each Defendant.

6 70. As a result of each and every willful violation of the FCRA, Plaintiff is entitled
7 to actual damages and statutory damages of not less than \$100 and not more than
8 \$1,000 and such amount as the court may allow pursuant to 15 U.S.C. §
9 1681n(a)(1)(A); punitive damages as the court may allow, pursuant to 15 U.S.C.
10 § 1681n(a)(2); and reasonable attorney fees and costs pursuant to 15 U.S.C. §
11 1681n(a)(3) from each Defendant.

12 **COUNT II**

13 **THE CONSUMER CREDIT REPORTING AGENCIES ACT**

14 **CAL. CIV. CODE § 1785.1, ET SEQ.**

15 **[AGAINST GALICIA]**

16 71. Plaintiff incorporates by reference all of the above paragraphs of this Complaint
17 as though fully stated herein.

18 72. The foregoing acts and omissions constitute numerous and multiple violations of
19 the California Consumer Credit Reporting Agencies Act.

20 73. In the regular course of its business operations, Galicia routinely furnishes
21 information to credit reporting agencies pertaining to transactions between
22 Galicia and its consumers, so as to provide information related to a consumer's
23 credit worthiness, credit standing and credit capacity.

24 74. Galicia, is and always was, obligated to not furnish information on a specific
25 transaction or experience to any consumer credit reporting agency if it knew or
26 should have known that the information was incomplete or inaccurate, under Cal.
27 Civ. Code § 1785.25(a).

28 ///

1 75. Since Galicia received all information and documents required to determine the
2 inaccuracy of its furnishing, Galicia should have known to update the
3 information.

4 76. Galicia also should have determined that its reporting was inaccurate through
5 review of its own account notes and records and because of the information
6 provided with Plaintiff's disputes.

7 **PRAYER FOR RELIEF**

8 WHEREFORE, Plaintiff prays that judgment be entered against each Defendant for:

- 9 • FCRA - An award of actual damages, in an amount to be determined at trial or
10 statutory damages of \$1,000 pursuant to 15 U.S.C. § 1681n(a)(1)(A) against
11 Defendants for each incident of willful noncompliance of the FCRA;
- 12 • FCRA - An award of punitive damages, as the Court may allow pursuant to 15
13 U.S.C. § 1681n(a)(2), against Defendants for each incident of willful
14 noncompliance to the FCRA;
- 15 • FCRA - An award of actual damages in an amount to be determined at trial
16 pursuant to 15 U.S.C. § 1681o(a)(1) against Defendants for each incident of
17 negligent noncompliance of the FCRA;
- 18 • FCRA - An award for costs and reasonable attorney fees, pursuant to 15 U.S.C.
19 § 1681n(a)(3) and 15 U.S.C. § 1681o(2) against Defendants for each incident
20 of noncompliance of the FCRA;
- 21 • CCRAA - An award of actual damages, in an amount to be determined at trial,
22 pursuant to Cal. Civ. Code § 1785.31(a)(1)&(2) against Galicia;
- 23 • CCRAA - An award of statutory damages of \$5,000 per willful violation of
24 Cal. Civ. Code § 1785.25(a) pursuant to Cal. Civ. Code § 1785.31(a)(2)(B)
25 against Galicia;
- 26 • CCRAA - Award of attorney fees and costs pursuant to Cal. Civ. Code §
27 1785.31(a)(1) and Cal. Civ. Code § 1785.31(d) against Galicia;
- 28 • General damages according to proof;

- Special damages according to proof;
- Punitive damages according to proof;
- For equitable and injunctive relief;
- Any other relief the Court deems just and proper.

TRIAL BY JURY

77. Plaintiff is entitled to and demands, a trial by jury.

Date: October 8, 2021

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