

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
SEATTLE DIVISION

MIKRAE E. PRESTON,

Plaintiff,

v.

SB&C, LTD aka SKAGIT BONDED
COLLECTOR, L.L.C.,

Defendant.

Case No. 2:24-cv-1589

**NOTICE OF REMOVAL OF ACTION
UNDER 28 U.S.C. § 1441(a)**

PLEASE TAKE NOTICE THAT defendant SB&C, Ltd. aka Skagit Bonded Collectors, LLC hereby removes to this Court the state court action described below.

1. This is a civil action over which the Court has original jurisdiction under 28 U.S.C. § 1331, and which may be removed to this Court pursuant to 28 U.S.C. § 1441(a) and 28 U.S.C. § 1367, because it involves claims under the Fair Debt Collection Practices Act, 15 U.S.C. § 1692 *et seq.*, and transactionally related state law claims.

2. Venue is proper in the Western District of Washington, Seattle Division, because it is the district and division embracing the place where the state court action is pending (Skagit County). *See* 28 U.S.C. §1441(a).

3. Defendant SB&C Ltd. aka Skagit Bonded Collectors, LLC purportedly was served with the Summons and Complaint on or about September 12, 2024, in the case entitled

1 *Mikrae Preston v. SB&C, Ltd. aka Skagit Bonded Collector, L.L.C.*, in Washington Superior
2 Court, Skagit County. Thus, this removal is timely. A copy of the Summons and Complaint are
3 attached as Exhibit A.

4 4. Defendant is unaware of any further proceedings that have occurred in the state
5 court action and, at the time this notice of removal was filed, the state court action does not
6 appear to have been filed yet (as noted, the summons and complaint purportedly were served).

7 5. In filing this Notice of Removal, defendant does not waive any defenses or
8 claims, including (but not limited to) any defenses based on jurisdiction, service, or statute of
9 limitations.

10 DATED: October 2, 2024

11 COSGRAVE VERGEER KESTER LLP

12
13 *s/ Timothy J. Fransen*

14 Timothy J. Fransen, WSBA No. 51110

15 tfransen@cosgravelaw.com

16 Telephone: (503) 323-9000

17 Facsimile: (503) 323-9019

18 Attorneys for Defendant
19
20
21
22
23
24
25
26

CERTIFICATE OF SERVICE

I hereby certify that I served a true and correct copy of the foregoing **NOTICE OF REMOVAL OF ACTION UNDER 28 U.S.C. § 1441(a)** on the date indicated below by:

- ☐ mail with postage prepaid, deposited in the US mail at Portland, Oregon,
- ☐ hand delivery,
- ☐ facsimile transmission,
- ☐ overnight delivery,
- ☒ electronic filing notification.

If served by facsimile transmission, attached to this certificate is the printed confirmation of receipt of the documents generated by the transmitting machine. I further certify that said copy was placed in a sealed envelope delivered as indicated above and addressed to said attorney at the address listed below:

Amanda Nicole Martin
Roblin John Williamson
Northwest Consumer Law Center
936 N 34th St., Ste. 300
Seattle, WA 98103
amanda@nwclc.org
roblin.john289@gmail.com

Samuel Robert Leonard
Leonard Law, PLLC
9030 35th Ave. SW, Ste. 100
Seattle, WA 98126
sam@seattledebtdefense.com
Attorneys for Plaintiff

DATED: October 2, 2024

s/ Timothy J. Fransen
Timothy J. Fransen

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF SKAGIT

MIKRAE PRESTON,

Plaintiff,

v.

SB&C, LTD aka SKAGIT BONDED
COLLECTOR, L.L.C.,

Defendant.

Case No.:

SUMMONS

TO DEFENDANT SB&C, LTD: A lawsuit has been started against you in the above-entitled court by Plaintiff Mikrae Preston. Plaintiff's claim is stated in the written complaint, a copy of which is served upon you with this summons.

In order to defend against this lawsuit, you must respond to the complaint by stating your defense in writing, and by serving a copy upon the person signing this summons within 20 days after the service of this summons, excluding the day of service, or a default judgment may be entered against you without notice. A default judgment is one where plaintiff is entitled to what they ask for because you have not responded. If you serve a notice of appearance on the undersigned person, you are entitled to notice before a default judgment may be entered.

If you wish to seek the advice of an attorney in this matter, you should do so promptly so that your written response, if any, may be served on time.

SUMMONS - 1

NWCLC Northwest
Consumer Law
Center

936 N. 34th St. Ste. 300
Seattle, WA 98103
Tele: 206-805-0989
Fax: 206-805-0989

Exhibit A
Page 1 of 20

1 This summons is issued pursuant to Rule 4 of the Civil Rules for Courts of Limited
2 Jurisdiction.

3 DATED this 11th day of September, 2024.

4 NORTHWEST CONSUMER LAW CENTER

5
6 /s/ Amanda N. Martin

Amanda N. Martin, WSBA #49581

7 Em: amanda@nwclc.org

8 Roblin John Williamson, WSBA #11387

Em: roblin.john289@gmail.com

9 936 N. 34th St. Ste. 300

10 Seattle, WA 98103

Ph: 206-805-0989

11
12 SEATTLE DEBT DEFENSE

13 /s/ Samuel Leonard

14 Samuel Leonard, WSBA #46498

Em: sam@seattledebtdefense.com

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF SKAGIT

MIKRAE E. PRESTON

Plaintiff,

v.

SB&C, LTD aka SKAGIT BONDED
COLLECTOR, L.L.C.

Defendant.

CASE NO.:

**CLASS ACTION COMPLAINT FOR
DAMAGES AND INJUNCTIVE RELIEF**

Plaintiff Mikrae Preston brings claims for damages and injunctive relief for violations of RCW 19.86, Washington's Consumer Protection Act ("CPA"), RCW 19.16, Washington's Collection Agency Act ("CAA"), and 15 U.S.C. § 1692, the federal Fair Debt Collections Practices Act ("FDCPA") against Defendant SB&C, LTD aka Skagit Bonded Collector, LLC ("SB&C") on behalf of herself and others similarly situated.

I. INTRODUCTION

A. Washington's Charity Care Act

1.1 Washington's Charity Care Act (RCW 70.170.010 *et seq.*) requires that hospitals provide financial assistance to low-income persons to help with their out-of-pocket medical costs. Washington's legislature enacted the Charity Care Act after finding "rising health care

1 costs and access to health care services are of vital concern” to those within the state. RCW
 2 70.170.010(2). The purpose of the Charity Care Act is to “promote access to health care
 3 services.” *Id.* The legislature has stated that ensuring access to health care services is “among the
 4 state’s goals” and “...should be among the purposes of health care providers and facilities” and
 5 therefore intends that the Charity Care requirements and related enforcement provisions for
 6 hospitals be explicitly established.” RCW 70.170.010(3).

8 1.2 The Charity Care Act states that “...each hospital shall develop, implement, and
 9 maintain a policy which shall enable indigent persons access to Charity Care.” RCW
 10 70.170.060(5).

12 1.3 The Charity Care Act also requires hospitals to make every reasonable effort to
 13 determine the eligibility of a patient for charity care. An initial determination of eligibility must
 14 precede collection efforts directed at the patient. RCW 70.170.060(10)(a) and (c).

15 1.4 The Washington Administrative Code for Charity Care requires hospitals to
 16 determine Charity Care eligibility at “the time of admission or as soon as possible following the
 17 initiation of services...” WAC 246-453-020(1)(b). A determination of eligibility for Charity Care
 18 can be made “*at any time.*” WAC 246-453-020(10) (emphasis added). If a patient’s initial
 19 Charity Care application is denied, a hospital is required to provide and notify the patient of an
 20 appeals procedure. WAC 246-453-020(9).

22 1.5 This case involves a matter of public interest. The conduct described in this
 23 Complaint affects the rights of Washington residents regarding their access and eligibility for
 24 Charity Care, and debt collection.

B. Practices of Skagit Valley Hospital and SB&C

1.6 Skagit County Public Hospital District No. 1 (“Skagit Valley Hospital”) does business as Skagit Regional Health and Skagit Valley Hospital. It is Skagit Valley Hospital’s policy that patients whose accounts are referred to collection and have a judgment entered against them are not eligible for Charity Care.

1.7 Skagit Valley Hospital does not ensure patients are screened for Charity Care before initiating collection efforts.

1.8 Prior to filing lawsuits against patients whose accounts have been assigned to SB&C by Skagit Valley Hospital, SB&C does not determine whether those patients have been screened for Charity Care as required by RCW 70.170.060(10)(a) and (c).

1.9 SB&C does not include in complaints it files and serves on debtors who allegedly owe a debt to Skagit Valley Hospital the notice required by RCW 70.170.060(8)(a): “You may qualify for free care or a discount on your hospital bill, whether or not you have insurance.”

C. Relief Sought By Plaintiff.

1.10 This suit is brought by Plaintiff individually and on behalf of a class of similarly situated persons challenging SB&C’s (1) unfair, deceptive, and unlawful practices of demanding money from class members that it is not legally entitled to collect; (2) false representations of the legal status of the debts it seeks to collect; (3) using unfair or unconscionable means to attempt to collect alleged debts; (4) seeking to collect amounts not expressly permitted by law; and (5) failing to include a notice in its complaints filed against Plaintiff and class members advising them of the availability of Charity Care.

1.11 Plaintiff seeks: (1) declaratory and injunctive relief requiring SB&C to advise patients of their right to Charity Care in complaints filed to collect their alleged debt to Skagit

1 Valley Hospital; (2) declaratory and injunctive relief prohibiting SB&C from seeking to collect
 2 from patients who are eligible for Charity Care; (3) recovery of all payments made by members
 3 of the proposed class to SB&C; and (4) damages under the CPA and FDCPA for SB&C's unfair
 4 and deceptive practices.

5 6 **II. PARTIES**

7 2.1 Plaintiff is an individual residing in Skagit County, Washington, and a "person"
 8 as defined by the CPA, RCW 19.86.010(1), a "debtor" as defined by the CAA, RCW
 9 19.16.100(7), and a "consumer" as defined by the FDCPA, 15 U.S.C. § 1692a(3).
 10

11 2.2 Defendant SB&C, LTD aka Skagit Bonded Collector, L.L.C. is a "collection
 12 agency," a "licensee," and a "debt buyer" as defined the CAA, RCW 19.16.100(4), (9); a
 13 "person" as defined by the CPA, RCW 19.86.010(1) and a "debt collector" as defined by the
 14 FDCPA, 15 U.S.C. § 1692a(6).
 15

16 **III. JURISDICTION AND VENUE**

17 3.1 This Court has subject matter jurisdiction over the claims set forth herein.

18 3.2 This Court has personal jurisdiction over SB&C because it transacts business
 19 within Washington State, and the claims against SB&C arise out of its transaction of business in
 20 Washington.
 21

22 3.3 Venue is appropriate because the acts at issue described herein occurred in Skagit
 23 County Washington, the injury to Plaintiff occurred in said county and SB&C's principal place
 24 of business is in said county.

25 **IV. PLAINTIFF'S FACTS**

26 4.1 On July 25, 2017, Plaintiff sought medical care at the emergency room of Skagit
 27 Valley Hospital and was charged for medical services rendered.
 28

1 4.2 At the time Plaintiff received medical care from Skagit Valley Hospital, and at all
2 times thereafter, Plaintiff's gross household income was under 500% of the federal poverty level.

3 4.3 Skagit Valley Hospital did not screen Plaintiff for eligibility for Charity Care at
4 the time she received medical care.

5 4.4 On February 23, 2018, Skagit Valley Hospital assigned its claims against Plaintiff
6 to SB&C. At no time prior to the assignment did Skagit Valley Hospital screen Plaintiff to
7 determine her eligibility for Charity Care.
8

9 4.5 The assignment was illegal, and the assigned debt could not be legally collected.
10

11 4.6 On March 16, 2022, SB&C filed a collection suit against Plaintiff in the Skagit
12 Valley District Court (Case Number Y22-0324) (the "collection suit").

13 4.7 SB&C thereafter served Plaintiff with the complaint in the collection suit.

14 4.8 In its complaint, SB&C alleged Plaintiff was indebted to Skagit Valley Hospital
15 for \$3,592.12 (principal and interest and late fees due at the time of the assignment) and
16 \$1,430.04 (interest accrued after the date of the assignment).
17

18 4.9 The complaint did not include the following or a substantially similar statement:
19 "You may qualify for free care or a discount on your hospital bill, whether or not you have
20 insurance."

21 4.10 The complaint also did not include the disclosures required under RCW
22 19.16.260(2).
23

24 4.11 At no time prior to filing did SB&C confirm that Skagit Valley Hospital had
25 screened Plaintiff for Charity Care.

26 4.12 SB&C filed a motion for judgment on the pleadings against Plaintiff. In its
27 motion, Defendant sought principal of \$3,522, interest of \$1,760.73, and costs of \$781.00.
28

1 Plaintiff appeared at the hearing in person. The motion for judgment on the pleadings was
2 granted.

3 4.13 After the hearing, Plaintiff learned about Charity Care and applied on May 20,
4 2023. On or about June 12, 2023, Plaintiff was approved for a 30% reduction of her hospital
5 debt. Subsequently, she was informed by a representative of Skagit Valley Hospital that she
6 would not receive the reduction because her claim had been sent to collections and a judgment
7 had been entered against her.
8

9 4.14 On December 7, 2023, counsel for SB&C LTD wrote: "A judgment was entered
10 against your client in this case on 1/9/2023. Your client did not apply for Financial Assistance
11 until May 2023. The Skagit Regional Health Financial Assistance policy stating that accounts for
12 which a court has awarded a judgment are not eligible for financial assistance is attached hereto."
13 Despite the fact that the Financial Assistance Policy is illegal, SB&C refused and continues to
14 refuse to give Plaintiff the 30% Charity Care reduction.
15

16 4.15 As a result of the actions or practices taken by SB&C described herein, Plaintiff
17 appeared in court, had a judgment taken against her that included amounts not owed would she
18 have been approved for Charity Care, retained legal counsel to assist with investigating the
19 SB&C's claims and to represent her, has spent time and money, and lost income.
20

21 IV. CLASS ACTION ALLEGATIONS

22 5.1 This action has been brought and may properly be maintained as a class action
23 under the provisions of Civil Rules 23(a), 23(b)(2), and 23(b)(3). Plaintiff seeks to represent two
24 ascertainable classes and two subclasses that have a well-defined community of interest in the
25 questions of law and fact involved in this matter.
26
27
28

1 5.2 Plaintiff brings this action on behalf of herself and the proposed classes of persons
2 similarly situated that are defined as follows:

3 Failure to Give Notice Class: All individuals Defendant served with a complaint
4 within the four years preceding the filing of this case to collect on a hospital debt
5 Skagit Valley Hospital assigned to Defendant for collection.

6 Failure to Screen Class: All individuals from whom Defendant attempted to
7 collect a hospital debt allegedly owed to Skagit Valley Hospital, who had not been
8 screened for Charity Care at the time Defendant attempted to collect from them.

9 Judgment Subclass: All individuals in the Failure to Give Notice Class or the
10 Failure to Screen Class against whom Defendant obtained a judgment within four
11 years preceding the filing of this case.

12 FDCPA Subclass: All individuals in the Failure to Give Notice Class and the
13 Failure to Screen Class the Defendant attempted to collect from in the year
14 preceding filing of this Complaint.

15 5.3 The members of each of the proposed Classes are so numerous that joinder of all
16 members is impracticable.

17 5.4 There are questions of law and fact common to the proposed Classes, including,
18 but not limited to:

19 A. Whether Defendant is required to include notice in its complaints filed
20 against individuals who allegedly owe Skagit Valley Hospital for medical service rendered that
21 such individuals may have a right to Charity Care;

22 B. Whether Defendant's failure to provide notice of the right to apply for
23 Charity Care in its complaints deprives class members of their right to information that has
24 commercial utility;

25 C. Whether Defendant's failure to provide notice of the right to apply for
26 Charity Care is an unfair or deceptive act that violates the CPA;
27
28

1 D. Whether Defendant's failure to provide notice of the right to apply for
2 Charity Care in its complaints causes injury to property in the sense that those terms are used in
3 the CPA;

4 E. Whether under the Charity Care Act, Defendant is required to verify that
5 patients allegedly owing a hospital debt to Skagit Valley Hospital were screened for Charity Care
6 before their accounts were assigned to Defendant;

7 F. Whether Defendant has a pattern and practice of collecting on judgments
8 it has obtained against persons who were eligible for Charity Care at the time of such collection;

9 G. Whether Defendant's pattern and practice of attempting to collect against
10 persons without first affirmatively verifying whether such persons had been screened for
11 eligibility for Charity Care by Skagit Valley Hospital is unfair and/or deceptive;

12 E. Whether Defendant is a debt buyer, and whether it routinely files
13 complaints to collect on hospital debt owed to Skagit Valley Hospital that do not include the
14 disclosure requirements required by RCW 19.16.260; and

15 F. Whether the foregoing acts and conduct of Defendant render it liable to
16 Plaintiff and the class members for restitution, declaratory and injunctive relief, and/or damages.

17 5.5 Plaintiff is a member of the proposed Classes that she seeks to represent, and her
18 claims are typical of the claims of the proposed Classes. She has suffered actual injury and harm
19 and is likely to continue to suffer actual injury and harm as a result of Defendant's unfair,
20 deceptive, and unlawful practices towards her and the proposed Classes as alleged herein.

21 5.6 Plaintiff will fairly and adequately represent and protect the interests of the
22 proposed Classes. She shares the same interests as all members of the proposed Classes because
23 her claims and losses are typical of those of other class members. She has retained competent
24

1 class counsel who are experienced in class action litigation and will fairly and adequately
2 represent the proposed Classes.

3 5.7 Questions of law and/or fact common to the proposed Classes predominate over
4 any questions affecting only individual Class members.
5

6 5.8 A class action is superior to other available methods for the fair and efficient
7 adjudication of this litigation, since joinder of all members of the proposed Classes is
8 impracticable. Most losses are modest in relation to the expense and burdens of individual
9 litigation necessitated by Defendant's wrongful conduct. It would be virtually impossible for the
10 members of the proposed Classes to efficiently redress their wrongs individually. The court
11 system would benefit from a class action. Individualized litigation would present the potential for
12 inconsistent or contradictory judgments. Individual litigation would also magnify the delay and
13 expense to all parties and the court system presented by the issues of the case. By contrast, the
14 class action device presents far fewer management difficulties and provides the benefit of
15 comprehensive supervision by a single court, as well as economy of scale and expense.
16
17

18 5.9 In addition, Defendant has acted or refused to act on grounds generally applicable
19 to all members of the proposed Classes, thereby making final injunctive or declaratory relief
20 concerning the proposed Classes as a whole appropriate.
21

22 **VI. FIRST CLAIM FOR RELIEF**
23 **VIOLATION OF WASHINGTON'S CONSUMER PROTECTION ACT**
(UNFAIR OR DECEPTIVE BUSINESS PRACTICES)

24 6.1 Plaintiff re-alleges and incorporates by reference the allegations set forth in the
25 paragraphs of this pleading as though fully stated herein.

26 6.2 The conduct described above in this Complaint is unfair or deceptive within the
27 meaning of the CPA, RCW 19.86.010, et seq.
28

6.3 Washington State's legislature explicitly identified the purposes of the CPA: "to

1 complement the body of federal law governing restraints on trade, unfair competition, and unfair,
 2 and deceptive and fraudulent acts or practices in order to protect the public and foster fair and
 3 honest competition.” RCW 19.86.920.

4
 5 6.4 Defendant engaged in unfair or deceptive acts or practices in the conduct of its
 6 business when it when it demanded money from Plaintiff and members of the proposed Classes
 7 it was not legally entitled to collect, by falsely representing legal status of the debt it sought to
 8 collect, by using unfair or unconscionable means to attempt to collect the alleged debt, and
 9 collection of an amount not expressly permitted by law.

10
 11 6.5 Further, Defendant engaged in unfair or deceptive acts or practices when it failed
 12 to include in the complaints served on the Plaintiff and members of the proposed Classes
 13 notification of their right to apply for Charity Care.

14 6.6 Defendant’s unfair or deceptive acts or practices were done in the course of its
 15 business as a collection agency and are capable of deceiving a substantial portion of the public.

16
 17 6.7 The business of debt collection and issues of Charity Care affect the public
 18 interest.

19 6.8 The Defendant’s conduct restricts consumers’ access to affordable healthcare in
 20 this state and is capable of repetition.

21 6.9 As a direct and proximate result of Defendant’s deceptive acts or practices,
 22 Plaintiff and members of the proposed Classes have been deprived of information that has
 23 commercial utility which constitutes injury in their property and lost money.

24 6.10 Plaintiff and members of the proposed Classes are entitled to legal relief against
 25 Defendant, including recovery of actual damages, treble damages, attorneys’ fees, costs of suit,
 26 and such further relief as the Court may deem proper.
 27
 28

6.11 Plaintiff and members of the proposed Classes are also entitled to injunctive relief against Defendant in the form of an order: (1) requiring Defendant to vacate the judgments it obtained against the Plaintiff and members of the proposed Classes; (2) requiring Defendant to reduce the amount of or eliminate the hospital debt it seeks to collect from Plaintiff and members of the proposed Classes to an amount that reflects the amount of reduction available to each under Charity Care; (3) prohibiting Defendant from engaging in the alleged misconduct in the future; and (4) such other equitable relief as the Court deems appropriate.

VII. SECOND CLAIM FOR RELIEF
VIOLATIONS OF THE FAIR DEBT COLLECTION PRACTICES ACT
(15 U.S.C. § 1692 *et seq.*)

7.1 Plaintiff re-alleges and incorporates by reference the allegations set forth in the paragraphs of this pleading as though fully stated herein.

7.2 The FDCPA regulates the debt collection activity of debt collectors seeking to collect from consumers. 15 U.S.C. § 1692 *et seq.*

7.3 Defendant violated the FDCPA by falsely representing the character, amount, and legal status of the debt it sought to collect when it served Plaintiff and members of the proposed Classes with complaints that did not include the notice of the availability of Charity Care required under RCW 70.170.060(8)(a), and when it attempted to collect from the Plaintiff and members of the proposed Classes when they had not been screened for Charity Care. 15 U.S.C. § 1692e(2)(A) and (10).

7.4 Defendant violated the FDCPA by using unfair or unconscionable means to attempt to collect an alleged debt and the attempted collection of an amount not expressly permitted by law when it attempted to collect the full amount of the hospital debt claims Skagit Valley Hospital assigned it when the individuals it sought to collect from had not previously been screened for charity care. 15 U.S.C. § 1692f(1).

7.5 As a direct or proximate result of the actions of Defendant, Plaintiff and members of the proposed Classes have suffered monetary loss, stress, anxiety, frustration, and anger.

7.6 Under the FDCPA, Defendant is liable to Plaintiff and members of the proposed Classes for their actual damages (including emotional distress), statutory damages up to \$1,000, any additional damages as the Court may allow, and the costs of the action, together with reasonable attorneys' fees as determined by the Court. 15 U.S.C. § 1692k(a).

VIII. THIRD CLAIM FOR RELIEF
PER SE VIOLATIONS OF WASHINGTON'S CONSUMER PROTECTION ACT
VIOLATIONS OF THE FAIR DEBT COLLECTION PRACTICES ACT

8.1 Plaintiff re-alleges and incorporates by reference the allegations set forth in the paragraphs of this pleading as though fully stated herein.

8.2 The CPA declares "[u]nfair methods of competition and unfair or deceptive practices in the conduct of any trade or commerce..." to be unlawful." *Evergreen Collectors v. Holt*, 60 WN. App. 151, 154, 803 P.2d 10, 12 (1991) (quoting RCW 19.86.020).

8.3 Under the CPA "trade" and "commerce" include any commerce that directly or indirectly affects the people of the state of Washington. RCW 19.86.020.

8.4 The CPA can be violated *per se* through the violation of a statute that is enforced through the CPA or by the commission of an unfair or deceptive practice that affects the public interest.

8.5 Washington's State Supreme Court has made it clear that "the business of debt collection affects the public interest, and debt collection agencies are subject to strict regulation to ensure they deal fairly and honestly with alleged debtors." *Panag v. Farmers Ins. Co. of Wash.*, 166 Wn.2d 27, 54, 204 P.3d 885 (2009).

8.6 Defendant's violations of the FDCPA by threatening to take actions that could not

1 be legally taken, 15 U.S.C. § 1692e(5), by falsely representing the character, amount, and legal
 2 status of the debt it sought to collect, 15 U.S.C. § 1692e(2)(A) and (10), and by using unfair or
 3 unconscionable means to attempt to collect an alleged debt and the attempted collection of an
 4 amount not expressly permitted by law, 15 U.S.C. § 1692f(1), are *per se* violations of the CPA.
 5

6 8.7 Plaintiff and members of the proposed Classes have suffered an injury to their
 7 business or property because of Defendant's actions, including, but not limited to, deprivation of
 8 information that has commercial utility, lost income, attorney or other fees or costs to investigate
 9 the claims brought against them by Defendant, and having judgments illegally taken against
 10 them for amounts they do not owe.
 11

12 8.8 Plaintiff and the members of the proposed Classes are entitled to legal relief
 13 against Defendant, including recovery of actual damages, treble damages, attorneys' fees, costs
 14 of suit, and such further relief as the Court may deem proper. *State Farm Fire & Cas. Co. v.*
 15 *Huynh*, 92 Wn. App. 454, 470, 962 P.2d 854 (1998).
 16

17 8.9 Plaintiff and members of the proposed Classes are also entitled to injunctive relief
 18 against Defendant in the form of an order: (1) requiring Defendant to vacate the judgments it
 19 obtained against the Plaintiff and members of the proposed Classes; (2) requiring Defendant to
 20 reduce the amount of or eliminate the hospital debt it seeks to collect from Plaintiff and members
 21 of the proposed Classes to an amount that reflects the amount of Charity Care available to; (3)
 22 prohibiting Defendant from engaging in the alleged misconduct in the future; and (4) such other
 23 equitable relief as the Court deems appropriate.
 24

25 **IX. FOURTH CLAIM FOR RELIEF**
 26 ***PER SE* VIOLATIONS OF WASHINGTON'S CONSUMER PROTECTION ACT**
 27 **VIOLATION OF THE COLLECTION AGENCY ACT**
 28

9.1 Plaintiff re-alleges and incorporates by reference the allegations set forth in the

1 paragraphs of this pleading as though fully stated herein.

2 9.2 The CPA declares “[u]nfair methods of competition and unfair or deceptive
3 practices in the conduct of any trade or commerce...” to be unlawful.” *Evergreen*, 60 WN. App.
4 at 154 (quoting RCW 19.86.020).

5
6 9.3 Under the CPA “trade” and “commerce” include any commerce that directly or
7 indirectly affects the people of the state of Washington. RCW 19.86.020.

8 9.4 The CPA can be violated *per se* through the violation of a statute that is enforced
9 through the CPA or by the commission of an unfair or deceptive practice that affects the public
10 interest.

11
12 9.5 Washington’s State Supreme Court has made it clear that “the business of debt
13 collection affects the public interest, and debt collection agencies are subject to strict regulation
14 to ensure they deal fairly and honestly with alleged debtors.” *Panag*, 166 Wn.2d at 54.

15 9.6 Washington’s Legislature has declared that the commission of an act or practice
16 prohibited under RCW 19.16.250 or RCW 19.16.260 is an unfair act or practice or unfair method
17 of competition in the conduct of trade or commerce for the purpose of the CPA. RCW 19.16.440.

18
19 9.7 Defendant routinely filed and continues to file complaints to collect on debts
20 allegedly owed to Skagit Valley Hospital which were “duly assigned to the [Defendant] for
21 valuable consideration and [Defendant] is ...the holder thereof.”

22
23 9.8 When serving complaints to collect on debts owed to Skagit Valley Hospital,
24 Defendant routinely fails to make the disclosures required by RCW 19.16.260.

25 9.9 Defendant routinely fails to give to persons who allegedly owed a debt to Skagit
26 Valley Hospital the notice required by RCW 19.16.250(29)(a) regarding the availability of
27 Charity Care.
28

9.10 Defendant violated RCW 19.16.250(15) and RCW 19.16.250(21) when it attempted to collect amounts greater than the principal balance on claims Skagit Valley Hospital assigned it prior to the account holder being screened for Charity Care.

9.11 Plaintiff and members of the proposed Classes have suffered an injury to their business or property because of Defendant's actions, including, but not limited to, deprivation of information with commercial utility, lost income, attorney or other fees or costs to investigate the claims brought against them by Defendant, and having judgments illegally taken against them for amounts they do not owe.

9.12 Plaintiff and the members of the proposed Classes are entitled to legal relief against Defendant, including recovery of actual damages, treble damages, attorneys' fees, costs of suit, and such further relief as the Court may deem proper. *State Farm Fire & Cas. Co.*, 92 Wn. App. at 470.

9.13 Plaintiff and members of the proposed Classes are also entitled to injunctive relief against Defendant in the form of an order: (1) requiring Defendant to vacate the judgments it obtained against the Plaintiff and members of the proposed Classes; (2) requiring Defendant to reduce the amount of or eliminate the hospital debt it seeks to collect from Plaintiff and members of the proposed Classes to an amount that reflects the amount of Charity Care available; (3) prohibiting Defendant from engaging in the alleged misconduct in the future; and (4) such other equitable relief as the Court deems appropriate.

X. REQUEST FOR RELIEF

Wherefore, Plaintiff asks that judgment be entered against Defendant as follows:

1. An injunction requiring Defendant to apply Charity Care to class members even if Defendant has obtained a judgment against those members, to vacate all

1 judgments against class members where Defendant has violated RCW 19.16.250
2 and .260, to vacate all judgments obtained against class members where
3 Defendant has failed to advised them in its initial compliant of their right to apply
4 for Charity Care, and to vacate all judgments obtained against class members.
5

- 6 2. Prohibiting Defendant from engaging in the unlawful acts set forth herein;
7 3. Actual and compensatory damages in an amount to be proven at trial;
8 4. Prohibiting Defendant from collecting or attempting to collect any amount greater
9 than allowed under RCW 19.16.450;
10 4. Treble damages;
11 5. Costs and reasonable attorney's fees; and
12 6. All other relief as the Court deems just and proper.
13

14 DATED this 11th day of September, 2024.
15

16 NORTHWEST CONSUMER LAW CENTER

17 /s/ Amanda N. Martin

18 Amanda Martin, WSBA #49581

19 Email: amanda@nwclc.org

20 Roblin John Williamson, WSBA #11387

21 Email: roblin.john289@gmail.com

22 936 North 34th Street, Suite 300

23 Seattle, Washington 98103-8869

24 Telephone: (206) 805-0989
25

26 Sam Leonard, WSBA #46498

27 Email: sam@seattledbtdefense.com

28 LEONARD LAW, PLLC

9030 35th Ave SW, Suite 100

Seattle, Washington 98126

Telephone: (206) 486-1176

Fax: (206) 458-6028

CIVIL
SKAGIT COUNTY SUPERIOR COURT
Case Information Cover Sheet (CICS)

Case Number _____ **Case Title** Mikrae Preston v. SB&C, LTD.

Attorney Name Amanda Martin, Sam Leonard, Rob Williamson **Bar Membership Number** 49581, 46498, 11387

Please check one category that best describes this case for indexing purposes. Accurate case indexing not only saves time in docketing new cases, but helps in forecasting needed judicial resources. Cause of action definitions are listed on the back of this form. Thank you for your cooperation. Form updated 5-31-2024

- | | |
|--|--|
| ☐ ABJ Abstract of Judgment | ☐ PIN Personal Injury |
| ☐ ABL Abusive Litigation | ☐ PRA Public Records Act |
| ☐ ALR Administrative Law Review | ☐ PRG Property Damage – Gangs |
| ☐ ALRJT Administrative Law Review-Jury Trial (L&I) | ☐ PRP Property Damages |
| ☐ BAT Ballot Title | ☐ QTI Quiet Title |
| ☐ CHN Non-Confidential Change of Name | ☐ RDR Relief from Duty to Register |
| ☐ CBC Contractor Bond Complaint | ☐ RFR Restoration of Firearm Rights |
| ☐ COL Collection | ☐ SDR School District-Required Action Plan |
| ☐ CON Condemnation | ☐ SER Subdivision Election Process Law Review |
| ☐ COM Commercial | ☐ SPC Seizure of Property-Commission of Crime |
| ☐ CPA Consumer Protection Act | ☐ SPR Seizure of Property-Resulting from Crime |
| ☐ CPO Civil Protection Orders | ☐ TAX Employment Security Tax Warrant |
| ☐ CRP Pet. for Cert. of Restoration of Opportunity | ☐ TAX L & I Tax Warrant |
| ☐ DOL Appeal Licensing Revocation | ☐ TAX Licensing Tax Warrant |
| ☐ ECP Enforce Canadian DV Protection Order | ☐ TAX Revenue Tax Warrant |
| ☐ EMP Employment | ☐ TMV Tort – Motor Vehicle |
| ☐ EOM Emancipation of Minor | ☐ TRJ Transcript of Judgment |
| ☐ FJU Foreign Judgment | ☐ TTO Tort – Other |
| ☐ FOR Foreclosure | ☐ TXF Tax Foreclosure |
| ☐ FPO Foreign Protection Order | ☐ UND Unlawful Detainer – Commercial |
| ☐ INJ Injunction | ☐ UND Unlawful Detainer – Residential |
| ☐ INT Interpleader | ☐ VEP Voter Election Process Law Review |
| ☐ LCA Lower Court Appeal – Civil | ☐ VVT Victims of Motor Vehicle Theft-Civil Action |
| ☐ LCI Lower Court Appeal – Infractions | ☐ WAT Water Rights Adjudication (Whatcom Only) |
| ☐ LUPA Land Use Petition Act | ☐ WDE Wrongful Death |
| ☐ MAL Other Malpractice | ☐ WHC Writ of Habeas Corpus |
| ☐ MED Medical Malpractice | ☐ WMW Miscellaneous Writs |
| ☐ MHA Malicious Harassment | ☐ WRM Writ of Mandamus |
| ☒ MSC2 Miscellaneous – Civil | ☐ WRR Writ of Restitution |
| ☐ MST2 Minor Settlement – Civil (No Guardianship) | ☐ WRV Writ of Review |
| ☐ PCC Petition for Civil Commitment (Sexual Predator) | ☐ XRP Extreme Risk Protection Order |
| ☐ PFA Property Fairness Act | ☐ XRU Extreme Risk Protection Order Under 18 |
| ☐ PFT Prorate Fuel Tax Subpoena | |

IF YOU CANNOT DETERMINE THE APPROPRIATE CATEGORY, PLEASE DESCRIBE THE CAUSE OF ACTION BELOW

Please Note: Public information in court files and pleadings may be posted on a public Web site.

APPEAL/REVIEW Administrative Law Review -Petition to the superior court for review of rulings made by state administrative agencies. Appeal of a Department of Licensing Revocation -Appeal of a DOL revocation (RCW 46.20.308(9)). Lower Court Appeal-Civil -An appeal for a civil case; excludes traffic infraction and criminal matters. Lower Court Appeal-Infractions -An appeal for a traffic infraction matter.	Relief from Duty to Register -Civil action requesting relief from duty to register as a sex offender. Petition can address the registration obligation that arises from multiple cases. RCW 9A.44.142, 9A.44.143. Restoration of Firearms Rights -Petition seeking restoration of firearms rights under RCW 9.41.040 and 9.41.047. (Eff. 9-2-2014) School District-Required Action Plan -Petition filed requesting court selection of a required action plan proposal relating to school academic performance. Seizure of Property from the Commission of a Crime -Seizure of personal property that was employed in aiding, abetting, or commission of a crime, from a defendant after conviction. Seizure of Property Resulting from a Crime -Seizure of tangible or intangible property that is the direct or indirect result of a crime, from a defendant following criminal conviction (e.g., remuneration for, or contract interest in, a depiction or account of a crime). Subdivision Election Process Review -Petition seeking court acknowledgement of compliance (RCW 29A.92). Subpoenas -Petition for a subpoena. Voter Election Law Review -Action filed by voters requesting review of Voting Rights Act (RCW 29A.92). Water Rights Adjudication -Legal process to resolve conflict and competition of a water source. Court action requires involvement of the Wash. Dept. of Ecology. (Title 90 RCW). Use of this cause of action is limited by statute. Currently, only Whatcom County Superior Court accepts court filings related to water rights adjudication.
CONTRACT/COMMERCIAL Breach of Contract -Complaint involving monetary dispute where a breach of contract is involved. Contractor Bond Complaint -Complaint for claim against a contractor or subcontractor bond. Commercial Contract -Complaint involving monetary dispute where a contract is involved. Commercial Non-Contract -Complaint involving monetary dispute where no contract is involved. Third Party Collection -Complaint involving a third party over a monetary dispute where no contract is involved.	PROPERTY RIGHTS Condemnation -Complaint involving governmental taking of private property with payment, but not necessarily with consent. Foreclosure -Complaint involving termination of ownership rights when mortgage or tax foreclosure is involved; ownership is not in question. Land Use Petition -Petition for an expedited judicial review of a land use decision made by a local jurisdiction (RCW 36.70C.040). Property Fairness -Complaint involving the regulation of private property or restraint of land use by a government entity brought forth by Title 64 RCW. Quiet Title -Complaint involving the ownership, use, or disposition of land or real estate other than foreclosure. Unlawful Detainer -Complaint involving the unjustifiable retention of lands or attachments to land, including water and mineral rights.
PROTECTION ORDER Civil Protection Orders - Petition seeking protection from harmful or threatening behavior. (Chapt. 7.105 RCW) (Eff. 7/1/2022). Enforce Canadian DV Protection Order - Petition seeking order granting recognition and enforcement of Canadian DV PO. (Chapt. 26.55 RCW) Extreme Risk Protection Order -Petition to restrict ownership, possession, custody or control of a firearm or concealed weapons permit. Extreme Risk Protection Order Under 18 -Petition to restrict access, possession, purchase, custody or control of a firearm by a minor. Foreign Protection Orders -Any protection order of a court of the United States, or of any state, territory, or tribal land, which is entitled to full faith and credit in this state.	TORT, MEDICAL MALPRACTICE Hospital -Complaint involving injury or death resulting from a hospital. Medical Doctor -Complaint involving injury or death resulting from a medical doctor. Other Health Care Professional -Complaint involving injury or death resulting from a health care professional other than a medical doctor.
JUDGMENT Abstract Only -A certified copy of a judgment docket from another superior court, an appellate court, or a federal district court. Foreign Judgment -Any judgment, decree, or order of a court of the United States, or of any state or territory, which is entitled to full faith and credit in this state. Judgment, Another County -A certified copy of a judgment docket from another superior court within the state. Judgment, Another State -Any judgment, decree, or order from another state that is entitled to full faith and credit in this state. Tax Warrants -A notice of assessment by a state agency creating a judgment/lien in the county in which it is filed. (Four types available.) Transcript of Judgment -A certified copy of a judgment from a court of limited jurisdiction to a superior court in the same county.	TORT, MOTOR VEHICLE Death -Complaint involving death resulting from an incident involving a motor vehicle. Non-Death Injuries -Complaint involving non-death injuries resulting from an incident involving a motor vehicle. Property Damage Only -Complaint involving only property damages resulting from an incident involving a motor vehicle.
OTHER COMPLAINT/PETITION Abusive Litigation - Request to restrict a current or former intimate partner party from filing abusive litigation for the purposes of harassing, intimidating, or maintaining contact with the other party Ballot Title -Action for review of the ballot title (RCW 29A.36.090). Petition for Certificate of Restoration of Opportunity -Request for order that is intended to facilitate obtaining housing and employment (RCW 9.97.020). Change of Name -Petition for a change of name. If change is confidential due to domestic violence/anti-harassment see case type 5 instead. Deposit of Surplus Funds -Deposit of money or other item with the court. Emancipation of Minor -Petition by a minor for a declaration of emancipation. Employment -Complaints involving disputes between employer and employee. Includes whistleblower actions. Do not use for administrative law review of employment matters. Injunction -Complaint/petition to require a person to do or refrain from doing a particular thing. Interpleader -Petition for the deposit of disputed earnest money from real estate, insurance proceeds, and/or other transaction(s). Malicious Harassment -Suit involving damages resulting from malicious harassment. Minor Settlements -Petition for a court decision that an award to a minor is appropriate when no letters of guardianship are required (e.g., net settlement value \$25,000 or less). Petition for Civil Commitment (Sexual Predator) -Petition for the involuntary civil commitment of a person who 1) has been convicted of a sexually violent offense whose term of confinement is about to expire or has expired, 2) has been charged with a sexually violent offense and who has been determined to be incompetent to stand trial who is about to be released or has been released, or 3) has been found not guilty by reason of insanity of a sexually violent offense and who is about to be released or has been released, and it appears that the person may be a sexually violent predator. Property Damage-Gangs -Complaint involving damage to property related to gang activity. Prorate Fuel Tax Subpoena -Actions filed under Chapt. 82.42 RCW for ex parte orders for subpoenas for fuel tax collection violation investigations. Public Records Act -Actions filed under Chap. 42.56 RCW.	TORT, NON-MOTOR VEHICLE Asbestos -Complaint alleging injury resulting from asbestos exposure. Consumer Protection Act -Actions brought under the Consumer Protection Act. Can be initiated by the WA Attorney General or individuals, others. Other Malpractice -Complaint involving injury resulting from other than professional medical treatment. Personal Injury -Complaint involving physical injury not resulting from professional medical treatment, and where a motor vehicle is not involved. Products Liability -Complaint involving injury resulting from a commercial product. Property Damages -Complaint involving damage to real or personal property excluding motor vehicles. Victims of Motor Vehicle Theft -Complaint filed by a victim of car theft to recover damages. (RCW 9A.56.078). Wrongful Death -Complaint involving death resulting from other than professional medical treatment. WRIT Writ of Habeas Corpus -Petition for a writ to bring a party before the court. Writ of Mandamus -Petition for writ commanding performance of a particular act or duty. Writ of Restitution -Petition for a writ restoring property or proceeds; not an unlawful detainer petition. Writ of Review -Petition for review of the record or decision of a case pending in the lower court; does not include lower court appeals or administrative law reviews. Miscellaneous Writs