



We heal and inspire the human spirit.

To: All FQHCs, Rural Health Centers & Urgent Cares

From: IEHP – Provider Relations

Date: May 20, 2024

Subject: **Your Feedback Matters! SB 525: Minimum Wages: Health Care Workers**

Senate Bill 525, a state law taking effect June 1, 2024, specifies that physician groups with 25 or more physicians, and other types of health care facilities, regardless of size – such as urgent care clinics, community and other licensed clinics, ambulatory surgical centers and hospitals – are subject to phased-in minimum wage increases for health care workers through 2028. SB 525 was amended to exclude physician practices with 24 or fewer physicians and IPAs.

For your quick reference, here is a link to a California Medical Association (CMA) article that includes a table outlining the impacted organizations and phased-in minimum wage amounts through 2028. [New health care worker minimum wage takes effect June 1; IPAs and small physician practices exempt \(cmadocs.org\)](#).

Coupled with Governor Newsom’s May revision of the state budget for Fiscal Year (FY) 2024 -2025 that proposes cuts to Medi-Cal Provider rate increases for 2025 and beyond, we understand the potential strain facing health care entities today and, in the years, to come. IEHP is here to partner, advocate and support you.

IEHP is participating in a Department of Healthcare Services (DHCS)/Mercer survey to share SB 525’s impact to the plan and our network and your input is deeply valued for our response.

Please take a few minutes to participate in our brief survey about the impact of SB 525 through this [Qualtrics link](#) or via the QR code, with your mobile device.



Thank you in advance for all you do to care for our community and sharing your insight with us.

If you have any questions, please do not hesitate to contact the IEHP Provider Call Center at (909) 890-2054, (866) 223-4347 or email ProviderServices@iehp.org

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