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Client Alert

California Healthcare Worker Minimum Wage Goes Into Effect October 16, 2024

WHAT'S NEW: Beginning **October 16, 2024**, California healthcare workers will be subject to their own industry specific minimum wage. Covered clients also **must post** the linked Minimum Wage Supplement at their worksite and notify affected employees.

WHY IT MATTERS: Please review Engage's previous client alert on this topic for more information.

- Employers must review the requirements under the law to confirm their employees are receiving the correct minimum wage rate on October 16, 2024 and the timing of each increase thereafter.
- The minimum wage will ultimately reach $25 per hour over several years and then it will be adjusted for inflation.
- Employers should also be aware that the minimum wage increase will affect the minimum salary threshold for exempt employees.

WHAT EMPLOYERS SHOULD DO: Engage clients operating in the California healthcare industry should review the guidelines from the state Department of Industrial Relations, which can be accessed by clicking on this link: Health Care Worker Minimum Wage Frequently Asked Questions.

It is also important to review employees' compensation to ensure that they are paid the applicable minimum wage or salary. Under certain circumstances, employees of *contractors* and *subcontractors* of covered health facilities are also covered under this law, so please review the FAQ's for more information.

Covered employers must not only post the notice linked above but must also notify their employees **in writing** of the minimum wage schedule that applies to them, in a language that employers usually communicate any employment-related information with their workforce.

Please reach out to your Engage Human Resources Partner if you have any questions concerning this alert or other H.R.-related matters.