

Date of Hearing: May 6, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 2511 (Ahrens) – As Introduced February 20, 2026

Policy Committee:	Labor and Employment	Vote:	5 - 2
	Health		11 - 1

Urgency: No                      State Mandated Local Program: No                      Reimbursable: No

**SUMMARY:**

This bill requires the Department of Industrial Relations (DIR) to conduct a comparable worth study to examine and compare compensation and reimbursement of behavioral health providers with similarly situated medical-surgical providers.

Specifically, this bill:

- 1) Requires DIR to conduct the comparable worth study in consultation with the Department of Managed Health Care (DMHC), Department of Insurance (CDI), Department of Health Care Access and Information (HCAI), and Office of Health Care Affordability (OHCA), which must cooperate with DIR and provide necessary data, information, and assistance.
- 2) Requires the study to analyze certain compensation and reimbursement payment flows and develop certain methodologies to compare behavioral health provider roles with medical-surgical provider roles, among other provisions.
- 3) Requires a health care service plan or health insurer to report certain data to DIR regarding payments made directly to providers and payments made to intermediaries and health systems, and requires contracting intermediaries and health systems to report certain data to DIR regarding payments received and made.
- 4) Requires DIR to assess a civil penalty against each entity required to report data to DIR of up to \$10,000 per day for each day of non-compliance.
- 5) Requires DIR to submit a report to the Legislature containing the findings of the study by January 1, 2028.

**FISCAL EFFECT:**

- 1) Costs of an unknown, but likely significant amount, in excess of \$150,000, to DIR to undertake the comparable worth study. DIR’s scope of work generally centers around defending workplace rights, keeping workers safe on the job, and protecting injured workers, which differs from the scope of work envisioned by this bill (General Fund (GF) or special fund).
- 2) Minor and absorbable costs to DMHC, CDI, HCAI, and OHCA for their consultation role in the study. However, each entity may incur additional costs if tasked with more specific data collection activities.

The Legislative Analyst's Office recently warned of GF structural deficits of around \$35 billion per year in the 2027-28 fiscal year and ongoing.

**COMMENTS:**

1) **Purpose.** According to the author:

Behavioral health providers are undercompensated compared to their medical-surgical peers, leading many to operate outside insurance networks. In California, only 55.4% of private practice psychotherapists and counselors accept insurance, making it difficult for residents to find in-network care...One major factor is the undervaluation of behavioral health providers by healthcare payors, which affects compensation. This bill aims to collect data for a study on compensation disparities between behavioral health and medical-surgical providers, leading to a report that can guide future interventions.

2) **Behavioral Health Workforce.** According to HCAI, there is a statewide shortage of over 72,000 behavioral health providers, a number projected to grow significantly by 2033. The author contends in this bill's findings and declarations that access problems are driven in part by systemic undervaluation of behavioral health care by health insurers. This bill requires DIR to lead a comparable worth study to compare compensation and reimbursement of behavioral health providers with similarly situated medical-surgical providers. As noted in the Assembly Labor and Employment Committee's analysis of this bill:

This bill tasks the DIR with the lead role in its implementation. Committee staff is not aware of DIR conducting a comparable worth study in the recent past. The DIR continues to struggle with short staffing and under-resourcing. Committee staff questions whether the department has the in-house expertise to conduct the study and recommends the author explore amending the bill in the future to authorize the DIR to contract out the study to a third party such as the UC Berkeley Labor Center.

3) **Support and Opposition.** This bill is sponsored by the National Union of Health Care Workers, which argues this bill "creates transparency and accountability that can help illuminate the specifics of these compensation disparities, provide data to support future policy interventions, and ultimately address the difficulties patients face in accessing behavioral health care." This bill is also supported by other labor organizations, health access groups, and psychology and social service provider associations.

This bill is opposed by physician, hospital, and health insurer associations, with the California Association of Health Plans arguing:

In practice, these professions differ in training, licensure, scope of practice, care settings, and workforce structure. Treating them as directly comparable overlooks these important distinctions and risks producing conclusions that do not accurately reflect how care is delivered or how provider markets function.

- 4) **Related Legislation.** SB 747 (Wiener) would have required a covered employer to report behavioral health employee and medical-surgical employee compensation to DIR and required DIR to incorporate the data into a report to the Legislature identifying compensation disparities. SB 747 was subsequently amended on the Senate Floor to address an unrelated issue and is pending referral at the Assembly Desk.

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