



March 10, 2025

The Honorable Caroline Menjivar  
Chair, Senate Health Committee  
1021 O Street, Room 3310  
Sacramento, CA 95814

**SUBJECT: SB 246 (Grove and Caballero) – SUPPORT**

Dear Senator Menjivar:

Educating and training the next generation of health care workers is imperative. For this reason, Senate Bill (SB) 246 is critical legislation, as it will enhance funding for graduate medical education (GME) at district and municipal public hospitals, ensuring that these facilities continue to serve as vital training grounds for the next generation of health care providers while delivering high-quality care to Medi-Cal patients. **That's why the California Hospital Association (CHA), on behalf of more than 400 hospitals and health systems, supports SB 246.**

District and municipal public hospitals play a crucial role in California's health care safety net, providing essential services to low-income and underserved communities. Despite their significant contributions to medical education and patient care, these hospitals currently do not receive an adequate level of GME financial support. SB 246 addresses this disparity by establishing a sustainable funding mechanism for GME payments to district and municipal public hospitals and their affiliated government entities – without using state general fund dollars. Instead, the nonfederal share of payments is funded through voluntary intergovernmental transfers from public entities.

By expanding GME financial support to district and municipal public hospitals, SB 246 will help strengthen California's health care workforce, particularly in medically underserved areas, and reinforce the state's commitment to equitable and high-quality health care access. We commend Senators Shannon Grove and Anna Caballero for their leadership on this issue and urge the Legislature to advance this important bill.

For these reasons, **CHA requests your "YES" vote on SB 246.**

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Farouk", with a long horizontal line extending to the right.

Mark Farouk  
Vice President, State Advocacy

cc: The Honorable Shannon Grove  
The Honorable Anna Caballero  
The Honorable Members of the Senate Health Committee  
Jen Flory, Principal Consultant, Senate Health Committee  
Joe Parra, Consultant, Senate Republican Caucus  
Tim Conaghan, Consultant, Senate Republican Caucus