

Assembly Bill No. 2794

Passed the Assembly August 18, 2008

Chief Clerk of the Assembly

Passed the Senate August 14, 2008

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2008, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add Section 655.8 to the Business and Professions Code, relating to healing arts.

LEGISLATIVE COUNSEL'S DIGEST

AB 2794, Blakeslee. Diagnostic imaging services.

Existing law prohibits a healing arts practitioner from charging, billing, or otherwise soliciting payment for anatomic pathology services, as defined, if those services were not actually rendered by the practitioner or under his or her direct supervision, except as specified. Existing law also requires a clinical laboratory and a physician and surgeon performing anatomic pathology services to directly bill the patient, the responsible 3rd-party payer, the clinical laboratory that sent the sample for specialized testing, if certain requirements are met, the requesting hospital or clinic, or the governmental agency or its specified public or private agent, agency, or organization responsible for payment for those services, except as specified.

This bill would additionally prohibit a healing arts practitioner from charging, billing, or soliciting payment from any patient, client, or 3rd-party payer, as defined, for performance of the technical component of specified diagnostic imaging services not rendered by the licensees or persons under their supervision, as defined. The bill would also require a radiological facility or imaging center performing the technical component of those diagnostic imaging services to directly bill either the patient or the responsible 3rd-party payer for the services, and would prohibit the radiological facility or imaging center from billing the licensee who requested the services. The bill would exempt specified persons, radiological facilities, imaging centers, clinics, health care programs, or the performance of diagnostic imaging services within a licensee's office, from these provisions. Because a violation of these provisions would be a crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the

state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The people of the State of California do enact as follows:

SECTION 1. Section 655.8 is added to the Business and Professions Code, to read:

655.8. (a) It is unlawful for any person licensed under this division or under any initiative act referred to in this division to charge, bill, or otherwise solicit payment from any patient, client, customer, or third-party payer for performance of the technical component of Computerized Tomography (CT), Positron Emission Tomography (PET), or Magnetic Resonance Imaging (MRI) diagnostic imaging services if those services were not actually rendered by the licensee or a person under his or her supervision.

(b) Radiological facilities or imaging centers performing the technical component of CT, PET, or MRI diagnostic imaging services shall directly bill either the patient or the responsible third-party payer for such services rendered by those facilities. Radiological facilities or imaging centers shall not bill the licensee who requests the services.

(c) This section shall not apply to any of the following:

(1) Any person who, or radiological facility or imaging center that, contracts directly with a health care service plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code.

(2) Any person who, or clinic that, provides diagnostic imaging services without charge to the patient, or on a sliding scale payment basis if the patient's charge for services is determined by the patient's ability to pay.

(3) Health care programs operated by public entities, including, but not limited to, colleges and universities.

(4) Health care programs operated by private educational institutions to serve the health care needs of their students.

(5) Any person who, or clinic that, contracts with an employer to provide medical services to employees of the employer if the diagnostic imaging services are provided under the contract.

(6) Diagnostic imaging services that are performed within a physician and surgeon's office, as defined in paragraph (5) of subdivision (b) of Section 650.01, or the office of a group practice, as defined in paragraph (6) of subdivision (b) of Section 650.01.

(d) Nothing in this section prohibits a licensee or a physician entity from billing globally for professional and technical components if both of the following conditions are met:

(1) Neither the physician, or any member of his or her medical group, nor the physician entity has ordered the diagnostic imaging services.

(2) The physician, or a member of his or her medical group, or the physician entity provides the professional interpretation of the diagnostic imaging service.

(e) Nothing in subdivision (d) is intended to authorize or permit an imaging center to engage in the practice of medicine or exercise other professional rights, privileges, or powers in violation of Section 2400 of the Business and Professions Code.

(f) For the purposes of this section, the following terms shall have the following meanings:

(1) "Physician entity" means a professional medical corporation formed pursuant to Section 2406 or a general partnership that consists entirely of physicians and surgeons or professional medical corporations.

(2) "Responsible third-party payer" means any person or entity who is responsible to pay for CT, PET, or MRI services provided to a patient.

(3) "Supervision" means that the referring licensee is providing the level of supervision set forth in paragraph (3) of subsection (b) of Section 410.32 of Title 42 of the Code of Federal Regulations.

(4) "Technical component" includes services other than those provided by a physician and surgeon for the CT, PET, or MRI including personnel, materials, space, equipment, and other facilities.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within

the meaning of Section 6 of Article XIII B of the California Constitution.

Approved _____, 2008

Governor