

AMENDED IN ASSEMBLY APRIL 23, 2013

AMENDED IN ASSEMBLY APRIL 10, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 565

Introduced by Assembly Member Salas
(Coauthors: Assembly Members Chesbro, Logue, and Pan)

February 20, 2013

An act to amend Sections 128552 and 128553 of the Health and Safety Code, relating to physicians and surgeons.

LEGISLATIVE COUNSEL'S DIGEST

AB 565, as amended, Salas. California Physician Corps Program.

Existing law establishes the Steven M. Thompson Physician Corps Loan Repayment Program in the California Physician Corps Program within the Health Professions Education Foundation, which provides financial incentives, as specified, to a physician and surgeon for practicing in a medically underserved community. Existing law authorizes the Office of Statewide Health Planning and Development to adopt guidelines by regulation and requires the foundation to use guidelines for selection and placement of program applicants. These guidelines provide priority consideration to applicants who meet specified criteria, including that the applicant has 3 years of experience working in medically underserved areas or with medically underserved populations. The guidelines also must seek to place the most qualified applicants in the areas with the greatest need.

This bill would delete the requirement that the guidelines seek to place the most qualified applicants in the areas of greatest need. The bill would require the guidelines for the selection and placement of

program applicants to include criteria that would give priority consideration to program applicants who have 3 years of experience providing health care services to medically underserved populations ~~in a federally designated health professional shortage area or in a medically underserved area, and as defined.~~ *The bill would require the guidelines to give priority to applicants who agree to practice in those areas and serve a medically underserved population, and would require the guidelines to give priority consideration to applicants from rural communities who agree to practice in a physician owned and operated medical practice setting, as defined.*

Existing law defines “practice setting,” for these purposes, to include a community clinic, as defined, a clinic owned and operated by a public hospital and health system, or a clinic owned and operated by a hospital that maintains the primary contract with a county government to fulfill the county’s role to serve its indigent population and that is located in a medically underserved area and has at least 50% of its patients from that population.

This bill would include a private practice that provides primary care located in a medically underserved area and has a minimum of 30% uninsured, Medi-Cal, or other publicly funded program that serves patients who earn less than 250% of the federal poverty level, within this definition of “practice setting.”

Vote: majority. Appropriation: no. Fiscal committee: yes.
 State-mandated local program: no.

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

- 1 SECTION 1. Section 128552 of the Health and Safety Code
- 2 is amended to read:
- 3 128552. For purposes of this article, the following definitions
- 4 shall apply:
- 5 (a) “Account” means the Medically Underserved Account for
- 6 Physicians established within the Health Professions Education
- 7 Fund pursuant to this article.
- 8 (b) “Foundation” means the Health Professions Education
- 9 Foundation.
- 10 (c) “Fund” means the Health Professions Education Fund.
- 11 (d) “Medi-Cal threshold languages” means primary languages
- 12 spoken by limited-English-proficient (LEP) population groups
- 13 meeting a numeric threshold of 3,000, eligible LEP Medi-Cal

1 beneficiaries residing in a county, 1,000 Medi-Cal eligible LEP
2 beneficiaries residing in a single ZIP Code, or 1,500 LEP Medi-Cal
3 beneficiaries residing in two contiguous ZIP Codes.

4 (e) “Medically underserved area” means an area defined as a
5 health professional shortage area in Part 5 of Subchapter A of
6 Chapter 1 of Title 42 of the Code of Federal Regulations or an
7 area of the state where unmet priority needs for physicians exist
8 as determined by the California Healthcare Workforce Policy
9 Commission pursuant to Section 128225.

10 (f) “Medically underserved population” means the Medi-Cal
11 program, Healthy Families Program, and uninsured populations.

12 (g) “Office” means the Office of Statewide Health Planning and
13 Development (OSHPD).

14 (h) “Physician Volunteer Program” means the Physician
15 Volunteer Registry Program established by the Medical Board of
16 California.

17 (i) “Practice setting” means either of the following:

18 (1) A community clinic as defined in subdivision (a) of Section
19 1204 and subdivision (c) of Section 1206, a clinic owned or
20 operated by a public hospital and health system, a clinic owned
21 and operated by a hospital that maintains the primary contract with
22 a county government to fulfill the county’s role pursuant to Section
23 17000 of the Welfare and Institutions Code, which is located in a
24 medically underserved area and at least 50 percent of whose
25 patients are from a medically underserved population, or a private
26 practice that provides primary care located in a medically
27 underserved area and has a minimum of 30 percent uninsured,
28 Medi-Cal, or other publicly funded program that serves patients
29 who earn less than 250 percent of the federal poverty level.

30 (2) A medical practice located in a medically underserved area
31 and at least 50 percent of whose patients are from a medically
32 underserved population.

33 (j) “Primary specialty” means family practice, internal medicine,
34 pediatrics, or obstetrics/gynecology.

35 (k) “Program” means the Steven M. Thompson Physician Corps
36 Loan Repayment Program.

37 (l) “Selection committee” means a minimum three-member
38 committee of the board, that includes a member that was appointed
39 by the Medical Board of California.

1 SEC. 2. Section 128553 of the Health and Safety Code is
2 amended to read:

3 128553. (a) Program applicants shall possess a current valid
4 license to practice medicine in this state issued pursuant to Section
5 2050 of the Business and Professions Code or pursuant to the
6 Osteopathic Act.

7 (b) The foundation, in consultation with those identified in
8 subdivision (b) of Section 123551, shall use guidelines developed
9 by the Medical Board of California for selection and placement
10 of applicants until the office adopts other guidelines by regulation.
11 The foundation shall interpret the guidelines to apply to both
12 osteopathic and allopathic physicians and surgeons.

13 (c) The guidelines shall meet all of the following criteria:

14 (1) Provide priority consideration to applicants that are best
15 suited to meet the cultural and linguistic needs and demands of
16 patients from medically underserved populations and who meet
17 one or more of the following criteria:

18 (A) Speak a Medi-Cal threshold language.

19 (B) Come from an economically disadvantaged background.

20 (C) Have received significant training in cultural and
21 linguistically appropriate service delivery.

22 (D) Have three years of experience providing health care
23 services to medically underserved populations ~~in a federally~~
24 ~~designated health professional shortage area~~ or *in a* medically
25 underserved area, *as defined in subdivision (e) of Section 128552.*

26 (E) Have recently obtained a license to practice medicine.

27 (2) Include a process for determining the needs for physician
28 services identified by the practice setting and for ensuring that the
29 practice setting meets the definition specified in subdivision (h)
30 of Section 128552.

31 (3) Give preference to applicants who have completed a
32 three-year residency in a primary specialty.

33 (4) Give preference to applicants who agree to practice in a
34 ~~federally designated health professional shortage area~~ or medically
35 underserved area, *as defined in subdivision (e) of Section 128552,*
36 and who agree to serve a medically underserved population.

37 (5) *Give priority consideration to applicants from rural*
38 *communities who agree to practice in a physician owned and*
39 *operated medical practice setting as defined in paragraph (2) of*
40 *subdivision (i) of Section 128552.*

1 ~~(5)~~

2 (6) Include a factor ensuring geographic distribution of
3 placements.

4 ~~(6)~~

5 (7) Provide priority consideration to applicants who agree to
6 practice in a geriatric care setting and are trained in geriatrics, and
7 who can meet the cultural and linguistic needs and demands of a
8 diverse population of older Californians. On and after January 1,
9 2009, up to 15 percent of the funds collected pursuant to Section
10 2436.5 of the Business and Professions Code shall be dedicated
11 to loan assistance for physicians and surgeons who agree to practice
12 in geriatric care settings or settings that primarily serve adults over
13 the age of 65 years or adults with disabilities.

14 (d) (1) The foundation may appoint a selection committee that
15 provides policy direction and guidance over the program and that
16 complies with the requirements of subdivision (l) of Section
17 128552.

18 (2) The selection committee may fill up to 20 percent of the
19 available positions with program applicants from specialties outside
20 of the primary care specialties.

21 (e) Program participants shall meet all of the following
22 requirements:

23 (1) Shall be working in or have a signed agreement with an
24 eligible practice setting.

25 (2) Shall have full-time status at the practice setting. Full-time
26 status shall be defined by the board and the selection committee
27 may establish exemptions from this requirement on a case-by-case
28 basis.

29 (3) Shall commit to a minimum of three years of service in a
30 medically underserved area. Leaves of absence shall be permitted
31 for serious illness, pregnancy, or other natural causes. The selection
32 committee shall develop the process for determining the maximum
33 permissible length of an absence and the process for reinstatement.
34 Loan repayment shall be deferred until the physician is back to
35 full-time status.

36 (f) The office shall adopt a process that applies if a physician
37 is unable to complete his or her three-year obligation.

38 (g) The foundation, in consultation with those identified in
39 subdivision (b) of Section 128551, shall develop a process for
40 outreach to potentially eligible applicants.

- 1 (h) The foundation may recommend to the office any other
- 2 standards of eligibility, placement, and termination appropriate to
- 3 achieve the aim of providing competent health care services in
- 4 approved practice settings.

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