

AMENDED IN SENATE AUGUST 18, 2016  
AMENDED IN ASSEMBLY MARCH 31, 2016  
CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2053**

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**Introduced by Assembly Members Gonzalez and Gray  
(Coauthor: Assembly Member Wood)**

February 17, 2016

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An act to amend Section 1212 of the Health and Safety Code, relating to clinics.

LEGISLATIVE COUNSEL'S DIGEST

AB 2053, as amended, Gonzalez. Primary care clinics.

Under existing law, the State Department of Public Health licenses and regulates primary care clinics, as defined. A violation of those provisions is a crime under existing law. *Existing law authorizes a clinic corporation, on behalf of a primary care clinic that has held a valid, unrevoked, and unsuspended license for at least the immediately preceding 5 years, with no demonstrated history of repeated or uncorrected violations of specified provisions that pose immediate jeopardy to a patient, and that has no pending action to suspend or revoke its license, to file an affiliate clinic application to establish a primary care clinic at an additional site.* Existing law provides that no application for licensure is required if a licensed primary care clinic adds a service that is not a special service, as defined, or remodels or modifies an existing primary care clinic site, but requires the clinic to notify the department of these events, as specified.

This bill would, among other things, expand that exception from licensure, and that notice requirement, to include a licensed primary

care clinic or affiliate clinic that adds an additional physical plant maintained and operated on separate premises. The bill would require the department, upon written notification by a primary care clinic, to issue a single consolidated license to a primary care clinic that includes more than one physical plant maintained and operated on separate premises, as specified. clinic or affiliate clinic of its intent to add an additional physical plant maintained and operated on separate premises and upon payment of a licensing fee for each additional physical plant added, to review the information provided in the notification, and if the information submitted is in compliance with specified requirements, require the department to approve the additional physical plant within 30 days of all information being submitted, and to amend the primary care clinic or affiliate clinic’s license to include the additional physical plant as part of a single consolidated license. Because the bill would create a new crime, the 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.

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

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

1 SECTION 1. Section 1212 of the Health and Safety Code is  
 2 amended to read:  
 3 1212. (a) Any person, firm, association, partnership, or  
 4 corporation desiring a license for a clinic or a special permit for  
 5 special services under the provisions of this chapter, shall file with  
 6 the department a verified application on forms prescribed and  
 7 furnished by the department, containing the following:  
 8 (1) Evidence satisfactory to the department that the applicant  
 9 is of reputable and responsible character. If the applicant is a firm,  
 10 association, partnership, trust, corporation, or other artificial or  
 11 legal entity, like evidence shall be submitted as to the members,  
 12 partners, trustees or shareholders, directors, and officers thereof  
 13 and as to the person who is to be the administrator of, and exercise

1 control, management, and direction of the clinic for which  
2 application is made.

3 (2) If the applicant is a partnership, the name and principal  
4 business address of each partner, and, if any partner is a  
5 corporation, the name and principal business address of each officer  
6 and director of the corporation and name and business address of  
7 each stockholder owning 10 percent or more of the stock thereof.

8 (3) If the applicant is a corporation, the name and principal  
9 business address of each officer and director of the corporation,  
10 and if the applicant is a stock corporation, the name and principal  
11 business address of each stockholder holding 10 percent or more  
12 of the applicant's stock and, if any stockholder is a corporation,  
13 the name and principal business address of each officer and director  
14 of the corporate stockholder.

15 (4) Evidence satisfactory to the department of the ability of the  
16 applicant to comply with the provisions of this chapter and rules  
17 and regulations promulgated under this chapter by the department.

18 (5) The name and address of the clinic, and if the applicant is  
19 a professional corporation, firm, partnership, or other form of  
20 organization, evidence that the applicant has complied with the  
21 requirements of the Business and Professions Code governing the  
22 use of fictitious names by practitioners of the healing arts.

23 (6) The name and address of the professional licentiate  
24 responsible for the professional activities of the clinic and the  
25 licentiate's license number and professional experience.

26 (7) The class of clinic to be operated, the character and scope  
27 of advice and treatment to be provided, and a complete description  
28 of the building, its location, facilities, equipment, apparatus, and  
29 appliances to be furnished and used in the operation of the clinic.

30 (8) Sufficient operational data to allow the department to  
31 determine the class of clinic that the applicant proposes to operate  
32 and the initial license fee to be charged.

33 (9) Any other information as may be required by the department  
34 for the proper administration and enforcement of this chapter,  
35 including, but not limited to, evidence that the clinic has a written  
36 policy relating to the dissemination of the following information  
37 to patients:

38 (A) A summary of current state laws requiring child passenger  
39 restraint systems to be used when transporting children in motor  
40 vehicles.

1 (B) A listing of child passenger restraint system programs  
2 located within the county, as required by Section 27360 or 27362  
3 of the Vehicle Code.

4 (C) Information describing the risks of death or serious injury  
5 associated with the failure to utilize a child passenger restraint  
6 system.

7 (b) (1) No application is required if a licensed primary care  
8 clinic adds a service that is not a special service, as defined in  
9 Section 1203, or any regulation adopted under that section, or  
10 remodels or modifies, or adds an additional physical plant  
11 maintained and operated on separate premises to, an existing  
12 primary care clinic site. However, the clinic shall notify the  
13 department, in writing, of the change in service or physical plant  
14 no less than 60 days prior to adding the service or remodeling or  
15 modifying, or adding an additional physical plant maintained and  
16 operated on a separate premises to, an existing primary care clinic  
17 site. Nothing in this subdivision shall be construed to limit the  
18 authority of the department to conduct an inspection at any time  
19 pursuant to Section 1227, in order to ensure compliance with, or  
20 to prevent a violation of, this chapter, or any regulation adopted  
21 under this chapter.

22 (2) If applicable city, county, or state law obligates the primary  
23 care clinic to obtain a building permit with respect to the  
24 remodeling or modification to be performed by the clinic, or the  
25 construction of a new physical plant, the primary care clinic shall  
26 provide a signed certification or statement as described in Section  
27 1226.3 to the department within 60 days following completion of  
28 the remodeling, modification, or construction project covered by  
29 the building permit.

30 (c) In the course of fulfilling its obligations under Section  
31 1221.09, the department shall ensure that any application form  
32 utilized by a primary care clinic, requiring information of the type  
33 specified in paragraph (1), (4), (8), or (9) of subdivision (a), is  
34 consistent with the requirements of Section 1225, including the  
35 requirement that rules and regulations for primary care clinics be  
36 separate and distinct from the rules and regulations for specialty  
37 clinics. Nothing in this section shall be construed to require the  
38 department to issue a separate application form for primary care  
39 clinics.

1 (d) (1) The department, upon written notification by a primary  
2 care clinic, shall issue a single consolidated license to a primary  
3 care clinic that includes more than one physical plant maintained  
4 and operated on separate premises. *clinic or an affiliate clinic of*  
5 *its intent to add an additional physical plant maintained and*  
6 *operated on separate premises, as described in paragraph (1) of*  
7 *subdivision (b) and upon payment of a licensing fee for each*  
8 *additional physical plant added, shall review the information*  
9 *provided in the notification, and if the information submitted is in*  
10 *compliance with the requirements specified in this subdivision,*  
11 *the department shall approve the additional physical plant within*  
12 *30 days of all information being submitted and shall amend the*  
13 *primary care clinic or affiliate clinic's license to include the*  
14 *additional physical plant as part of a single consolidated license.*  
15 *If the notification does not include the information required by*  
16 *this subdivision, the department shall notify the licensee of the*  
17 *need for additional information and shall not amend the license*  
18 *to add the additional physical plant until the additional information*  
19 *is received and reviewed by the department.*

20 (2) Written notification shall include evidence that the primary  
21 care clinic *or affiliate clinic* is licensed in good standing and  
22 otherwise meets the criteria specified in this subdivision. In issuing  
23 the single consolidated license, the department shall specify the  
24 location of each physical plant.

25 (2) ~~A primary care clinic that is issued a single consolidated~~  
26 ~~license pursuant to this subdivision may, at its option, operate~~  
27 ~~under a single National Provider Identification number or separate~~  
28 ~~National Provider Identification number for one or more of the~~  
29 ~~facilities subject to the single consolidated license.~~

30 (3) ~~The issuance of a single consolidated license shall be based~~  
31 ~~on~~ *The written notification shall demonstrate compliance with all*  
32 *of the following criteria:*

33 (A) There is a single governing body for all the facilities  
34 maintained and operated by the licensee.

35 (B) There is a single administration for all the facilities  
36 maintained and operated by the licensee.

37 (C) There is a single medical director for all the facilities  
38 maintained and operated by the licensee, with a single set of  
39 bylaws, rules, and regulations.

1 ~~(D) Except as provided otherwise in this paragraph, the physical~~  
2 ~~plants maintained and operated by the licensee that are to be~~  
3 ~~covered by the single consolidated license are located not more~~  
4 ~~than 15 miles apart.~~

5 *(D) The additional physical plant meets minimum construction*  
6 *standards of adequacy and safety for clinics found in the most*  
7 *recent version of the California Building Standards Code and*  
8 *prescribed by the Office of Statewide Health Planning and*  
9 *Development, as required in subdivision (b) of Section 1226.*  
10 *Compliance with the minimum construction standards of adequacy*  
11 *and safety may be established as specified in Section 1226.3.*

12 *(E) The additional physical plant meets fire clearance standards.*

13 *(4) The written notification required to be submitted pursuant*  
14 *to this subdivision shall include all of the following documentation:*

15 *(A) The name and address of the licensee’s corporation*  
16 *administrative office, including the name and contact information*  
17 *for the corporation’s chief executive officer or executive director.*

18 *(B) The name and address of, and the hours of operation and*  
19 *services provided by, the additional physical plant.*

20 *(C) A copy of any document confirming the corporation’s*  
21 *authority to control the additional physical plant. Examples of*  
22 *acceptable documentation include, but shall not be limited to, a*  
23 *lease or purchase agreement, grant deed, bill of sale, sublease,*  
24 *rental agreement, or memorandum of understanding between the*  
25 *owner of the property and the proposed licensee.*

26 *(5) A primary care clinic or an affiliate clinic may add*  
27 *additional physical plants pursuant to this section that are no more*  
28 *than one-half mile from the licensed clinic adding the additional*  
29 *physical plant under a consolidated license.*

30 *(6) Upon renewal of a consolidated license approved pursuant*  
31 *to this subdivision, a licensee fee shall be required for each*  
32 *additional physical plant approved on the license.*

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

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

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