

AMENDED IN SENATE JUNE 1, 2009  
AMENDED IN SENATE MAY 20, 2009  
AMENDED IN SENATE APRIL 28, 2009  
AMENDED IN SENATE APRIL 2, 2009

**SENATE BILL**

**No. 674**

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**Introduced by Senator Negrete McLeod**

February 27, 2009

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An act to amend Sections 651 and 2023.5 of, and to add Section 2027.5 to, the Business and Professions Code, and to amend Sections 1248, 1248.15, 1248.2, 1248.25, 1248.35, 1248.5, and 1279 of the Health and Safety Code, relating to healing arts.

LEGISLATIVE COUNSEL'S DIGEST

SB 674, as amended, Negrete McLeod. Healing arts.

(1) Existing law provides that it is unlawful for healing arts licensees to disseminate or cause to be disseminated any form of public communication, as defined, containing a false, fraudulent, misleading, or deceptive statement, claim, or image to induce the rendering of services or the furnishing of products relating to a professional practice or business for which he or she is licensed. Existing law authorizes advertising by these healing arts licensees to include certain general information. A violation of these provisions is a misdemeanor.

This bill would impose specific advertising requirements on certain healing arts licensees. By changing the definition of a crime, this bill would impose a state-mandated local program.

(2) Existing law requires the Medical Board of California, in conjunction with the Board of Registered Nursing, and in consultation with the Physician Assistant Committee and professionals in the field,

to review issues and problems relating to the use of laser or intense light pulse devices for elective cosmetic procedures by their respective licensees.

This bill would require the board to adopt regulations by January 1, 2011, regarding the appropriate level of physician availability needed within clinics or other settings using certain laser or intense pulse light devices for elective cosmetic procedures.

(3) Existing law requires the board to post on the Internet specified information regarding licensed physicians and surgeons.

This bill would require the board to post on its Internet Web site an easy-to-understand factsheet to educate the public about cosmetic surgery and procedures, as specified.

(4) Existing law requires the Medical Board of California, as successor to the Division of Licensing of the Medical Board of California, to adopt standards for accreditation of outpatient settings, as defined, and, in approving accreditation agencies to perform this accreditation, to ensure that the certification program shall, at a minimum, include standards for specified aspects of the settings' operations.

This bill would include, among those specified aspects, the submission for approval by an accreditation agency at the time of accreditation, a detailed plan, standardized procedures, and protocols to be followed in the event of serious complications or side effects from surgery. The bill would also modify the definition of "outpatient setting" to include facilities that offer in vitro fertilization, as defined, ~~and assisted reproduction technology treatments.~~

(5) Existing law also requires the Medical Board of California to obtain and maintain a list of all accredited, certified, and licensed outpatient settings, and to notify the public, upon inquiry, whether a setting is accredited, certified, or licensed, or whether the setting's accreditation, certification, or license has been revoked.

This bill would require the board, absent inquiry, to notify the public whether a setting is accredited, certified, or licensed, or the setting's accreditation, certification, or license has been revoked, suspended, or placed on probation, or the setting has received a reprimand by the accreditation agency.

(6) Existing law requires accreditation of an outpatient setting to be denied if the setting does not meet specified standards. Existing law authorizes an outpatient setting to reapply for accreditation at any time after receiving notification of the denial.

This bill would require the accreditation agency to immediately report to the Medical Board of California if the outpatient setting's certificate for accreditation has been denied.

(7) Existing law authorizes the Medical Board of California, as successor to the Division of Medical Quality of the Medical Board of California, or an accreditation agency to, upon reasonable prior notice and presentation of proper identification, enter and inspect any accredited outpatient setting to ensure compliance with, or investigate an alleged violation of, any standard of the accreditation agency or any provision of the specified law.

This bill would delete the notice and identification requirements. The bill would require that every outpatient setting that is accredited be inspected by the accreditation agency, as specified, and would specify that it may also be inspected by the board, as specified. The bill would require the board to ensure that accreditation agencies inspect outpatient settings.

(8) Existing law authorizes the Medical Board of California to evaluate the performance of an approved accreditation agency no less than every 3 years, or in response to complaints against an agency, or complaints against one or more outpatient settings accreditation by an agency that indicates noncompliance by the agency with the standards approved by the board.

This bill would make that evaluation mandatory.

(9) Existing law provides for the licensure and regulation of health facilities by the State Department of Public Health and requires the department to periodically inspect those facilities, as specified.

This bill would require the department, when conducting an inspection of an acute care hospital, to inspect the peer review process utilized by the hospital.

(10) 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:*

SECTION 1. Section 651 of the Business and Professions Code is amended to read:

651. (a) It is unlawful for any person licensed under this division or under any initiative act referred to in this division to disseminate or cause to be disseminated any form of public communication containing a false, fraudulent, misleading, or deceptive statement, claim, or image for the purpose of or likely to induce, directly or indirectly, the rendering of professional services or furnishing of products in connection with the professional practice or business for which he or she is licensed. A “public communication” as used in this section includes, but is not limited to, communication by means of mail, television, radio, motion picture, newspaper, book, list or directory of healing arts practitioners, Internet, or other electronic communication.

(b) A false, fraudulent, misleading, or deceptive statement, claim, or image includes a statement or claim that does any of the following:

(1) Contains a misrepresentation of fact.  
(2) Is likely to mislead or deceive because of a failure to disclose material facts.

(3) (A) Is intended or is likely to create false or unjustified expectations of favorable results, including the use of any photograph or other image that does not accurately depict the results of the procedure being advertised or that has been altered in any manner from the image of the actual subject depicted in the photograph or image.

(B) Use of any photograph or other image of a model without clearly stating in a prominent location in easily readable type the fact that the photograph or image is of a model is a violation of subdivision (a). For purposes of this paragraph, a model is anyone other than an actual patient, who has undergone the procedure being advertised, of the licensee who is advertising for his or her services.

(C) Use of any photograph or other image of an actual patient that depicts or purports to depict the results of any procedure, or presents “before” and “after” views of a patient, without specifying in a prominent location in easily readable type size what procedures were performed on that patient is a violation of subdivision (a).

1 Any “before” and “after” views (i) shall be comparable in  
2 presentation so that the results are not distorted by favorable poses,  
3 lighting, or other features of presentation, and (ii) shall contain a  
4 statement that the same “before” and “after” results may not occur  
5 for all patients.

6 (4) Relates to fees, other than a standard consultation fee or a  
7 range of fees for specific types of services, without fully and  
8 specifically disclosing all variables and other material factors.

9 (5) Contains other representations or implications that in  
10 reasonable probability will cause an ordinarily prudent person to  
11 misunderstand or be deceived.

12 (6) Makes a claim either of professional superiority or of  
13 performing services in a superior manner, unless that claim is  
14 relevant to the service being performed and can be substantiated  
15 with objective scientific evidence.

16 (7) Makes a scientific claim that cannot be substantiated by  
17 reliable, peer reviewed, published scientific studies.

18 (8) Includes any statement, endorsement, or testimonial that is  
19 likely to mislead or deceive because of a failure to disclose material  
20 facts.

21 (c) Any price advertisement shall be exact, without the use of  
22 phrases, including, but not limited to, “as low as,” “and up,”  
23 “lowest prices,” or words or phrases of similar import. Any  
24 advertisement that refers to services, or costs for services, and that  
25 uses words of comparison shall be based on verifiable data  
26 substantiating the comparison. Any person so advertising shall be  
27 prepared to provide information sufficient to establish the accuracy  
28 of that comparison. Price advertising shall not be fraudulent,  
29 deceitful, or misleading, including statements or advertisements  
30 of bait, discount, premiums, gifts, or any statements of a similar  
31 nature. In connection with price advertising, the price for each  
32 product or service shall be clearly identifiable. The price advertised  
33 for products shall include charges for any related professional  
34 services, including dispensing and fitting services, unless the  
35 advertisement specifically and clearly indicates otherwise.

36 (d) Any person so licensed shall not compensate or give anything  
37 of value to a representative of the press, radio, television, or other  
38 communication medium in anticipation of, or in return for,  
39 professional publicity unless the fact of compensation is made  
40 known in that publicity.

1 (e) Any person so licensed may not use any professional card,  
2 professional announcement card, office sign, letterhead, telephone  
3 directory listing, medical list, medical directory listing, or a similar  
4 professional notice or device if it includes a statement or claim  
5 that is false, fraudulent, misleading, or deceptive within the  
6 meaning of subdivision (b).

7 (f) Any person so licensed who violates this section is guilty of  
8 a misdemeanor. A bona fide mistake of fact shall be a defense to  
9 this subdivision, but only to this subdivision.

10 (g) Any violation of this section by a person so licensed shall  
11 constitute good cause for revocation or suspension of his or her  
12 license or other disciplinary action.

13 (h) Advertising by any person so licensed may include the  
14 following:

15 (1) A statement of the name of the practitioner.

16 (2) A statement of addresses and telephone numbers of the  
17 offices maintained by the practitioner.

18 (3) A statement of office hours regularly maintained by the  
19 practitioner.

20 (4) A statement of languages, other than English, fluently spoken  
21 by the practitioner or a person in the practitioner's office.

22 (5) (A) A statement that the practitioner is certified by a private  
23 or public board or agency or a statement that the practitioner limits  
24 his or her practice to specific fields.

25 (i) For the purposes of this section, a dentist licensed under  
26 Chapter 4 (commencing with Section 1600) may not hold himself  
27 or herself out as a specialist, or advertise membership in or  
28 specialty recognition by an accrediting organization, unless the  
29 practitioner has completed a specialty education program approved  
30 by the American Dental Association and the Commission on Dental  
31 Accreditation, is eligible for examination by a national specialty  
32 board recognized by the American Dental Association, or is a  
33 diplomate of a national specialty board recognized by the American  
34 Dental Association.

35 (ii) A dentist licensed under Chapter 4 (commencing with  
36 Section 1600) shall not represent to the public or advertise  
37 accreditation either in a specialty area of practice or by a board  
38 not meeting the requirements of clause (i) unless the dentist has  
39 attained membership in or otherwise been credentialed by an  
40 accrediting organization that is recognized by the board as a bona

1 fide organization for that area of dental practice. In order to be  
2 recognized by the board as a bona fide accrediting organization  
3 for a specific area of dental practice other than a specialty area of  
4 dentistry authorized under clause (i), the organization shall  
5 condition membership or credentialing of its members upon all of  
6 the following:

7 (I) Successful completion of a formal, full-time advanced  
8 education program that is affiliated with or sponsored by a  
9 university based dental school and is beyond the dental degree at  
10 a graduate or postgraduate level.

11 (II) Prior didactic training and clinical experience in the specific  
12 area of dentistry that is greater than that of other dentists.

13 (III) Successful completion of oral and written examinations  
14 based on psychometric principles.

15 (iii) Notwithstanding the requirements of clauses (i) and (ii), a  
16 dentist who lacks membership in or certification, diplomate status,  
17 other similar credentials, or completed advanced training approved  
18 as bona fide either by an American Dental Association recognized  
19 accrediting organization or by the board, may announce a practice  
20 emphasis in any other area of dental practice only if the dentist  
21 incorporates in capital letters or some other manner clearly  
22 distinguishable from the rest of the announcement, solicitation, or  
23 advertisement that he or she is a general dentist.

24 (iv) A statement of certification by a practitioner licensed under  
25 Chapter 7 (commencing with Section 3000) shall only include a  
26 statement that he or she is certified or eligible for certification by  
27 a private or public board or parent association recognized by that  
28 practitioner's licensing board.

29 (B) A physician and surgeon licensed under Chapter 5  
30 (commencing with Section 2000) by the Medical Board of  
31 California may include a statement that he or she limits his or her  
32 practice to specific fields, but shall not include a statement that he  
33 or she is certified or eligible for certification by a private or public  
34 board or parent association, including, but not limited to, a  
35 multidisciplinary board or association, unless that board or  
36 association is (i) an American Board of Medical Specialties  
37 member board, (ii) a board or association with equivalent  
38 requirements approved by that physician and surgeon's licensing  
39 board, or (iii) a board or association with an Accreditation Council  
40 for Graduate Medical Education approved postgraduate training

1 program that provides complete training in that specialty or  
2 subspecialty. A physician and surgeon licensed under Chapter 5  
3 (commencing with Section 2000) by the Medical Board of  
4 California who is certified by an organization other than a board  
5 or association referred to in clause (i), (ii), or (iii) shall not use the  
6 term “board certified” in reference to that certification, unless the  
7 physician and surgeon is also licensed under Chapter 4  
8 (commencing with Section 1600) and the use of the term “board  
9 certified” in reference to that certification is in accordance with  
10 subparagraph (A). A physician and surgeon licensed under Chapter  
11 5 (commencing with Section 2000) by the Medical Board of  
12 California who is certified by a board or association referred to in  
13 clause (i), (ii), or (iii) shall not use the term “board certified” unless  
14 the full name of the certifying board is also used and given  
15 comparable prominence with the term “board certified” in the  
16 statement.

17 For purposes of this subparagraph, a “multidisciplinary board  
18 or association” means an educational certifying body that has a  
19 psychometrically valid testing process, as determined by the  
20 Medical Board of California, for certifying medical doctors and  
21 other health care professionals that is based on the applicant’s  
22 education, training, and experience.

23 For purposes of the term “board certified,” as used in this  
24 subparagraph, the terms “board” and “association” mean an  
25 organization that is an American Board of Medical Specialties  
26 member board, an organization with equivalent requirements  
27 approved by a physician and surgeon’s licensing board, or an  
28 organization with an Accreditation Council for Graduate Medical  
29 Education approved postgraduate training program that provides  
30 complete training in a specialty or subspecialty.

31 The Medical Board of California shall adopt regulations to  
32 establish and collect a reasonable fee from each board or  
33 association applying for recognition pursuant to this subparagraph.  
34 The fee shall not exceed the cost of administering this  
35 subparagraph. Notwithstanding Section 2 of Chapter 1660 of the  
36 Statutes of 1990, this subparagraph shall become operative July  
37 1, 1993. However, an administrative agency or accrediting  
38 organization may take any action contemplated by this  
39 subparagraph relating to the establishment or approval of specialist  
40 requirements on and after January 1, 1991.



(C) A doctor of podiatric medicine licensed under Chapter 5 (commencing with Section 2000) by the Medical Board of California may include a statement that he or she is certified or eligible or qualified for certification by a private or public board or parent association, including, but not limited to, a multidisciplinary board or association, if that board or association meets one of the following requirements: (i) is approved by the Council on Podiatric Medical Education, (ii) is a board or association with equivalent requirements approved by the California Board of Podiatric Medicine, or (iii) is a board or association with the Council on Podiatric Medical Education approved postgraduate training programs that provide training in podiatric medicine and podiatric surgery. A doctor of podiatric medicine licensed under Chapter 5 (commencing with Section 2000) by the Medical Board of California who is certified by a board or association referred to in clause (i), (ii), or (iii) shall not use the term “board certified” unless the full name of the certifying board is also used and given comparable prominence with the term “board certified” in the statement. A doctor of podiatric medicine licensed under Chapter 5 (commencing with Section 2000) by the Medical Board of California who is certified by an organization other than a board or association referred to in clause (i), (ii), or (iii) shall not use the term “board certified” in reference to that certification.

For purposes of this subparagraph, a “multidisciplinary board or association” means an educational certifying body that has a psychometrically valid testing process, as determined by the California Board of Podiatric Medicine, for certifying doctors of podiatric medicine that is based on the applicant’s education, training, and experience. For purposes of the term “board certified,” as used in this subparagraph, the terms “board” and “association” mean an organization that is a Council on Podiatric Medical Education approved board, an organization with equivalent requirements approved by the California Board of Podiatric Medicine, or an organization with a Council on Podiatric Medical Education approved postgraduate training program that provides training in podiatric medicine and podiatric surgery.

The California Board of Podiatric Medicine shall adopt regulations to establish and collect a reasonable fee from each board or association applying for recognition pursuant to this

1 subparagraph, to be deposited in the State Treasury in the Podiatry  
2 Fund, pursuant to Section 2499. The fee shall not exceed the cost  
3 of administering this subparagraph.

4 (6) A statement that the practitioner provides services under a  
5 specified private or public insurance plan or health care plan.

6 (7) A statement of names of schools and postgraduate clinical  
7 training programs from which the practitioner has graduated,  
8 together with the degrees received.

9 (8) A statement of publications authored by the practitioner.

10 (9) A statement of teaching positions currently or formerly held  
11 by the practitioner, together with pertinent dates.

12 (10) A statement of his or her affiliations with hospitals or  
13 clinics.

14 (11) A statement of the charges or fees for services or  
15 commodities offered by the practitioner.

16 (12) A statement that the practitioner regularly accepts  
17 installment payments of fees.

18 (13) Otherwise lawful images of a practitioner, his or her  
19 physical facilities, or of a commodity to be advertised.

20 (14) A statement of the manufacturer, designer, style, make,  
21 trade name, brand name, color, size, or type of commodities  
22 advertised.

23 (15) An advertisement of a registered dispensing optician may  
24 include statements in addition to those specified in paragraphs (1)  
25 to (14), inclusive, provided that any statement shall not violate  
26 subdivision (a), (b), (c), or (e) or any other section of this code.

27 (16) A statement, or statements, providing public health  
28 information encouraging preventative or corrective care.

29 (17) Any other item of factual information that is not false,  
30 fraudulent, misleading, or likely to deceive.

31 (i) (1) Advertising by the following licensees shall include the  
32 designations as follows:

33 (A) Advertising by a chiropractor licensed under Chapter 2  
34 (commencing with Section 1000) shall include the designation  
35 “DC” immediately following the chiropractor’s name.

36 (B) Advertising by a dentist licensed under Chapter 4  
37 (commencing with Section 1600) shall include the designation  
38 “DDS” or “DMD” immediately following the dentist’s name.

39 (C) Advertising by a physician and surgeon licensed under  
40 Chapter 5 (commencing with Section 2000) shall include the

1 designation “MD” immediately following the physician and  
2 surgeon’s name.

3 (D) Advertising by an osteopathic physician and surgeon  
4 certified under Article 21 (commencing with Section 2450) shall  
5 include the designation “DO” immediately following the  
6 osteopathic physician and surgeon’s name.

7 (E) Advertising by a podiatrist certified under Article 22  
8 (commencing with Section 2460) of Chapter 5 shall include the  
9 designation “DPM” immediately following the podiatrist’s name.

10 (F) Advertising by a registered nurse licensed under Chapter 6  
11 (commencing with Section 2700) shall include the designation  
12 “RN” immediately following the registered nurse’s name.

13 (G) Advertising by a licensed vocational nurse under Chapter  
14 6.5 (commencing with Section 2840) shall include the designation  
15 “LVN” immediately following the licensed vocational nurse’s  
16 name.

17 (H) Advertising by a psychologist licensed under Chapter 6.6  
18 (commencing with Section 2900) shall include the designation  
19 “Ph.D.” immediately following the psychologist’s name.

20 (I) Advertising by an optometrist licensed under Chapter 7  
21 (commencing with Section 3000) shall include the designation  
22 “OD” immediately following the optometrist’s name.

23 (J) Advertising by a physician assistant licensed under Chapter  
24 7.7 (commencing with Section 3500) shall include the designation  
25 “PA” immediately following the physician assistant’s name.

26 (K) Advertising by a naturopathic doctor licensed under Chapter  
27 8.2 (commencing with Section 3610) shall include the designation  
28 “ND” immediately following the naturopathic doctor’s name.

29 (2) For purposes of this subdivision, “advertisement” includes  
30 communication by means of mail, television, radio, motion picture,  
31 newspaper, book, directory, Internet, or other electronic  
32 communication.

33 (3) Advertisements do not include any of the following:

34 (A) A medical directory released by a health care service plan  
35 or a health insurer.

36 (B) A billing statement from a health care practitioner to a  
37 patient.

38 (C) An appointment reminder from a health care practitioner to  
39 a patient.

1 (4) This subdivision shall not apply until January 1, 2011, to  
2 any advertisement that is published annually and prior to July 1,  
3 2010.

4 (5) This subdivision shall not apply to any advertisement or  
5 business card disseminated by a health care service plan that is  
6 subject to the requirements of Section 1367.26 of the Health and  
7 Safety Code.

8 (j) Each of the healing arts boards and examining committees  
9 within Division 2 shall adopt appropriate regulations to enforce  
10 this section in accordance with Chapter 3.5 (commencing with  
11 Section 11340) of Part 1 of Division 3 of Title 2 of the Government  
12 Code.

13 Each of the healing arts boards and committees and examining  
14 committees within Division 2 shall, by regulation, define those  
15 efficacious services to be advertised by businesses or professions  
16 under their jurisdiction for the purpose of determining whether  
17 advertisements are false or misleading. Until a definition for that  
18 service has been issued, no advertisement for that service shall be  
19 disseminated. However, if a definition of a service has not been  
20 issued by a board or committee within 120 days of receipt of a  
21 request from a licensee, all those holding the license may advertise  
22 the service. Those boards and committees shall adopt or modify  
23 regulations defining what services may be advertised, the manner  
24 in which defined services may be advertised, and restricting  
25 advertising that would promote the inappropriate or excessive use  
26 of health services or commodities. A board or committee shall not,  
27 by regulation, unreasonably prevent truthful, nondeceptive price  
28 or otherwise lawful forms of advertising of services or  
29 commodities, by either outright prohibition or imposition of  
30 onerous disclosure requirements. However, any member of a board  
31 or committee acting in good faith in the adoption or enforcement  
32 of any regulation shall be deemed to be acting as an agent of the  
33 state.

34 (k) The Attorney General shall commence legal proceedings in  
35 the appropriate forum to enjoin advertisements disseminated or  
36 about to be disseminated in violation of this section and seek other  
37 appropriate relief to enforce this section. Notwithstanding any  
38 other provision of law, the costs of enforcing this section to the  
39 respective licensing boards or committees may be awarded against  
40 any licensee found to be in violation of any provision of this

1 section. This shall not diminish the power of district attorneys,  
2 county counsels, or city attorneys pursuant to existing law to seek  
3 appropriate relief.

4 (I) A physician and surgeon or doctor of podiatric medicine  
5 licensed pursuant to Chapter 5 (commencing with Section 2000)  
6 by the Medical Board of California who knowingly and  
7 intentionally violates this section may be cited and assessed an  
8 administrative fine not to exceed ten thousand dollars (\$10,000)  
9 per event. Section 125.9 shall govern the issuance of this citation  
10 and fine except that the fine limitations prescribed in paragraph  
11 (3) of subdivision (b) of Section 125.9 shall not apply to a fine  
12 under this subdivision.

13 SEC. 2. Section 2023.5 of the Business and Professions Code  
14 is amended to read:

15 2023.5. (a) The board, in conjunction with the Board of  
16 Registered Nursing, and in consultation with the Physician  
17 Assistant Committee and professionals in the field, shall review  
18 issues and problems surrounding the use of laser or intense light  
19 pulse devices for elective cosmetic procedures by physicians and  
20 surgeons, nurses, and physician assistants. The review shall include,  
21 but need not be limited to, all of the following:

- 22 (1) The appropriate level of physician supervision needed.
- 23 (2) The appropriate level of training to ensure competency.
- 24 (3) Guidelines for standardized procedures and protocols that  
25 address, at a minimum, all of the following:
  - 26 (A) Patient selection.
  - 27 (B) Patient education, instruction, and informed consent.
  - 28 (C) Use of topical agents.
  - 29 (D) Procedures to be followed in the event of complications or  
30 side effects from the treatment.

31 (E) Procedures governing emergency and urgent care situations.

32 (b) On or before January 1, 2009, the board and the Board of  
33 Registered Nursing shall promulgate regulations to implement  
34 changes determined to be necessary with regard to the use of laser  
35 or intense pulse light devices for elective cosmetic procedures by  
36 physicians and surgeons, nurses, and physician assistants.

37 (c) On or before January 1, 2011, the board shall adopt  
38 regulations regarding the appropriate level of physician availability  
39 needed within clinics or other settings using laser or intense pulse  
40 light devices for elective cosmetic procedures. However, these

1 regulations shall not apply to laser or intense pulse light devices  
2 approved by the federal Food and Drug Administration for  
3 over-the-counter use by a health care practitioner or by an  
4 unlicensed person on himself or herself.

5 SEC. 3. Section 2027.5 is added to the Business and Professions  
6 Code, to read:

7 2027.5. The board shall post on its Internet Web site an  
8 easy-to-understand factsheet to educate the public about cosmetic  
9 surgery and procedures, including their risks. Included with the  
10 factsheet shall be a comprehensive list of questions for patients to  
11 ask their physician and surgeon regarding cosmetic surgery.

12 SEC. 4. Section 1248 of the Health and Safety Code is amended  
13 to read:

14 1248. For purposes of this chapter, the following definitions  
15 shall apply:

16 (a) "Division" means the Medical Board of California. All  
17 references in this chapter to the division, the Division of Licensing  
18 of the Medical Board of California, or the Division of Medical  
19 Quality shall be deemed to refer to the Medical Board of California  
20 pursuant to Section 2002 of the Business and Professions Code.

21 (b) (1) "Outpatient setting" means any facility, clinic,  
22 unlicensed clinic, center, office, or other setting that is not part of  
23 a general acute care facility, as defined in Section 1250, and where  
24 anesthesia, except local anesthesia or peripheral nerve blocks, or  
25 both, is used in compliance with the community standard of  
26 practice, in doses that, when administered have the probability of  
27 placing a patient at risk for loss of the patient's life-preserving  
28 protective reflexes.

29 (2) "Outpatient setting" also means facilities that offer in vitro  
30 fertilization, as defined in subdivision (b) of Section 1374.55, ~~or~~  
31 ~~facilities that offer assisted reproduction technology treatments.~~

32 (3) "Outpatient setting" does not include, among other settings,  
33 any setting where anxiolytics and analgesics are administered,  
34 when done so in compliance with the community standard of  
35 practice, in doses that do not have the probability of placing the  
36 patient at risk for loss of the patient's life-preserving protective  
37 reflexes.

38 (c) "Accreditation agency" means a public or private  
39 organization that is approved to issue certificates of accreditation

1 to outpatient settings by the board pursuant to Sections 1248.15  
2 and 1248.4.

3 SEC. 5. Section 1248.15 of the Health and Safety Code is  
4 amended to read:

5 1248.15. (a) The board shall adopt standards for accreditation  
6 and, in approving accreditation agencies to perform accreditation  
7 of outpatient settings, shall ensure that the certification program  
8 shall, at a minimum, include standards for the following aspects  
9 of the settings' operations:

10 (1) Outpatient setting allied health staff shall be licensed or  
11 certified to the extent required by state or federal law.

12 (2) (A) Outpatient settings shall have a system for facility safety  
13 and emergency training requirements.

14 (B) There shall be onsite equipment, medication, and trained  
15 personnel to facilitate handling of services sought or provided and  
16 to facilitate handling of any medical emergency that may arise in  
17 connection with services sought or provided.

18 (C) In order for procedures to be performed in an outpatient  
19 setting as defined in Section 1248, the outpatient setting shall do  
20 one of the following:

21 (i) Have a written transfer agreement with a local accredited or  
22 licensed acute care hospital, approved by the facility's medical  
23 staff.

24 (ii) Permit surgery only by a licensee who has admitting  
25 privileges at a local accredited or licensed acute care hospital, with  
26 the exception that licensees who may be precluded from having  
27 admitting privileges by their professional classification or other  
28 administrative limitations, shall have a written transfer agreement  
29 with licensees who have admitting privileges at local accredited  
30 or licensed acute care hospitals.

31 (D) Submission for approval by an accrediting agency of a  
32 detailed procedural plan for handling medical emergencies that  
33 shall be reviewed at the time of accreditation. No reasonable plan  
34 shall be disapproved by the accrediting agency.

35 (E) Submission for approval by an accreditation agency at the  
36 time of accreditation of a detailed plan, standardized procedures,  
37 and protocols to be followed in the event of serious complications  
38 or side effects from surgery that would place a patient at high risk  
39 for injury or harm and to govern emergency and urgent care  
40 situations.

(F) All physicians and surgeons transferring patients from an outpatient setting shall agree to cooperate with the medical staff peer review process on the transferred case, the results of which shall be referred back to the outpatient setting, if deemed appropriate by the medical staff peer review committee. If the medical staff of the acute care facility determines that inappropriate care was delivered at the outpatient setting, the acute care facility's peer review outcome shall be reported, as appropriate, to the accrediting body, the Health Care Financing Administration, the State Department of Public Health, and the appropriate licensing authority.

(3) The outpatient setting shall permit surgery by a dentist acting within his or her scope of practice under Chapter 4 (commencing with Section 1600) of Division 2 of the Business and Professions Code or physician and surgeon, osteopathic physician and surgeon, or podiatrist acting within his or her scope of practice under Chapter 5 (commencing with Section 2000) of Division 2 of the Business and Professions Code or the Osteopathic Initiative Act. The outpatient setting may, in its discretion, permit anesthesia service by a certified registered nurse anesthetist acting within his or her scope of practice under Article 7 (commencing with Section 2825) of Chapter 6 of Division 2 of the Business and Professions Code.

(4) Outpatient settings shall have a system for maintaining clinical records.

(5) Outpatient settings shall have a system for patient care and monitoring procedures.

(6) (A) Outpatient settings shall have a system for quality assessment and improvement.

(B) Members of the medical staff and other practitioners who are granted clinical privileges shall be professionally qualified and appropriately credentialed for the performance of privileges granted. The outpatient setting shall grant privileges in accordance with recommendations from qualified health professionals, and credentialing standards established by the outpatient setting.

(C) Clinical privileges shall be periodically reappraised by the outpatient setting. The scope of procedures performed in the outpatient setting shall be periodically reviewed and amended as appropriate.



1 (7) Outpatient settings regulated by this chapter that have  
2 multiple service locations governed by the same standards may  
3 elect to have all service sites surveyed on any accreditation survey.  
4 Organizations that do not elect to have all sites surveyed shall have  
5 a sample, not to exceed 20 percent of all service sites, surveyed.  
6 The actual sample size shall be determined by the board. The  
7 accreditation agency shall determine the location of the sites to be  
8 surveyed. Outpatient settings that have five or fewer sites shall  
9 have at least one site surveyed. When an organization that elects  
10 to have a sample of sites surveyed is approved for accreditation,  
11 all of the organizations' sites shall be automatically accredited.

12 (8) Outpatient settings shall post the certificate of accreditation  
13 in a location readily visible to patients and staff.

14 (9) Outpatient settings shall post the name and telephone number  
15 of the accrediting agency with instructions on the submission of  
16 complaints in a location readily visible to patients and staff.

17 (10) Outpatient settings shall have a written discharge criteria.

18 (b) Outpatient settings shall have a minimum of two staff  
19 persons on the premises, one of whom shall either be a licensed  
20 physician and surgeon or a licensed health care professional with  
21 current certification in advanced cardiac life support (ACLS), as  
22 long as a patient is present who has not been discharged from  
23 supervised care. Transfer to an unlicensed setting of a patient who  
24 does not meet the discharge criteria adopted pursuant to paragraph  
25 (10) of subdivision (a) shall constitute unprofessional conduct.

26 (c) An accreditation agency may include additional standards  
27 in its determination to accredit outpatient settings if these are  
28 approved by the board to protect the public health and safety.

29 (d) No accreditation standard adopted or approved by the board,  
30 and no standard included in any certification program of any  
31 accreditation agency approved by the board, shall serve to limit  
32 the ability of any allied health care practitioner to provide services  
33 within his or her full scope of practice. Notwithstanding this or  
34 any other provision of law, each outpatient setting may limit the  
35 privileges, or determine the privileges, within the appropriate scope  
36 of practice, that will be afforded to physicians and allied health  
37 care practitioners who practice at the facility, in accordance with  
38 credentialing standards established by the outpatient setting in  
39 compliance with this chapter. Privileges may not be arbitrarily  
40 restricted based on category of licensure.

1 (e) The board may adopt standards *that it deems necessary* for  
2 outpatient settings that offer in vitro fertilization ~~or assisted~~  
3 ~~reproduction technology that it deems necessary.~~

4 SEC. 6. Section 1248.2 of the Health and Safety Code is  
5 amended to read:

6 1248.2. (a) Any outpatient setting may apply to an  
7 accreditation agency for a certificate of accreditation. Accreditation  
8 shall be issued by the accreditation agency solely on the basis of  
9 compliance with its standards as approved by the board under this  
10 chapter.

11 (b) The board shall obtain and maintain a list of all accredited,  
12 certified, and licensed outpatient settings from the information  
13 provided by the accreditation, certification, and licensing agencies  
14 approved by the board, and shall notify the public whether a setting  
15 is accredited, certified, or licensed, or the setting's accreditation,  
16 certification, or license has been revoked, suspended, or placed on  
17 probation, or the setting has received a reprimand by the  
18 accreditation agency.

19 SEC. 7. Section 1248.25 of the Health and Safety Code is  
20 amended to read:

21 1248.25. If an outpatient setting does not meet the standards  
22 approved by the board, accreditation shall be denied by the  
23 accreditation agency, which shall provide the outpatient setting  
24 notification of the reasons for the denial. An outpatient setting may  
25 reapply for accreditation at any time after receiving notification  
26 of the denial. The accreditation agency shall immediately report  
27 to the board if the outpatient setting's certificate for accreditation  
28 has been denied.

29 SEC. 8. Section 1248.35 of the Health and Safety Code is  
30 amended to read:

31 1248.35. (a) Every outpatient setting which is accredited shall  
32 be inspected by the accreditation agency and may also be inspected  
33 by the Medical Board of California. The Medical Board of  
34 California shall ensure that accreditation agencies inspect outpatient  
35 settings.

36 (b) Unless otherwise specified, the following requirements apply  
37 to inspections described in subdivision (a).

38 (1) The frequency of inspection shall depend upon the type and  
39 complexity of the outpatient setting to be inspected.

1 (2) Inspections shall be conducted no less often than once every  
2 three years by the accreditation agency and as often as necessary  
3 by the Medical Board of California to ensure the quality of care  
4 provided.

5 (3) The Medical Board of California or the accreditation agency  
6 may enter and inspect any outpatient setting that is accredited by  
7 an accreditation agency at any reasonable time to ensure  
8 compliance with, or investigate an alleged violation of, any  
9 standard of the accreditation agency or any provision of this  
10 chapter.

11 (c) If an accreditation agency determines, as a result of its  
12 inspection, that an outpatient setting is not in compliance with the  
13 standards under which it was approved, the accreditation agency  
14 may do any of the following:

15 (1) Issue a reprimand.

16 (2) Place the outpatient setting on probation, during which time  
17 the setting shall successfully institute and complete a plan of  
18 correction, approved by the board or the accreditation agency, to  
19 correct the deficiencies.

20 (3) Suspend or revoke the outpatient setting's certification of  
21 accreditation.

22 (d) Except as is otherwise provided in this subdivision, before  
23 suspending or revoking a certificate of accreditation under this  
24 chapter, the accreditation agency shall provide the outpatient setting  
25 with notice of any deficiencies and the outpatient setting shall  
26 agree with the accreditation agency on a plan of correction that  
27 shall give the outpatient setting reasonable time to supply  
28 information demonstrating compliance with the standards of the  
29 accreditation agency in compliance with this chapter, as well as  
30 the opportunity for a hearing on the matter upon the request of the  
31 outpatient center. During that allotted time, a list of deficiencies  
32 and the plan of correction shall be conspicuously posted in a clinic  
33 location accessible to public view. The accreditation agency may  
34 immediately suspend the certificate of accreditation before  
35 providing notice and an opportunity to be heard, but only when  
36 failure to take the action may result in imminent danger to the  
37 health of an individual. In such cases, the accreditation agency  
38 shall provide subsequent notice and an opportunity to be heard.

39 (e) If the board determines that deficiencies found during an  
40 inspection suggests that the accreditation agency does not comply

1 with the standards approved by the board, the board may conduct  
2 inspections, as described in this section, of other settings accredited  
3 by the accreditation agency to determine if the agency is accrediting  
4 settings in accordance with Section 1248.15.

5 (f) Reports on the results of any inspection conducted pursuant  
6 to subdivision (a) shall be kept on file with the board or the  
7 accreditation agency along with the plan of correction and the  
8 outpatient setting comments. The inspection report may include a  
9 recommendation for reinspection. All inspection reports, lists of  
10 deficiencies, and plans of correction shall be public records open  
11 to public inspection.

12 (g) The accreditation agency shall immediately report to the  
13 board if the outpatient setting has been issued a reprimand or if  
14 the outpatient setting's certification of accreditation has been  
15 suspended or revoked or if the outpatient setting has been placed  
16 on probation.

17 SEC. 9. Section 1248.5 of the Health and Safety Code is  
18 amended to read:

19 1248.5. The board shall evaluate the performance of an  
20 approved accreditation agency no less than every three years, or  
21 in response to complaints against an agency, or complaints against  
22 one or more outpatient settings accreditation by an agency that  
23 indicates noncompliance by the agency with the standards approved  
24 by the board.

25 SEC. 10. Section 1279 of the Health and Safety Code is  
26 amended to read:

27 1279. (a) Every health facility for which a license or special  
28 permit has been issued shall be periodically inspected by the  
29 department, or by another governmental entity under contract with  
30 the department. The frequency of inspections shall vary, depending  
31 upon the type and complexity of the health facility or special  
32 service to be inspected, unless otherwise specified by state or  
33 federal law or regulation. The inspection shall include participation  
34 by the California Medical Association consistent with the manner  
35 in which it participated in inspections, as provided in Section 1282  
36 prior to September 15, 1992.

37 (b) Except as provided in subdivision (c), inspections shall be  
38 conducted no less than once every two years and as often as  
39 necessary to ensure the quality of care being provided.

1 (c) For a health facility specified in subdivision (a), (b), or (f)  
2 of Section 1250, inspections shall be conducted no less than once  
3 every three years, and as often as necessary to ensure the quality  
4 of care being provided.

5 (d) During the inspection, the representative or representatives  
6 shall offer such advice and assistance to the health facility as they  
7 deem appropriate.

8 (e) For acute care hospitals of 100 beds or more, the inspection  
9 team shall include at least a physician, registered nurse, and persons  
10 experienced in hospital administration and sanitary inspections.  
11 During the inspection, the team shall offer advice and assistance  
12 to the hospital as it deems appropriate.

13 (f) The department shall ensure that a periodic inspection  
14 conducted pursuant to this section is not announced in advance of  
15 the date of inspection. An inspection may be conducted jointly  
16 with inspections by entities specified in Section 1282. However,  
17 if the department conducts an inspection jointly with an entity  
18 specified in Section 1282 that provides notice in advance of the  
19 periodic inspection, the department shall conduct an additional  
20 periodic inspection that is not announced or noticed to the health  
21 facility.

22 (g) Notwithstanding any other provision of law, the department  
23 shall inspect for compliance with provisions of state law and  
24 regulations during a state periodic inspection or at the same time  
25 as a federal periodic inspection, including, but not limited to, an  
26 inspection required under this section. If the department inspects  
27 for compliance with state law and regulations at the same time as  
28 a federal periodic inspection, the inspection shall be done consistent  
29 with the guidance of the federal Centers for Medicare and Medicaid  
30 Services for the federal portion of the inspection.

31 (h) During a state periodic inspection of an acute care hospital,  
32 including, but not limited to, an inspection required under this  
33 section, the department shall inspect the peer review process  
34 utilized by the hospital.

35 (i) The department shall emphasize consistency across the state  
36 and in its district offices when conducting licensing and  
37 certification surveys and complaint investigations, including the  
38 selection of state or federal enforcement remedies in accordance  
39 with Section 1423. The department may issue federal deficiencies

1 and recommend federal enforcement actions in those circumstances  
2 where they provide more rigorous enforcement action.  
3 SEC. 11. No reimbursement is required by this act pursuant to  
4 Section 6 of Article XIII B of the California Constitution because  
5 the only costs that may be incurred by a local agency or school  
6 district will be incurred because this act creates a new crime or  
7 infraction, eliminates a crime or infraction, or changes the penalty  
8 for a crime or infraction, within the meaning of Section 17556 of  
9 the Government Code, or changes the definition of a crime within  
10 the meaning of Section 6 of Article XIII B of the California  
11 Constitution.