

Assembly Bill No. 1574

Passed the Assembly August 18, 2008

Chief Clerk of the Assembly

Passed the Senate August 12, 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 amend Section 4190 of the Business and Professions Code, relating to clinics.

LEGISLATIVE COUNSEL'S DIGEST

AB 1574, Plescia. Surgical clinics: licensure.

Existing law, with certain exceptions, provides for the licensure and regulation of clinics, including specialty clinics, by the State Department of Public Health. Existing law defines a specialty clinic to include a surgical clinic that is not part of a hospital and that provides ambulatory surgical care for patients who remain less than 24 hours. The Pharmacy Law, the knowing violation of which is a misdemeanor, provides that a surgical clinic may not operate and is not entitled to the benefits of specified provisions of the Pharmacy Law without a license issued by the California State Board of Pharmacy. Existing law authorizes the board to inspect a clinic at any time.

This bill would, instead, provide that a surgical clinic licensed by the State Department of Public Health, an accredited outpatient setting, or an ambulatory surgical center certified to participate in the Medicare Program, as specified, is not entitled to the above-described benefits without a license issued by the board. It would also specify board inspection requirements and would require self-assessments by any clinic licensed by the board. Because this bill would impose new requirements under the Pharmacy Law, the knowing violation of which would be a misdemeanor, it 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. This act shall be known, and may be cited, as the California Outpatient Pharmacy Patient Safety and Improvement Act.

SEC. 2. Section 4190 of the Business and Professions Code is amended to read:

4190. (a) For the purposes of this section, “clinic” means a surgical clinic licensed pursuant to paragraph (1) of subdivision (b) of Section 1204 of the Health and Safety Code, an outpatient setting accredited by an accreditation agency, as defined in Section 1248 of the Health and Safety Code, or an ambulatory surgical center certified to participate in the Medicare Program under Title XVIII of the federal Social Security Act (42 U.S.C. Sec. 1395 et seq.).

(b) Notwithstanding any other provision of this chapter, a clinic may purchase drugs at wholesale for administration or dispensing, under the direction of a physician and surgeon, to patients registered for care at the clinic, as provided in subdivision (c). The clinic shall keep records of the kind and amounts of drugs purchased, administered, and dispensed, and the records shall be available and maintained for a minimum of three years for inspection by all properly authorized personnel.

(c) The drug distribution service of a clinic shall be limited to the use of drugs for administration to the patients of the clinic, and to the dispensing of drugs for the control of pain and nausea for patients of the clinic. Drugs shall not be dispensed in an amount greater than that required to meet the patient’s needs for 72 hours. Drugs for administration shall be those drugs directly applied, whether by injection, inhalation, ingestion, or any other means, to the body of a patient for his or her immediate needs.

(d) No clinic shall be entitled to the benefits of this section until it has obtained a clinic license from the board. A separate license shall be required for each clinic location. A clinic shall notify the board of any change in the clinic’s address on a form furnished by the board.

(e) Any proposed change in ownership or beneficial interest in the licensee shall be reported to the board, on a form to be furnished by the board, at least 30 days prior to the execution of any agreement to purchase, sell, exchange, gift or otherwise transfer

any ownership or beneficial interest or prior to any transfer of ownership or beneficial interest, whichever occurs earlier.

(f) (1) The board shall inspect an outpatient setting or ambulatory surgical center within 120 days of the issuance of a clinic license pursuant to this article, and at least annually thereafter.

(2) The board may inspect a surgical clinic within 120 days of the issuance of a clinic license pursuant to this article, and may inspect the surgical clinic annually thereafter.

(3) Every clinic licensed pursuant to this article shall complete a self-assessment within 30 days of licensure and at least 30 days before each license renewal pursuant to this article. The completed self-assessment form shall be retained at the licensed premises for a period of three years.

SEC. 3. 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