

An act to amend Sections 1212, 1214, 1214.1, 1266, 1266.5, 1728.1, and 1749 of the Health and Safety Code, relating to health facilities.

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THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 1212 of the Health and Safety Code is amended to read:

1212. (a) Any person, firm, association, partnership, or corporation desiring a license for a clinic or a special permit for special services under the provisions of this chapter, shall file with the department a verified application on forms prescribed and furnished by the department, containing the following:

(1) Evidence satisfactory to the department that the applicant is of reputable and responsible character. If the applicant is a firm, association, partnership, trust, corporation, or other artificial or legal entity, like evidence shall be submitted as to the members, partners, trustees or shareholders, directors, and officers thereof and as to the person who is to be the administrator of, and exercise control, management, and direction of the clinic for which application is made.

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

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

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

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

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

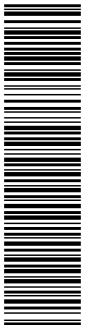
(7) The class of clinic to be operated, the character and scope of advice and treatment to be provided, and a complete description of the building, its location, facilities, equipment, apparatus, and appliances to be furnished and used in the operation of the clinic.

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

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

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

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



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

(10) The information required pursuant to this section shall be provided to the Licensing and Certification Program upon initial application for licensure. Unless otherwise specified, any change in the information that requires the licensee to submit a report of change or written notification to the Licensing and Certification Program shall be provided within 10 business days of the change along with any applicable fee according to subdivision (b) of Section 1266.

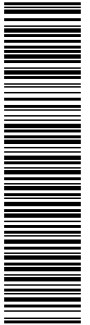
(b) (1) No application is required if a licensed primary care clinic adds a service that is not a special service, as defined in Section 1203, or any regulation adopted under that section, or remodels or modifies, or adds an additional physical plant maintained and operated on separate premises to, an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

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

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

(d) (1) The department, upon written notification by a primary care clinic or an affiliate clinic of its intent to add an additional physical plant maintained and operated on separate premises, as described in paragraph (1) of subdivision (b) and upon payment of a licensing fee for each additional physical plant added, shall review the information provided in the notification, and if the information submitted is in compliance with the requirements specified in this subdivision, the department shall approve the additional physical plant within 30 days of all information being submitted and shall amend the primary care clinic or affiliate clinic's license to include the additional physical plant as part of a single consolidated license. If the notification does not include the information required by this subdivision, the department shall notify the licensee of the need for additional information and shall not amend the license to add the additional physical plant until the additional information is received and reviewed by the department.

(2) Written notification shall include evidence that the primary care clinic or affiliate clinic is licensed in good standing and otherwise meets the criteria specified



in this subdivision. In issuing the single consolidated license, the department shall specify the location of each physical plant.

(3) The written notification shall demonstrate compliance with all of the following criteria:

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

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

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

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

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

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

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

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

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

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

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

SEC. 2. Section 1214 of the Health and Safety Code is amended to read:

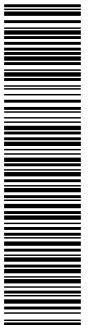
1214. Each application under this chapter for an initial license, renewal license, license upon change of ownership, or special permit shall be accompanied by a Licensing and Certification Program fee, as follows:

(a) For all primary care clinics licensed pursuant to this chapter, the ~~annual~~ fee shall be set in accordance with Section 1266.

(b) For all specialty clinics licensed pursuant to this chapter, the ~~annual~~ fee shall be set in accordance with Section 1266.

(c) For all rehabilitation clinics, the ~~annual~~ fee shall be set in accordance with Section 1266.

SEC. 3. Section 1214.1 of the Health and Safety Code is amended to read:



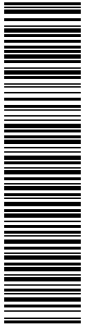
1214.1. Notwithstanding the provisions of Section 1214, each application for a surgical clinic or a chronic dialysis clinic under this chapter for an initial license, renewal license, license upon change of ownership, or special permit shall be accompanied by ~~an annual~~ a Licensing and Certification Program fee set in accordance with Section 1266.

SEC. 4. Section 1266 of the Health and Safety Code is amended to read:

1266. (a) The Licensing and Certification ~~Division~~ Program shall be supported entirely by federal funds and special funds by no earlier than the beginning of the 2009–10 fiscal year unless otherwise specified in statute, or unless funds are specifically appropriated from the General Fund in the annual Budget Act or other enacted legislation. ~~For the 2007–08 fiscal year, General Fund support shall be provided to offset licensing and certification fees in an amount of not less than two million seven hundred eighty-two thousand dollars (\$2,782,000).~~

(b) (1) The Licensing and Certification Program fees for the 2006–07 fiscal year shall be as follows:

| Type of Facility | Fee | |
|--|------------|--------------|
| General Acute Care Hospitals | \$—134.10 | per bed |
| Acute Psychiatric Hospitals | \$—134.10 | per bed |
| Special Hospitals | \$—134.10 | per bed |
| Chemical Dependency Recovery Hospitals | \$—123.52 | per bed |
| Skilled Nursing Facilities | \$—202.96 | per bed |
| Intermediate Care Facilities | \$—202.96 | per bed |
| Intermediate Care Facilities—Developmentally Disabled | \$—592.29 | per bed |
| Intermediate Care Facilities—Developmentally Disabled—Habilitative | \$1,000.00 | per facility |
| Intermediate Care Facilities—Developmentally Disabled—Nursing | \$1,000.00 | per facility |
| Home Health Agencies | \$2,700.00 | per facility |
| Referral Agencies | \$5,537.71 | per facility |
| Adult Day Health Centers | \$4,650.02 | per facility |
| Congregate Living Health Facilities | \$—202.96 | per bed |
| Psychology Clinics | \$—600.00 | per facility |
| Primary Clinics—Community and Free | \$—600.00 | per facility |
| Specialty Clinics—Rehab Clinics | | |
| —(For profit) | \$2,974.43 | per facility |
| —(Nonprofit) | \$—500.00 | per facility |
| Specialty Clinics—Surgical and Chronic | \$1,500.00 | per facility |
| Dialysis Clinics | \$1,500.00 | per facility |
| Pediatric Day Health/Respite Care | \$—142.43 | per bed |
| Alternative Birthing Centers | \$2,437.86 | per facility |
| Hospice | \$1,000.00 | per provider |
| Correctional Treatment Centers | \$—590.39 | per bed |



(2)(A) ~~In the first year of licensure for intermediate care facility/developmentally disabled-continuous nursing (ICF/DD-CN) facilities, the licensure fee for those facilities shall be equivalent to the licensure fee for intermediate care facility/developmentally disabled-nursing facilities during the same year. Thereafter, the licensure fee for ICF/DD-CN facilities shall be established pursuant to the same procedures described in this section.~~

(B) ~~In the first year of licensure for hospice facilities, the licensure fee shall be equivalent to the licensure fee for congregate living health facilities during the same year. Thereafter, the licensure fee for hospice facilities shall be established pursuant to the same procedures described in this section.~~

(c) ~~Commencing in the 2015-16 fiscal year, the fees for skilled nursing facilities shall be increased so as to generate four hundred thousand dollars (\$400,000) for the California Department of Aging's Long-Term Care Ombudsman Program for its work related to investigating complaints made against skilled nursing facilities and increasing visits to those facilities.~~

(d)

(b) Commencing February 1, 2007, and every February 1 thereafter, the department Licensing and Certification Program shall publish a list of estimated fees program fees, including, but not limited to, annual licensing, report of change application, and written notification fees pursuant to this section. The calculation of estimated fees and the publication of the report and list of estimated fees shall not be subject to the rulemaking requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(e)

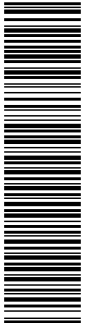
(c) Notwithstanding Section 10231.5 of the Government Code, by February 1 of each year, the department shall prepare the following reports and shall make those reports, and the list of estimated fees required to be published pursuant to subdivision (d), (b), available to the public by submitting them to the Legislature and posting them on the department's ~~Internet Web site:~~ internet website:

(1) A report of all costs for activities of the Licensing and Certification Program. At a minimum, this report shall include a narrative of all baseline adjustments and their calculations, a description of how each category of facility was calculated, descriptions of assumptions used in any calculations, and shall recommend Licensing and Certification Program fees in accordance with the following:

(A) Projected workload and costs shall be grouped for each fee category, including workload costs for facility categories that have been established by statute and for which licensing regulations and procedures are under development.

(B) Cost estimates, and the estimated fees, shall be based on the appropriation amounts in the Governor's proposed budget for the next fiscal year, with and without policy adjustments to the fee methodology.

(C) The allocation of program, operational, and administrative overhead, and indirect costs to fee categories shall be based on generally accepted cost allocation methods. Significant items of costs shall be directly charged to fee categories if the expenses can be reasonably identified to the fee category that caused them. Indirect and overhead costs shall be allocated to all fee categories using a generally accepted cost allocation method.



(D) The amount of federal funds and General Fund moneys to be received in the budget year shall be estimated and allocated to each fee category based upon an appropriate metric.

(E) The fee for each category shall be determined by dividing the aggregate state share of all costs for the Licensing and Certification Program by the appropriate metric for the category of licensure. Amounts ~~actually~~ received for new licensure applications, including change of ownership applications, and late payment penalties, pursuant to Section 1266.5, during each fiscal year shall be calculated and 95 percent shall be applied to the appropriate fee categories in determining Licensing and Certification Program fees for the second fiscal year following receipt of those funds. The remaining 5 percent shall be retained in the fund as a reserve until appropriated.

(2) (A) A staffing and systems analysis to ensure efficient and effective utilization of fees collected, proper allocation of departmental resources to licensing and certification activities, survey schedules, complaint investigations, enforcement and appeal activities, data collection and dissemination, surveyor training, and policy development.

(B) The analysis under this paragraph shall be made available to interested persons and shall include all of the following:

(i) The number of surveyors and administrative support personnel devoted to the licensing and certification of health care facilities.

(ii) The percentage of time devoted to licensing and certification activities for the various types of health facilities.

(iii) The number of facilities receiving full surveys and the frequency and number of followup visits.

(iv) The number and timeliness of complaint investigations, including data on the department's compliance with the requirements of paragraphs (3), (4), and (5) of subdivision (a) of Section 1420.

(v) Data on deficiencies and citations issued, and numbers of ~~citation review conferences and arbitration hearings.~~

(vi) Other applicable activities of the ~~licensing and certification division.~~
Licensing and Certification Program.

(3) The annual program fee report described in subdivision (d) of Section 1416.36.

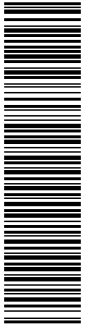
~~(f)~~

~~(d)~~ The reports required pursuant to subdivision ~~(e)~~ (c) shall be submitted in compliance with Section 9795 of the Government Code.

(e) Commencing in the 2015–16 fiscal year, the fees for skilled nursing facilities shall be increased so as to generate four hundred thousand dollars (\$400,000) for the California Department of Aging's Long-Term Care Ombudsman Program for its work related to investigating complaints made against skilled nursing facilities and increasing visits to those facilities.

~~(g)~~

(f) Commencing in the 2018–19 fiscal year, the department Licensing and Certification Program may assess a supplemental ~~license program~~ fee on facilities located in the County of Los Angeles for all facility types set forth in this section. This supplemental ~~license program~~ fee shall be in addition to the ~~license program~~ fees set forth in the estimated program fee list described in subdivision ~~(d)~~ (b). The department Licensing and Certification Program shall calculate the supplemental ~~license program~~



fee based upon the difference between the estimated costs of regulating facility types licensed in the County of Los Angeles, including, but not limited to, the costs associated with the ~~department's~~ Licensing and Certification Program's contract for licensing and certification activities with the County of Los Angeles and the costs of the ~~department~~ Licensing and Certification Program conducting the licensing and certification activities for facilities located in the County of Los Angeles. The supplemental ~~license~~ program fees shall be used to cover the costs to administer and enforce state licensure standards and other federal compliance activities for facilities located in the County of Los Angeles, as described in the annual report. The supplemental ~~license~~ program fee shall be based upon the fee methodology published in the annual report described in subdivision ~~(d)~~ (b).

~~(h)~~

(g) (1) The ~~department~~ Licensing and Certification Program shall adjust the list of estimated fees published pursuant to subdivision ~~(d)~~ (b) if the annual Budget Act or other enacted legislation includes an appropriation that differs from those proposed in the Governor's proposed budget for that fiscal year.

(2) The ~~department~~ Licensing and Certification Program shall publish a final fee list, with an explanation of any adjustment, by the issuance of an all facilities letter, by posting the list on the department's ~~Internet Web site~~, internet website, and by including the final fee list as part of the licensing application package, within 14 days of the enactment of the annual Budget Act. The adjustment of fees and the publication of the final fee list shall not be subject to the rulemaking requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

~~(i)~~ (1)

(h) Fees shall not be assessed or collected pursuant to this section from any state department, authority, bureau, commission, or officer, unless federal financial participation would become available by doing so and an appropriation is included in the annual Budget Act for that state department, authority, bureau, commission, or officer for this purpose. Fees shall not be assessed or collected pursuant to this section from any clinic that is certified only by the federal government and is exempt from licensure under Section 1206, unless federal financial participation would become available by doing so.

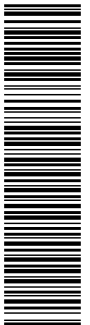
~~(2) For the 2006–07 state fiscal year, a fee shall not be assessed or collected pursuant to this section from any general acute care hospital owned by a health care district with 100 beds or less.~~

~~(j)~~

(i) The Licensing and Certification Program may change annual license expiration renewal dates to provide for efficiencies in operational processes or to provide for sufficient cashflow to pay for expenditures. If an annual license expiration date is changed, the renewal annual license fee shall be prorated accordingly. Facilities shall be provided with a 60-day notice of any change in their annual license renewal date. If a licensee voluntarily surrenders its license they shall not be entitled to a refund for the remainder of the license period.

~~(k)~~

(j) Commencing with the 2018–19 November Program estimate, the Licensing and Certification Program shall evaluate the feasibility of reducing investigation



timelines based on experience with implementing paragraphs (3), (4), and (5) of subdivision (a) of Section 1420.

SEC. 5. Section 1266.5 of the Health and Safety Code is amended to read:

1266.5. (a) Whenever any entity required to pay fees pursuant to Section 1266 continues to operate beyond its license expiration date, without the Licensing and Certification Program ~~renewal~~ annual license fees first having been paid as required by this division, those fees are delinquent.

(b) A late payment penalty shall be added to any delinquent ~~fees due with an application for license renewal~~ annual license fees made later than midnight of the license expiration date. The late payment penalty shall be computed as follows:

(1) For a delinquency period of 30 days or less, the penalty shall be 10 percent of the fee.

(2) For a delinquency period of more than 30 days to and including 60 days, the penalty shall be 20 percent of the fee.

(3) For a delinquency period of more than 60 days, the penalty shall be 60 percent of the fee.

~~(c) The department may, upon written notification to the licensee, offset any moneys owed to the licensee by the Medi-Cal program or any other payment program administered by the department, to recoup the license renewal fee and any associated late payment penalties.~~

~~(d) No license may~~

~~(c) A license may not be renewed without payment of the Licensing and Certification Program annual license fee plus any late payment penalty.~~

~~(d) Whenever any entity required to pay a report of change or written notification fee pursuant to Section 1266 fails to both submit a timely report of change or written notification and pay the applicable fee, those fees are delinquent.~~

~~(e) A late payment penalty shall be added to any delinquent fees due with a report of change or written notification made later than midnight of the required submission date. The late payment penalty shall be computed as follows:~~

~~(1) For a delinquency period of 30 days or less, the penalty shall be 10 percent of the fee.~~

~~(2) For a delinquency period of more than 30 days to and including 60 days, the penalty shall be 20 percent of the fee.~~

~~(3) For a delinquency period of more than 60 days, the penalty shall be 60 percent of the fee.~~

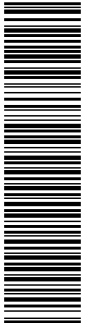
~~(f) The Licensing and Certification Program may, upon written notification to the licensee, offset any moneys owed to the licensee by the Medi-Cal program or any other payment program administered by the department to recoup any annual license, report of change, or written notification fee along with any associated late payment penalties.~~

SEC. 6. Section 1728.1 of the Health and Safety Code is amended to read:

1728.1. (a) To qualify for a home health agency license, the following requirements shall be met:

(1) Every applicant shall satisfy the following conditions:

(A) Be of good moral character. If the applicant is a firm, association, organization, partnership, business trust, corporation, or company, all principal managing members thereof, and the person in charge of the agency for which application



for license is made, shall satisfy this requirement. If the applicant is a political subdivision of the state or other governmental agency, the person in charge of the agency for which application for license is made, shall satisfy this requirement.

(B) Possess and demonstrate the ability to comply with this chapter and the rules and regulations adopted under this chapter by the state department.

(C) File ~~his or her~~ their application pursuant to and in full compliance with this chapter.

(2) (A) The following persons shall submit to the State Department of Public Health an application and shall submit electronic fingerprint images to the Department of Justice for the furnishing of the person's criminal record to the state department, at the person's expense as provided in subdivision (b), for the purpose of a criminal record review:

(i) The owner or owners of a private agency if the owners are individuals.

(ii) If the owner of a private agency is a corporation, partnership, or association, any person having a 10 percent or greater interest in that corporation, partnership, or association.

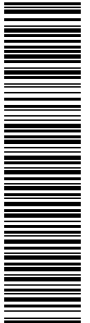
(iii) The administrator of a home health agency.

(B) When the conditions set forth in paragraph (3) of subdivision (a) of Section 1265.5, subparagraph (A) of paragraph (1) of subdivision (a) of Section 1338.5, and paragraph (1) of subdivision (a) of Section 1736.6 are met, the licensing and certification program shall issue an All Facilities Letter (AFL) informing facility licensees. After the AFL is issued, facilities must not allow newly hired administrators, program directors, and fiscal officers to have direct contact with clients or residents of the facility prior to completion of the criminal record clearance. A criminal record clearance shall be complete when the department has obtained the person's criminal offender record information search response from the Department of Justice and has determined that the person is not disqualified from engaging in the activity for which clearance is required.

(3) The information required pursuant to this section shall be provided to the Licensing and Certification Program upon initial application for licensure. Unless otherwise specified, any change in the information that requires the licensee to submit a report of change or written notification to the Licensing and Certification Program shall be provided within 10 business days of the change along with any applicable fee according to subdivision (b) of Section 1266.

(b) The persons specified in paragraph (2) of subdivision (a) shall be responsible for any costs associated with transmitting the electronic fingerprint images. The fee to cover the processing costs of the Department of Justice, not including the costs associated with capturing or transmitting the fingerprint images and related information, shall not exceed thirty-two dollars (\$32) per submission.

(c) If the criminal record review conducted pursuant to paragraph (2) of subdivision (a) discloses a conviction for a felony or any crime that evidences an unfitness to provide home health services, the application for a license shall be denied or the person shall be prohibited from providing service in the home health agency applying for a license. This subdivision shall not apply to deny a license or prohibit the provision of service if the person presents evidence satisfactory to the state department that the person has been rehabilitated and presently is of such good character



as to justify the issuance of the license or the provision of service in the home health agency.

(d) An applicant and any other person specified in this section, as part of the background clearance process, shall provide information as to whether or not the person has any prior criminal convictions, has had any arrests within the past 12-month period, or has any active arrests, and shall certify that, to the best of ~~his or her~~ their knowledge, the information provided is true. This requirement is not intended to duplicate existing requirements for individuals who are required to submit fingerprint images as part of a criminal background clearance process. Every applicant shall provide information on any prior administrative action taken against ~~him or her~~ them by any federal, state, or local government agency and shall certify that, to the best of ~~his or her~~ their knowledge, the information provided is true. An applicant or other person required to provide information pursuant to this section that knowingly or willfully makes false statements, representations, or omissions may be subject to administrative action, including, but not limited to, denial of ~~his or her~~ their application or exemption or revocation of any exemption previously granted.

SEC. 7. Section 1749 of the Health and Safety Code is amended to read:

1749. (a) To qualify for a license under this chapter, an applicant shall satisfy all of the following:

(1) Be of good moral character. If the applicant is a franchise, franchisee, firm, association, organization, partnership, business trust, corporation, company, political subdivision of the state, or governmental agency, the person in charge of the hospice for which the application for a license is made shall be of good moral character.

(2) Demonstrate the ability of the applicant to comply with this chapter and any rules and regulations promulgated under this chapter by the department.

(3) File a completed application with the department that was prescribed and furnished pursuant to Section 1748.

(4) The information required pursuant to this section shall be provided to the Licensing and Certification Program upon initial application for licensure. Unless otherwise specified, any change in the information that requires the licensee to submit a report of change or written notification to the Licensing and Certification Program shall be provided within 10 business days of the change along with any applicable fee according to subdivision (b) of Section 1266.

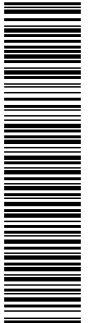
(b) (1) A hospice agency shall have an administrator, administrator designee, director of patient care services, director of patient care services designee, and medical director or contracted medical director, and shall submit to the department all of the following information for each individual on an initial application:

(A) An HS 215A form or its successor form.

(B) A résumé.

(C) A list of all hospice agencies the individual is currently serving as an administrator, administrator designee, director of patient care services, director of patient care services designee, or medical director or contracted medical director.

(2) In addition to the information required pursuant to paragraph (1), a hospice agency shall submit to the department information on whether its medical director, or contracted medical director, is certified as a hospice medical director according to the requirements established by the Hospice Medical Director Certification Board, or certified in hospice and palliative medicine according to the requirements established



by a member board of the American Board of Medical Specialties, or by the American Osteopathic Association, or an equivalent organization as determined by the department.

(3) A hospice agency shall notify the department of any change in the administrator, administrator designee, director of patient care services, director of patient care services designee, or medical director or contracted medical director by submitting the information described in paragraphs (1) and (2) within 10 business days of the change.

(4) All hospice agencies shall report to the department the name of the agency's administrator, administrator designee, director of patient care services, director of patient care services designee, and medical director or contracted medical director by submitting the information required by paragraphs (1) and (2), no later than March 31, 2023.

(c) (1) The department shall verify the status of professional licensure for hospice agency management personnel.

(2) The department may also verify the following:

(A) Association of hospice agency management personnel listed on the licensing application with the hospice agency.

(B) Work history of hospice agency management personnel.

(3) For purposes of this subdivision, verification may include contacting the hospice agency personnel or previous employers by telephone.

(d) In order for a person, political subdivision of the state, or other governmental agency to be licensed as a hospice agency, it shall satisfy the definition of a hospice contained in Section 1746, and also provide, or make provision for, the following basic services:

(1) Skilled nursing services.

(2) Social services/counseling services.

(3) Medical direction.

(4) Bereavement services.

(5) Volunteer services.

(6) Inpatient care arrangements.

(7) Home health aide services.

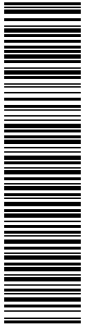
(e) The services required to be provided pursuant to subdivision (d) shall be provided in compliance with the "Standards for Quality Hospice Care, 2003," as available from the California Hospice and Palliative Care Association, until the department adopts regulations establishing alternative standards pursuant to subdivision (h).

(f) (1) Except as provided in paragraph (2), the applicant shall demonstrate and provide evidence of an unmet need of hospice services in the geographic area that a hospice agency would serve.

(2) An applicant for a hospice agency change of ownership need not comply with paragraph (1) for the previously approved service area if the license has been continually held by the previous licensee for five years and one of the following conditions are met:

(A) The hospice agency has previously qualified for licensure after demonstrating and providing evidence of unmet need of hospice services in the hospice agency's geographic area.

(B) The hospice agency can demonstrate it is meeting a need for hospice services.



(3) If the hospice agency's approved geographic service area will change upon the change in ownership, the new applicant for licensure shall demonstrate unmet need for hospice services for any new service area.

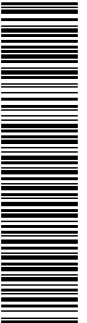
(g) (1) Notwithstanding any law to the contrary, to meet the unique needs of the community, licensed hospice agencies may provide, in addition to hospice services authorized in this chapter, any of the following preliminary services for any person in need of those services, as determined by the physician and surgeon, if any, in charge of the care of a patient, or at the request of the patient or family:

- (A) Preliminary palliative care consultations.
- (B) Preliminary counseling and care planning.
- (C) Preliminary grief and bereavement services.

(2) Preliminary services authorized pursuant to this subdivision may be provided concurrently with curative treatment to a person who does not have a terminal prognosis or who has not elected to receive hospice services only by licensed and certified hospices. These services shall be subject to the schedule of benefits under the Medi-Cal program, pursuant to subdivision (w) of Section 14132 of the Welfare and Institutions Code.

(h) The department may adopt regulations establishing standards for any or all of the services required to be provided under subdivision (d). The regulations of the department adopted pursuant to this subdivision shall supersede the standards referenced in subdivision (e) to the extent the regulations duplicate or replace those standards.

SEC. 8. 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.



LEGISLATIVE COUNSEL'S DIGEST

Bill No.
as introduced, _____.
General Subject: Health facility licensing and certification: fees.

Existing law provides for the licensure and regulation by the State Department of Public Health of health facilities, clinics, home health agencies, and hospice agencies, as defined. A violation of these provisions by a licensee is a crime. Existing law prescribes the method for determining licensing and certification fees and requires the department to annually post on its internet website a list of the estimated department fees for the facilities it licenses.

This bill would require the posted fees to include, but not be limited to, annual licensing, report of change application, and written notification fees, and would make conforming changes to reflect the inclusion of fees other than annual fees. The bill would establish late payment penalties for delinquent fees, as specified. The bill would revise existing licensing provisions for those facilities, to replace references to the department and its Licensing and Certification Division with references to the Licensing and Certification Program (program). The bill would delete various obsolete provisions, including a related fee schedule, and would replace references to renewal fees with references to an annual license fee.

Existing law requires any person, firm, association, partnership, or corporation desiring a license for any of the above facilities to submit an application containing specified information to the department.

This bill would require the application information to be provided to the program upon initial application for licensure. The bill would require any change in the information that requires the licensee to submit a report of change or written notification to the program to be provided within 10 business days of the change along with any applicable fee, unless otherwise specified.

Because a violation of the bill's requirements by a health facility, clinic, home health agency, or hospice agency would be a 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.

