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HEALTH AND SAFETY CODE - HSC

DIVISION 2. LICENSING PROVISIONS [1200 - 1796.70] (*Division 2 enacted by Stats. 1939, Ch. 60.*)

CHAPTER 1. Clinics [1200 - 1245] (*Chapter 1 repealed and added by Stats. 1978, Ch. 1147.*)

ARTICLE 1. Definitions and General Provisions [1200 - 1210] (*Article 1 added by Stats. 1978, Ch. 1147.*)

1200. (a) As used in this chapter, "clinic" means an organized outpatient health facility that provides direct medical, surgical, dental, optometric, or podiatric advice, services, or treatment to patients who remain less than 24 hours, and that may also provide diagnostic or therapeutic services to patients in the home as an incident to care provided at the clinic facility. Nothing in this section shall be construed to prohibit the provision of nursing services in a clinic licensed pursuant to this chapter. In no case shall a clinic be deemed to be a health facility subject to the provisions of Chapter 2 (commencing with Section 1250). A place, establishment, or institution that solely provides advice, counseling, information, or referrals on the maintenance of health or on the means and measures to prevent or avoid sickness, disease, or injury, where that advice, counseling, information, or referral does not constitute the practice of medicine, surgery, dentistry, optometry, or podiatry, shall not be deemed a clinic for purposes of this chapter.

(b) For purposes of this chapter:

(1) "Primary care clinics" means all the types of clinics specified in subdivision (a) of Section 1204, including community clinics and free clinics.

(2) "Specialty clinics" means all the types of clinics specified in subdivision (b) of Section 1204, including surgical clinics, chronic dialysis clinics, and rehabilitation clinics.

(3) "Clinic corporation" means a nonprofit organization that operates one or more primary care clinics, as defined in paragraph (1) of subdivision (a) of Section 1204, that are required to be licensed under Section 1205, one or more mobile health care units required to be licensed or approved pursuant to the Mobile Health Care Services Act (Chapter 9 (commencing with Section 1765.101)) and operated as primary care clinics, or one or more primary care clinics and one or more mobile health care units.

(4) "Department" means the Licensing and Certification Division of the State Department of Public Health, or its successor.

(5) "Centralized applications unit" means the centralized applications unit in the Licensing and Certification Division of the department, or a successor entity.

(Amended by Stats. 2010, Ch. 502, Sec. 2. (SB 442) Effective January 1, 2011.)

1200.1. (a) As used in this chapter, "clinic" also means an organized outpatient health facility which, pursuant to Section 1204.1, provides direct psychological advice, services, or treatment to patients who remain less than 24 hours, and which may also provide diagnostic or therapeutic services authorized under Chapter 6.6 (commencing with Section 2900) of Division 2 of the Business and Professions Code to patients in the home as an incident to care provided at the clinic facility.

(b) Psychological clinics, as defined in Section 1204.1, shall not be considered primary care clinics for the purposes of any state grants, state loans, or other state aid.

Nothing contained in this section shall prohibit psychological clinics from receiving payment to which they are otherwise entitled from the state or in which the state participates financially, for services rendered pursuant to their license.

(c) Any reference in any statute to Section 1200 shall be deemed and construed to also be a reference to this section.

(Added by Stats. 1980, Ch. 1315.)

1201. "License" means a basic permit to operate a clinic. A license may only be granted to a clinic of a type enumerated in Section 1204 or 1204.1, and the license shall not be transferable. However, the issuance of a license upon a change of ownership shall not

of itself constitute a project within the meaning of Section 127170.

(Amended by Stats. 1996, Ch. 1023, Sec. 148. Effective September 29, 1996.)

1201.5. "Nonprofit speech and hearing center" means a nonprofit agency which provides an integrated program of speech pathology and audiology services in an outpatient setting designed to improve the functioning of persons with communicative disorders. A nonprofit speech and hearing center provides diagnostic and therapeutic services for such individuals, together with related counseling, pursuant to policies and procedures governing all aspects of the program formulated with the aid of one or more physicians and surgeons, who shall additionally serve on separate committees which determine patient care policy and perform utilization review functions. A multidisciplinary panel, which includes one or more physicians and surgeons, shall serve as a consulting advisory body to the center. All patients of the center shall be referred by a physician and surgeon, or by a dentist or psychologist as appropriate. A center shall prepare, maintain, and revise, as necessary, a treatment plan for all active patients, and shall provide periodic progress reports to the physician and surgeon or other professional referring the patient. A center shall maintain a complete record of all services rendered with respect to each patient.

(Added by Stats. 1979, Ch. 478.)

1202. "Special permit" means a permit issued in addition to a license authorizing the clinic to offer one or more special services, as defined in Section 1203 or regulations adopted pursuant thereto.

(Repealed and added by Stats. 1978, Ch. 1147.)

1203. "Special service" means a functional division, department, or unit of a clinic, or a clinic that is organized, staffed, and equipped to provide a specific type or types of care which have been identified by this section or by regulations of the state department, and for which the state department has established special standards for ensuring the quality of such care. Special services shall include, but need not be limited to, birth services.

(Repealed and added by Stats. 1978, Ch. 1147.)

1204. Clinics eligible for licensure pursuant to this chapter are primary care clinics and specialty clinics.

(a) (1) Only the following defined classes of primary care clinics shall be eligible for licensure:

(A) A "community clinic" means a clinic operated by a tax-exempt nonprofit corporation that is supported and maintained in whole or in part by donations, bequests, gifts, grants, government funds or contributions, that may be in the form of money, goods, or services. In a community clinic, any charges to the patient shall be based on the patient's ability to pay, utilizing a sliding fee scale. No corporation other than a nonprofit corporation, exempt from federal income taxation under paragraph (3) of subsection (c) of Section 501 of the Internal Revenue Code of 1954 as amended, or a statutory successor thereof, shall operate a community clinic; provided, that the licensee of any community clinic so licensed on the effective date of this section shall not be required to obtain tax-exempt status under either federal or state law in order to be eligible for, or as a condition of, renewal of its license. No natural person or persons shall operate a community clinic.

(B) A "free clinic" means a clinic operated by a tax-exempt, nonprofit corporation supported in whole or in part by voluntary donations, bequests, gifts, grants, government funds or contributions, that may be in the form of money, goods, or services. In a free clinic there shall be no charges directly to the patient for services rendered or for drugs, medicines, appliances, or apparatuses furnished. No corporation other than a nonprofit corporation exempt from federal income taxation under paragraph (3) of subsection (c) of Section 501 of the Internal Revenue Code of 1954 as amended, or a statutory successor thereof, shall operate a free clinic; provided, that the licensee of any free clinic so licensed on the effective date of this section shall not be required to obtain tax-exempt status under either federal or state law in order to be eligible for, or as a condition of, renewal of its license. No natural person or persons shall operate a free clinic.

(2) Nothing in this subdivision shall prohibit a community clinic or a free clinic from providing services to patients whose services are reimbursed by third-party payers, or from entering into managed care contracts for services provided to private or public health plan subscribers, as long as the clinic meets the requirements identified in subparagraphs (A) and (B). For purposes of this subdivision, any payments made to a community clinic by a third-party payer, including, but not limited to, a health care service plan, shall not constitute a charge to the patient. This paragraph is a clarification of existing law.

(b) The following types of specialty clinics shall be eligible for licensure as specialty clinics pursuant to this chapter:

(1) A "surgical clinic" means a clinic that is not part of a hospital and that provides ambulatory surgical care for patients who remain less than 24 hours. A surgical clinic does not include any place or establishment owned or leased and operated as a clinic or office by one or more physicians or dentists in individual or group practice, regardless of the name used publicly to identify the place or establishment, provided, however, that physicians or dentists may, at their option, apply for licensure.

(2) A "chronic dialysis clinic" means a clinic that provides less than 24-hour care for the treatment of patients with end-stage renal disease, including renal dialysis services.

(3) A "rehabilitation clinic" means a clinic that, in addition to providing medical services directly, also provides physical rehabilitation services for patients who remain less than 24 hours. Rehabilitation clinics shall provide at least two of the following rehabilitation services: physical therapy, occupational therapy, social, speech pathology, and audiology services. A rehabilitation clinic does not include the offices of a private physician in individual or group practice.

(4) An "alternative birth center" means a clinic that is not part of a hospital and that provides comprehensive perinatal services and delivery care to pregnant women who remain less than 24 hours at the facility.

(Amended by Stats. 2000, Ch. 27, Sec. 1. Effective January 1, 2001.)

1204.1. In addition to the primary care clinics and specialty clinics specified in Section 1204, clinics eligible for licensure pursuant to this chapter include psychology clinics. A "psychology clinic" is a clinic which provides psychological advice, services, or treatment to patients, under the direction of a clinical psychologist as defined in Section 1316.5, and is operated by a tax-exempt nonprofit corporation which is supported and maintained in whole or in part by donations, bequests, gifts, grants, government funds, or contributions which may be in the form of money, goods, or services. In a psychology clinic, any charges to the patient shall be based on the patient's ability to pay, utilizing a sliding fee scale. No corporation other than a nonprofit corporation, exempt from federal taxation under paragraph (3), subsection (c) of Section 501 of the Internal Revenue Code of 1954, as amended, or a statutory successor thereof, shall operate a psychology clinic.

Each psychology clinic licensed pursuant to this section shall comply with the provisions of Part 2 (commencing with Section 13100) of Division 12.

Only a psychology clinic may be licensed under this chapter to exclusively provide psychological advice, services, or treatment. However, nothing in this subdivision precludes clinics specified in Section 1204 from providing psychological advice, services, or treatment as included within, or adjunctive to, medical advice, services, or treatment provided by such clinics. Failure to comply with the requirements of this section may be grounds for denial, revocation, or suspension of the license.

(Amended by Stats. 1987, Ch. 456, Sec. 1.)

1204.2. (a) Notwithstanding any other law, and except as provided in subdivision (c), a primary care clinic described in subdivision (a) of Section 1204 that is licensed pursuant to this chapter shall not be required to enter into a written transfer agreement with a nearby hospital as a condition of licensure.

(b) (1) A primary care clinic shall send with each patient at the time of transfer, or in the case of an emergency, as promptly as possible, copies of all medical records related to the patient's transfer. To the extent practicable and applicable to the patient's transfer, the medical records shall include current medical findings, diagnoses, laboratory results, medications provided prior to transfer, a brief summary of the course of treatment provided prior to transfer, ambulation status, nursing and dietary information, name and contact information for the treating physician at the clinic, and, as appropriate, pertinent administrative and demographic information related to the patient, including name and date of birth.

(2) The requirements in paragraph (1) do not apply if the primary care clinic has entered into a written transfer agreement with a local hospital that provides for the transfer of medical records.

(c) A primary care clinic licensed pursuant to subdivision (a) of Section 1204 that provides services as an alternative birth center shall, as a condition of licensure, be required to maintain a written transfer agreement with a local hospital. The transfer agreement shall include provisions for communication and transportation to meet medical emergencies. Essential personal, health, and medical information shall either accompany the patient upon transfer or be transmitted immediately by telephone to the receiving facility. This section does not modify or supersede the requirements imposed on alternative birth centers described in Section 1204.3.

(d) This section shall become operative on January 1, 2018.

(Amended (as added by Stats. 2015, Ch. 704, Sec. 2) by Stats. 2016, Ch. 86, Sec. 171. (SB 1171) Effective January 1, 2017.)

1204.3. (a) An alternative birth center that is licensed as an alternative birth center specialty clinic pursuant to paragraph (4) of subdivision (b) of Section 1204 shall, as a condition of licensure, and a primary care clinic licensed pursuant to subdivision (a) of Section 1204 that provides services as an alternative birth center shall, meet all of the following requirements:

(1) Be a provider of comprehensive perinatal services as defined in Section 14134.5 of the Welfare and Institutions Code.

(2) Maintain a quality assurance program.

(3) Meet the standards for certification established by the American Association of Birth Centers, or at least equivalent standards as determined by the state department.

(4) In addition to standards of the American Association of Birth Centers regarding proximity to hospitals and presence of attendants at births, meet both of the following conditions:

(A) Be located in proximity, in time and distance, to a facility with the capacity for management of obstetrical and neonatal emergencies, including the ability to provide cesarean section delivery, within 30 minutes from time of diagnosis of the emergency.

(B) Require the presence of at least two attendants at all times during birth, one of whom shall be a physician and surgeon, a licensed midwife, or a certified nurse-midwife.

(5) Have 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 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.

(b) The state department shall issue a permit to a primary care clinic licensed pursuant to subdivision (a) of Section 1204 certifying that the primary care clinic has met the requirements of this section and may provide services as an alternative birth center. Nothing in this section shall be construed to require that a licensed primary care clinic obtain an additional license in order to provide services as an alternative birth center.

(c) (1) Notwithstanding subdivision (a) of Section 1206, no place or establishment owned or leased and operated as a clinic or office by one or more licensed health care practitioners and used as an office for the practice of their profession, within the scope of their license, shall be represented or otherwise held out to be an alternative birth center licensed by the state unless it meets the requirements of this section.

(2) Nothing in this subdivision shall be construed to prohibit licensed health care practitioners from providing birth related services, within the scope of their license, in a place or establishment described in paragraph (1).

(Amended by Stats. 2013, Ch. 665, Sec. 8. (AB 1308) Effective January 1, 2014.)

1204.4. The State Department of Health Services shall provide information to the California Health Facilities Financing Authority with respect to primary care clinic grant applicants for capital outlay projects as specified in Section 15438.6 of the Government Code.

(Added by Stats. 2000, Ch. 99, Sec. 3. Effective January 1, 2001.)

1204.5. A primary care clinic may submit verification of certification from the Joint Commission, the Accreditation Association for Ambulatory Health Care (AAAHC), or any other accrediting organization recognized by the department to the Licensing and Certification Division within the State Department of Public Health for entry into the electronic Licensing Management System for purposes of data collection and extraction for licensing and certification fee calculations.

(Amended by Stats. 2013, Ch. 583, Sec. 1. (AB 297) Effective January 1, 2014.)

1205. Except as provided in Section 1206, no person, firm, partnership, association, corporation, or public agency shall operate, establish, manage, conduct or maintain a clinic in this state without first obtaining a license therefor as provided in this chapter; nor shall any such person, firm, partnership, association, corporation, or public agency provide any special service without obtaining a special permit therefor. However, any licensed clinic offering any service which is later designated by regulation of the state department as a special service shall be allowed to continue offering such service until the state department evaluates the quality of such service and issues a special permit therefor or notifies the licensee that it is not eligible for a special permit and must cease and desist from offering such service.

(Repealed and added by Stats. 1978, Ch. 1147.)

1205.5. A clinic that has been verified by the Licensing and Certification Division of the State Department of Health Services and the Office of Statewide Health Planning and Development as having (1) provided chronic dialysis and (2) been licensed as an outpatient clinic, before September 26, 1978, shall not be required to have a certificate of need pursuant to Chapter 1 (commencing with

Section 127125) of Part 2 of Division 107 in order to obtain licensure as a chronic dialysis clinic. A clinic that has been verified by the Licensing and Certification Division of the State Department of Health Services and the Office of Statewide Health Planning and Development as having (1) provided surgical services, (2) been licensed as an outpatient clinic and (3) been eligible to receive Medi-Cal reimbursement as an outpatient clinic in connection with the surgical services, before September 26, 1978, shall not be required to have a certificate of need pursuant to Chapter 1 (commencing with Section 127125) of Part 2 of Division 107 in order to obtain licensure as a surgical clinic.

Nothing in this section shall, however, be construed to exempt a clinic subject to this section from the requirement for a certificate of need with respect to projects specified in subdivision (c), (d), or (e) of Section 127170, or with respect to changes of licensure category occurring subsequent to initial licensure as a specialty clinic pursuant to this section.

A clinic that has been verified by the Licensing and Certification Division of the State Department of Health Services and the Office of Statewide Health Planning and Development as having (1) provided surgical services, (2) been licensed as an outpatient clinic and (3) been eligible to receive Medi-Cal reimbursement as an outpatient clinic in connection with the surgical services, before September 26, 1978, and that meets the requirements for licensure as a surgical clinic, need not operate on an open-staff basis in order to be licensed as a surgical clinic.

A clinic that has been verified by the Licensing and Certification Division of the State Department of Health Services and the Office of Statewide Health Planning and Development as having (1) provided rehabilitation service and (2) been licensed as an outpatient clinic, a community clinic, or free clinic, before September 26, 1978, shall not be required to have a certificate of need pursuant to Chapter 1 (commencing with Section 127125) of Part 2 of Division 107 in order to obtain licensure as a rehabilitation clinic.

(Amended by Stats. 1996, Ch. 1023, Sec. 149. Effective September 29, 1996.)

1206. This chapter does not apply to the following:

(a) Except with respect to the option provided with regard to surgical clinics in paragraph (1) of subdivision (b) of Section 1204 and, further, with respect to specialty clinics specified in paragraph (2) of subdivision (b) of Section 1204, any place or establishment owned or leased and operated as a clinic or office by one or more licensed health care practitioners and used as an office for the practice of their profession, within the scope of their license, regardless of the name used publicly to identify the place or establishment.

(b) Any clinic directly conducted, maintained, or operated by the United States or by any of its departments, officers, or agencies, and any primary care clinic specified in subdivision (a) of Section 1204 that is directly conducted, maintained, or operated by this state or by any of its political subdivisions or districts, or by any city. This subdivision does not preclude the department from adopting regulations that utilize clinic licensing standards as eligibility criteria for participation in programs funded wholly or partially under Title XVIII or XIX of the federal Social Security Act.

(c) (1) Any clinic conducted, maintained, or operated by a federally recognized Indian tribe or tribal organization, as defined in Section 1603 or 5304 of Title 25 of the United States Code, that is located on land recognized as tribal land by the federal government.

(2) Any clinic conducted, maintained, or operated by a federally recognized Indian tribe or tribal organization, as defined in Section 1603 or 5304 of Title 25 of the United States Code, under a contract with the United States pursuant to the Indian Self-Determination and Education Assistance Act (Public Law 93-638), regardless of the location of the clinic, except that if the clinic chooses to apply to the State Department of Public Health for a state facility license, then the State Department of Public Health will retain authority to regulate that clinic as a primary care clinic as defined by subdivision (a) of Section 1204.

(d) A clinic conducted, operated, or maintained as outpatient departments of hospitals.

(e) Any facility licensed as a health facility under Chapter 2 (commencing with Section 1250).

(f) Any freestanding clinical or pathological laboratory licensed under Chapter 3 (commencing with Section 1200) of Division 2 of the Business and Professions Code.

(g) A clinic operated by, or affiliated with, any institution of learning that teaches a recognized healing art and is approved by the state board or commission vested with responsibility for regulation of the practice of that healing art.

(h) A clinic that is operated by a primary care community or free clinic and that is operated on separate premises from the licensed clinic and is only open for limited services of no more than 40 hours a week. An intermittent clinic as described in this subdivision shall, however, meet all other requirements of law, including administrative regulations and requirements, pertaining to fire and life safety.

(i) The offices of physicians in group practice who provide a preponderance of their services to members of a comprehensive group practice prepayment health care service plan subject to Chapter 2.2 (commencing with Section 1340).

(j) Student health centers operated by public institutions of higher education.

(k) Nonprofit speech and hearing centers, as defined in Section 1201.5. Any nonprofit speech and hearing clinic desiring an exemption under this subdivision shall make application therefor to the director, who shall grant the exemption to any facility meeting the criteria of Section 1201.5. Notwithstanding the licensure exemption contained in this subdivision, a nonprofit speech and hearing center shall be an organized outpatient clinic for purposes of qualifying for reimbursement as a rehabilitation center under the Medical Act (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code).

(l) A clinic operated by a nonprofit corporation exempt from federal income taxation under paragraph (3) of subsection (c) of Section 501 of the Internal Revenue Code of 1954, as amended, or a statutory successor thereof, that conducts medical research and health education and provides health care to its patients through a group of 40 or more physicians and surgeons, who are independent contractors representing not less than 10 board-certified specialties, and not less than two-thirds of whom practice on a full-time basis at the clinic.

(m) Any clinic, limited to in vivo diagnostic services by magnetic resonance imaging functions or radiological services under the direct and immediate supervision of a physician and surgeon who is licensed to practice in California. This shall not be construed to permit cardiac catheterization or any treatment modality in these clinics.

(n) A clinic operated by an employer or jointly by two or more employers for their employees only, or by a group of employees, or jointly by employees and employers, without profit to the operators thereof or to any other person, for the prevention and treatment of accidental injuries to, and the care of the health of, the employees comprising the group.

(o) A community mental health center, as defined in Section 5667 of the Welfare and Institutions Code.

(p) (1) A clinic operated by a nonprofit corporation exempt from federal income taxation under paragraph (3) of subsection (c) of Section 501 of the Internal Revenue Code of 1954, as amended, or a statutory successor thereof, as an entity organized and operated exclusively for scientific and charitable purposes and that satisfied all of the following requirements on or before January 1, 2005:

(A) Commenced conducting medical research on or before January 1, 1982, and continues to conduct medical research.

(B) Conducted research in, among other areas, prostatic cancer, cardiovascular disease, electronic neural prosthetic devices, biological effects and medical uses of lasers, and human magnetic resonance imaging and spectroscopy.

(C) Sponsored publication of at least 200 medical research articles in peer-reviewed publications.

(D) Received grants and contracts from the National Institutes of Health.

(E) Held and licensed patents on medical technology.

(F) Received charitable contributions and bequests totaling at least five million dollars (\$5,000,000).

(G) Provides health care services to patients only:

(i) In conjunction with research being conducted on procedures or applications not approved or only partially approved for payment (I) under the Medicare program pursuant to Section 1359y(a)(1)(A) of Title 42 of the United States Code, or (II) by a health care service plan registered under Chapter 2.2 (commencing with Section 1340), or a disability insurer regulated under Chapter 1 (commencing with Section 10110) of Part 2 of Division 2 of the Insurance Code; provided that services may be provided by the clinic for an additional period of up to three years following the approvals, but only to the extent necessary to maintain clinical expertise in the procedure or application for purposes of actively providing training in the procedure or application for physicians and surgeons unrelated to the clinic.

(ii) Through physicians and surgeons who, in the aggregate, devote no more than 30 percent of their professional time for the entity operating the clinic, on an annual basis, to direct patient care activities for which charges for professional services are paid.

(H) Makes available to the public the general results of its research activities on at least an annual basis, subject to good faith protection of proprietary rights in its intellectual property.

(I) Is a freestanding clinic, whose operations under this subdivision are not conducted in conjunction with any affiliated or associated health clinic or facility defined under this division, except a clinic exempt from licensure under subdivision (m). For purposes of this subparagraph, a freestanding clinic is defined as "affiliated" only if it directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, a clinic or health facility defined under this division, except a clinic exempt from licensure under subdivision (m). For purposes of this subparagraph, a freestanding clinic is defined as "associated" only if more than 20 percent of the directors or trustees of the clinic are also the directors or trustees of any individual clinic or health facility defined under this division, except a clinic exempt from licensure under subdivision (m). Any activity by a clinic under this subdivision in connection with an affiliated or associated entity shall fully comply with the

requirements of this subdivision. This subparagraph does not apply to agreements between a clinic and any entity for purposes of coordinating medical research.

(2) By January 1, 2007, and every five years thereafter, the Legislature shall receive a report from each clinic meeting the criteria of this subdivision and any other interested party concerning the operation of the clinic's activities. The report shall include, but not be limited to, an evaluation of how the clinic impacted competition in the relevant health care market, and a detailed description of the clinic's research results and the level of acceptance by the payer community of the procedures performed at the clinic. The report shall also include a description of procedures performed both in clinics governed by this subdivision and those performed in other settings. The cost of preparing the reports shall be borne by the clinics that are required to submit them to the Legislature pursuant to this paragraph.

(q) A primary care clinic operated as part of a Program of All-Inclusive Care for the Elderly (PACE) organization, as defined in Section 460.6 of Title 42 of the Code of Federal Regulations and approved by the State Department of Health Care Services pursuant to Section 14592 of the Welfare and Institutions Code, that exclusively serves PACE participants, as defined in Section 460.6 of Title 42 of the Code of Federal Regulations.

(1) A primary care clinic approved by the State Department of Health Care Services pursuant to Section 14592 of the Welfare and Institutions Code to operate exclusively as part of a PACE organization may provide services to individuals who are being assessed for eligibility to enroll in the PACE program for not more than 60 calendar days after an individual submits an application for enrollment.

(2) If the State Department of Health Care Services determines that a primary care clinic approved to operate exclusively as part of a PACE organization has provided services to individuals other than those enrolled in the PACE program, or who are being assessed for eligibility pursuant to paragraph (1), the clinic shall apply for licensure with the State Department of Public Health. A clinic required to obtain licensure from the State Department of Public Health pursuant to this paragraph shall apply for the license not later than 60 calendar days following the determination by the State Department of Health Care Services described in this paragraph. The clinic shall not accept any new participants in the PACE program until licensure is obtained.

(3) This subdivision shall become operative only if the Director of Health Care Services determines, and communicates that determination in writing to the State Department of Public Health, that operating standards compliance programs consistent with subdivisions (d) and (e) of Section 14592 of the Welfare and Institutions Code have been established. A primary care clinic described in subdivision (c) of Section 14592 of the Welfare and Institutions Code shall remain under the oversight and regulatory authority of the State Department of Public Health until the Director of Health Care Services communicates their written determination to the State Department of Public Health.

(r) (1) A clinic, including any location thereof, operated by a nonprofit corporation exempt from federal income taxation under paragraph (3) of subsection (c) of Section 501 of the Internal Revenue Code of 1954, as amended, or a statutory successor thereof, as an entity organized and operated exclusively to provide health care services and health education services within the Los Angeles County Service Planning Area 6, is located in a Clinic Service Area, as defined in paragraph (3), and satisfies all of the following requirements:

(A) Provides health care services and health education services solely within a Clinic Service Area, as defined in paragraph (3).

(B) Provides health care services to patients through an independent agreement with a multispecialty medical group of 26 or more physicians and surgeons who represent not less than 10 board-certified specialties, and not less than two-thirds of whom practice on a full-time basis at the clinic by July 1, 2021.

(C) Serves substantial beneficiaries of a "federal health care program," as that term is defined in subsection (f) of Section 1320a-7b of Title 42 of the United States Code and indigent and uninsured individuals pursuant to an authorized and adopted charity care policy.

(D) Participates in a graduate medical education program that is administered by the Martin Luther King, Jr. Community Hospital, as described in Section 14165.50 of the Welfare and Institutions Code, in furtherance of its charitable mission to reduce health care disparities in a Clinic Service Area, as defined in paragraph (3), through the training and retention of physicians and surgeons by 2022.

(2) (A) By July 1, 2022, and every five years thereafter, a clinic that is exempt from licensing provisions pursuant to this subdivision shall provide the Legislature with a report that includes all of the following:

(i) A copy of the current Community Health Needs Assessment, developed by the Martin Luther King, Jr. Community Hospital.

(ii) A community needs assessment for physicians and surgeons, including an analysis of the clinic's role in physician and surgeon recruitment and retention, and meeting the community needs for a physician and surgeon workforce.

(iii) A copy of the Martin Luther King, Jr. Community Hospital's most recent Internal Revenue Service Form 990, Schedule H, including a description of the federally-funded payer mix, and identification of the clinic as a component of the Martin Luther King, Jr. Community Hospital's community benefit activities.

(iv) The clinic's role in the hospital-sponsored graduate medical education program.

(v) An analysis of how the clinic impacted physicians and surgeons practicing or providing services in the Clinic Service Area prior to January 1, 2020.

(B) A report to be submitted pursuant to subparagraph (A) of paragraph (2) shall be submitted in compliance with Section 9795 of the Government Code.

(3) For purposes of this subdivision, "Clinic Service Area" means the geographic area within any ZIP Code that is located within six miles of the physical location of the Martin Luther King, Jr. Community Hospital, as described in Section 14165.50 of the Welfare and Institutions Code.

(Amended by Stats. 2020, Ch. 370, Sec. 191. (SB 1371) Effective January 1, 2021.)

1206.1. The provisions of this chapter do not require licensure of any place or establishment owned or leased and operated as a clinic or office by one or more licensed psychologists and used as an office for the practice of psychology, regardless of the name used publicly to identify such place or establishment.

(Added by Stats. 1980, Ch. 1315.)

1207. The state department shall inspect and license clinics, and shall inspect and approve clinics to offer special services.

(Added by Stats. 1978, Ch. 1147.)

1208. The state department may provide consulting services upon request to any clinic to assist in the identification or correction of deficiencies or the upgrading of the quality of care provided by the clinic.

(Added by Stats. 1978, Ch. 1147.)

1209. This chapter does not authorize any person other than a licensed practitioner of a healing art, or any corporation except charitable or professional corporations as expressly provided in this chapter, to furnish to any person any advice, services, or treatment within the scope of such professional licensure.

This chapter does not authorize any person, other than a licentiate of a healing art acting within the scope of his or her license, to engage directly or indirectly in the practice of medicine and surgery, dentistry, optometry, podiatry, psychology, or pharmacy.

This chapter does not regulate, govern, or affect in any manner the practice of medicine and surgery, pharmacy, dentistry, optometry, chiropractic, podiatry, psychology, or drugless healing by any person duly licensed to engage in such practice.

(Amended by Stats. 1980, Ch. 1315.)

1210. (a) A chronic dialysis clinic shall not steer, direct, or advise a patient regarding any specific coverage program option or health care service plan contract.

(b) A chronic dialysis clinic shall post a notice in a prominent location visible to all patients displayed in large font type that questions about Medicare coverage for patients with end stage renal disease should be directed to the Health Insurance Counseling and Advocacy Program or HICAP at 1-800-434-0222.

(Added by Stats. 2019, Ch. 862, Sec. 2. (AB 290) Effective January 1, 2020.)