

Introduced by Senator MaldonadoFebruary 21, 2006

An act to amend Section 655.6 of the Business and Professions Code, relating to clinical laboratories.

LEGISLATIVE COUNSEL'S DIGEST

SB 1369, as introduced, Maldonado. Clinical laboratories: anatomic pathology services.

Existing law provides that it is unlawful for certain health care professionals to charge, bill, or otherwise solicit payment from any patient, client, customer, or third-party payer for cytologic services relating to the examination of gynecologic slides if those services were not actually rendered by the person or under his or her direct supervision. Existing law also requires clinical laboratories performing cytologic examinations of gynecologic slides to directly bill either the patient or the responsible third-party payer for the cytology services rendered by the laboratory, except as specified. A violation of these provisions is a crime.

This bill would instead make it unlawful for those health care professionals to charge, bill, or otherwise solicit payment from any patient, client, customer, or third-party payer for anatomic pathology services if those services were not actually rendered by the person or under his or her direct supervision. The bill would also require clinical laboratories providing anatomic pathology services to directly bill either the patient or the responsible third-party payer for those services, except as specified.

Because a violation of these provisions would be a crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state.

Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

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

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

1 SECTION 1. Section 655.6 of the Business and Professions
 2 Code is amended to read:

3 655.6. (a) It is unlawful for any person licensed under this
 4 division or under any initiative act referred to in this division to
 5 charge, bill, or otherwise solicit payment from any patient, client,
 6 customer, or third-party payer for ~~cytologic anatomic pathology~~
 7 ~~services relating to the examination of gynecologic slides~~ if those
 8 services were not actually rendered by that person or under his or
 9 her direct supervision.

10 (b) (1) Clinical laboratories ~~performing cytologic~~
 11 ~~examinations of gynecologic slides~~ *providing anatomic*
 12 *pathology services* shall directly bill either the patient or the
 13 responsible third-party payer for the ~~cytologic anatomic~~
 14 *pathology services* rendered by those laboratories. Clinical
 15 laboratories shall not bill the physician and surgeon who requests
 16 the tests.

17 (2) Notwithstanding subdivision (a), it is not unlawful for a
 18 clinical laboratory to bill for ~~cytologic anatomic pathology~~
 19 ~~services relating to the examination of gynecologic slides~~ that
 20 were performed by an affiliated clinical laboratory. An “affiliated
 21 clinical laboratory” means a clinical laboratory that is wholly
 22 owned by, is the parent company of, or is under common
 23 ownership with, the clinical laboratory billing for the ~~cytologic~~
 24 *anatomic pathology services*. For these purposes, “wholly
 25 owned” means 100 percent ownership directly or through one or
 26 more subsidiaries, and “common ownership” means 100 percent
 27 ownership by a common parent company.

28 (c) For the purposes of this section, any person or entity who
 29 is responsible to pay for ~~cytologic examination of gynecologic~~
 30 ~~slides~~ *anatomic pathology services* provided to that patient shall
 31 be considered a responsible third-party payer.

1 (d) This section shall not apply to any of the following:

2 (1) Any person who, or clinical laboratory that, contracts
3 directly with a health care service plan licensed pursuant to
4 Section 1349 of the Health and Safety Code, if services are to be
5 provided to members of the plan on a prepaid basis.

6 (2) Any person who, or clinic that, provides ~~cytologic~~
7 ~~examinations of gynecologic slides~~ *anatomic pathology* services
8 without charge to the patient, or on a sliding scale payment basis
9 if the patient's charge for services is determined by the patient's
10 ability to pay.

11 (3) Health care programs operated by public entities,
12 including, but not limited to, colleges and universities.

13 (4) Health care programs operated by private educational
14 institutions to serve the health care needs of their students.

15 (5) Any person who, or clinic that, contracts with an employer
16 to provide medical services to employees of the employer if the
17 ~~cytologic anatomic pathology~~ services ~~relating to the~~
18 ~~examination of gynecologic slides~~ are provided under the
19 contract.

20 SEC. 2. No reimbursement is required by this act pursuant to
21 Section 6 of Article XIII B of the California Constitution because
22 the only costs that may be incurred by a local agency or school
23 district will be incurred because this act creates a new crime or
24 infraction, eliminates a crime or infraction, or changes the
25 penalty for a crime or infraction, within the meaning of Section
26 17556 of the Government Code, or changes the definition of a
27 crime within the meaning of Section 6 of Article XIII B of the
28 California Constitution.