

UPDATED ANALYSIS

MEDICAL BOARD OF CALIFORNIA LEGISLATIVE ANALYSIS

BILL NUMBER: SB 387
 AUTHOR: Rubio
 BILL DATE: February 14, 2025, Introduced
 SUBJECT: Physicians and Surgeons: Special Faculty Permits:
 Comprehensive Cancer Centers
 SPONSOR: [City of Hope](#)

DESCRIPTION OF CURRENT LEGISLATION:

Updates the definition of “academic medical center” (AMC) to include a facility that is a National Cancer Institute (NCI) -designated comprehensive cancer center, as specified. Accordingly, such an institute would be authorized to sponsor individuals for a special faculty permit (SFP) to practice medicine within that organization.

This analysis has been updated to include amendments (see p. 4) to the bill proposed by Cedars-Sinai Medical Center.

BACKGROUND:

Under current law, [pursuant to Business and Professions Code \(BPC\) sections 2168 to 2169](#)), medical schools and AMCs may sponsor individuals who are seeking an SFP, which qualifies that person to practice medicine, as specified, within the sponsoring organization. The only AMC currently recognized by the Medical Board of California (Board) is Cedars-Sinai Medical Center.

[BPC section 2168](#) defines an AMC as meeting all the following requirements:

- A facility licensed by the State of California.
- The facility conducts both internal and external peer review of the faculty for the purpose of conferral of academic appointments on an ongoing basis.
- The facility conducts clinical and basic research for the purpose of advancing patient care.
- The facility trains a minimum of 250 resident physicians in Accreditation Council for Graduate Medical Education (ACGME) accredited residencies on an annual basis commencing each January 1.
- The facility has more than 100 research students or postdoctoral researchers annually.
- The facility has foreign medical graduates in research.
- The facility offers clinical observer experiences.
- The facility is accredited by the Western Association of Schools and Colleges and the ACGME.

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If someone meets all the following requirements, they may apply for an SFP:

- They are “academically eminent,” which means the applicant meets either of the following criteria:
 - The person holds or has been offered a full-time appointment at the level of full professor in a tenure track position, or its equivalent, at an academic medical center, as defined in Section 2168, or a California medical school approved by the board.
 - The person is clearly outstanding in a specific field of medicine or surgery and has been offered by the dean of a medical school or the dean or chief medical officer of an academic medical center a full-time academic appointment at the level of full professor or associate professor, and a great need exists to fill that position.
- They possess a current valid license to practice medicine issued by another state, country, or other jurisdiction.
- They are not subject to denial under [Section 480](#) or any provision of the Medical Practice Act.
- They pay the application and initial licensure fees for a physician and surgeon.
- They have not held a special permit under [Section 2113](#) for a period of two years or more preceding the date of the application. The Board may choose to waive this requirement.

[BPC section 2168.1\(c\)\(1\)](#) requires the Board to establish the [Special Faculty Permit Review Committee \(SFPRC\)](#) and sets forth the composition of the SFPRC, as follows:

- Two members of the Board (one physician and one public member).
- One representative from each California medical school.
- One representative from all approved AMCs.
 - If there are multiple AMCs, they must select by consensus one individual to represent all AMCs on the SFPRC.

After an applicant is approved by the SFPRC, they must be approved by a majority vote of the Board to be granted their SFP. Existing law states that the Board may not approve more than five SFP applicants sponsored by AMCs in any calendar year.

In fiscal year (FY) 2022-2023 the Board approved a total of three SFPs and in FY 2023-2024, the Board approved a total of two SFPs¹.

According to the NCI [website](#):

¹ See the Board's [FY 2023-2024 Annual Report, p. 12](#)

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“[NCI] is the federal government's principal agency for cancer research and training. Our team of approximately 3,500 is part of the National Institutes of Health (NIH), one of 11 agencies that make up the Department of Health and Human Services (HHS). NCI is deeply committed to core values that allow all staff to reach their potential and fully contribute to the institute's cancer mission.”

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According to the author's fact sheet:

“City of Hope currently meets all of the facility requirements currently in statute for a special faculty permit except for one: the volume requirement for annual trainees. Given its size, City of Hope is unlikely to be able to meet this volume requirement in the foreseeable future. Without a change to the current statute, City of Hope and other NCI designated comprehensive cancer centers do not have the ability to recruit top international physician-scientist leaders to support its development of innovative clinical cancer care services, impactful clinical trials, or lifesaving care services to its patients.”

According to the sponsor:

“City of Hope Comprehensive Cancer Center is one 57 National Cancer Institute designated Comprehensive Cancer Centers (one of 8 total in California). At our last NCI review, City of Hope received a score of “exception[al],” placing it in the top tier of all NCI CCCs in the country. City of Hope is a pioneer in bone and marrow transplants and has the largest transplant program of its kind in the United States (more than 19,000 transplants performed to date). We are a national leader in the delivery of chimeric antigen receptor (CAR) T-cell treatments with this form of treatment and have treated more than 1,500 patients to date. Our academic faculty includes more than 550 physicians, and 1,000 researchers and scientists focused primarily on cancer.

City of Hope serves more than 130,000 patients annually. We current[ly] support and lead more than 900 clinical trials; historically 1 in every 4 City of Hope patients is on a clinical trial. We invested \$533 million in Research and Development in fiscal year 2023.

City of Hope is a leader in the creation of cancer care innovations and holds 108 Investigational New Drug (IND) applications as of 2023. We host 3 good manufacturing practice (cGMP) facilities, which allow us to create new therapeutics, immune effector cells, and therapeutic small molecules that are created to bring potentially life-saving innovations to patients in California.

If City of Hope was able to participate in the special license program, then we would be able to recruit top international physician-scientist leaders to support

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development of innovative clinical care services, impactful clinical trials, and help bring life-saving care services to Californians.”

City of Hope is the only [NCI-designated comprehensive cancer center in California](#) that is not connected to a medical school. Therefore, City of Hope is the only anticipated new AMC expected to be recognized pursuant to SB 387.

Composition of the SFPRC

As noted in the background section of this analysis, current law states that only one individual may join the SFPRC to represent all AMCs. This requirement was included in statute at the Board’s request in 2020 to help reduce costs and prevent the SFPRC from growing too large if a significant number of AMCs were approved. Unless SB 387 is amended, Cedars-Sinai Medical Center and City of Hope would have to decide among themselves who would represent both AMCs on the SFPRC.

Amendments Proposed by Cedars-Sinai Medical Center

After the completion of the original staff analysis of SB 387, representatives of City of Hope contacted Board staff to provide the below proposed amendments to the bill, which are sought by Cedars-Sinai Medical Center and would make two substantive changes:

- Ensure that Cedars-Sinai Medical Center retains its seat on the SFPRC, at least until another AMC similar to Cedars-Sinai Medical Center qualifies as an AMC.
- Authorizes all AMCs to submit up to five SFP applications each year.

Board staff do not have concerns with the proposed amendments which could lead to a minor increase in SFP application volume, which would be offset by fee revenue.

The proposed amendments are shown, as compared to the current language of the bill, as follows: new language proposed is in **bold underline**; language proposed to be removed is shown in **~~bold-strikeout~~**. The parties request that the Board review the amendments and provide feedback:

BPC section 2168. (a) (1) A special faculty permit authorizes the holder to practice medicine only within the medical school itself, any affiliated institution of the medical school, or an academic medical center and any affiliated institution in which the permitholder is providing instruction as part of the medical school’s or academic medical center’s educational program and for which the medical school or academic medical center has assumed direct responsibility. The holder of a special faculty permit shall not engage in the practice of medicine except as provided above.

(2) For the purposes of this section, the term “academic medical center” is defined as meeting all of the following requirements:

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- (A) A facility licensed by the State of California.
 - (B) The facility conducts both internal and external peer review of the faculty for the purpose of conferral of academic appointments on an ongoing basis.
 - (C) The facility conducts clinical and basic research for the purpose of advancing patient care.
 - (D) **The facility trains future medical professionals:**
 - ~~The~~ *(i) Except as provided in clause (ii), the* facility trains a minimum of 250 resident physicians in Accreditation Council for Graduate Medical Education accredited residencies on an annual basis commencing each January 1.
 - (ii) The facility is a National Cancer Institute-designated comprehensive cancer center that trains a minimum of 25 resident or fellow physicians in Accreditation Council for Graduate Medical Education accredited residencies on an annual basis commencing each January 1.*
 - (E) The facility has more than 100 research students or postdoctoral researchers annually.
 - (F) The facility has foreign medical graduates in research.
 - (G) The facility offers clinical observer experiences.
 - (H) ~~The~~ *(i) Except as provided in clause (ii), the* facility is accredited by the Western Association of Schools and Colleges and the Accreditation Council for Graduate Medical Education.
 - (ii) The facility is a National Cancer Institute-designated comprehensive cancer center that is accredited by the Accreditation Council for Graduate Medical Education.*
 - (b) Time spent in a faculty position under a special faculty permit shall not be counted toward the postgraduate training required for licensure and shall not qualify the holder of the permit for waiver of any written examination required for licensure.
 - (c) The medical school or academic medical center shall not appoint the holder of a special faculty permit to a position as a division chief or head of a department without express written authorization from the board.
- BPC section 2168.1.** (a) Any person who meets all of the following eligibility requirements may apply for a special faculty permit:

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(1) Is academically eminent. For purposes of this article, “academically eminent” means the applicant meets either of the following criteria:

(A) The person holds or has been offered a full-time appointment at the level of full professor in a tenure track position, or its equivalent, at an academic medical center, as defined in Section 2168, or a California medical school approved by the board.

(B) The person is clearly outstanding in a specific field of medicine or surgery and has been offered by the dean of a medical school or the dean or chief medical officer of an academic medical center a full-time academic appointment at the level of full professor or associate professor, and a great need exists to fill that position.

(2) Possesses a current valid license to practice medicine issued by another state, country, or other jurisdiction.

(3) Is not subject to denial under Section 480 or any provision of this chapter.

(4) Pays the fee prescribed for application for, and initial licensure as, a physician and surgeon.

(5) Has not held a position under Section 2113 for a period of two years or more preceding the date of the application. The board may, in its discretion, waive this requirement.

(b) The board shall exercise its discretion in determining whether an applicant satisfies the requirements of paragraph (1) of subdivision (a).

(c) (1) The board shall establish a review committee composed of two members of the division, one of whom shall be a physician and surgeon and one of whom shall be a public member, one representative from each of the medical schools, and one individual selected pursuant to paragraph (3) to represent academic medical centers in California. The committee shall review and make recommendations to the board regarding the applicants applying pursuant to this section, including those applicants that a medical school or academic medical center proposes to appoint as a division chief or head of a department or as nontenure track faculty.

(2) The representative of the medical school or academic medical center offering the applicant an academic appointment shall not participate in any vote on the recommendation to the board for that applicant.

(3) The academic medical centers shall select by consensus, one individual to represent academic medical centers on the review committee. **The individual representing academic medical centers will be from a facility that meets the criteria in section 2168(a)(2)(D)(i).**

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(d) The board shall not approve more than five applications submitted pursuant to this section by each academic medical ~~center~~ **centers** in any calendar year.

(e) As used in this section, “academic medical center” has the same meaning as defined in subdivision (a) of Section 2168.

Consideration of a Board Position

The current version of the bill does not propose to expand the number of SFPs that may be issued in a single year, therefore, a significant increase in workload is not expected to occur if SB 387 is enacted into law. City of Hope is expected to be the only new AMC recognized under SB 387, therefore, if the Board believes that City of Hope is suitable to include in the SFP program, then a Support position on the bill would be appropriate.

FISCAL: Minor and absorbable costs associated with a possible small increase in SFP application volume.

SUPPORT: California Life Sciences
California Medical Association
Los Angeles County Medical Association
Orange County Medical Association
Stanford Health Care
The Latino Cancer Institute

OPPOSITION: None

POSITION: No staff recommendation.

ATTACHMENT: [SB 378, Rubio. Physicians and Surgeons: Special Faculty Permits: Comprehensive Cancer Centers.](#)
Version: 2/14/25 – Introduced