MEDICAL BOARD OF CALIFORNIA LEGISLATIVE ANALYSIS

BILL NUMBER: SB 387 AUTHOR: Rubio

BILL DATE: June 16, 2025, Amended

SUBJECT: Physicians and Surgeons: Special Faculty Permits:

Academic Medical Centers

SPONSOR: <u>City of Hope</u> POSITION: Support

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.

RECENT AMENDMENTS:

As discussed during the May 15-16, 2025, meeting of the Medical Board of California (Board), SB 387 was amended on June 16, 2025, as follows:

- Ensure that Cedars-Sinai Medical Center retains its seat on the Special Faculty Permit Review Committee (SFPRC), or until another facility like Cedars-Sinai Medical Center qualifies as an AMC.
- Authorizes all AMCs to submit up to five SFP applications each year.

BACKGROUND:

Under current law, <u>pursuant to Business and Professions Code (BPC) sections 2168 to 2169</u>), 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 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.

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 <u>Section 480</u> 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 <u>Section 2113</u> for a period of two years or more preceding the date of the application. The Board may choose to waive this requirement.

<u>BPC section 2168.1(c)(1)</u> requires the Board to establish the <u>SFPRC</u> 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:

"[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."

ANALYSIS:

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 [of the] 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 data). 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.

_

¹ See the Board's FY 2023-2024 Annual Report, p. 12

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

City of Hope is the only <u>NCI-designated comprehensive cancer center in California</u> 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.

FISCAL: Minor and absorbable costs associated with a possible small

increase in SFP application volume.

SUPPORT: California Life Sciences Association

California Medical Association

Cedars-Sinai

Los Angeles County Medical Association
Orange County Medical Association

Stanford Health Care

The Latino Cancer Institute

OPPOSITION: None identified.

ATTACHMENT: SB 387, Rubio. Physicians and Surgeons: Special Faculty Permits:

Academic Medical Centers. Version: 6/16/25 – Amended