

Heightened Peer Review Requirements Mandated for Outpatient Ambulatory Surgery Centers in 2016



Beginning in 2016, ambulatory surgery centers in California will need to meet new,

heightened requirements for conducting peer review. Under existing law, the State of California does not license freestanding surgery centers, but instead provides that it is unprofessional conduct for a physician to perform procedures in any outpatient setting unless the setting is in compliance with specific requirements, and subject to accreditation by an accrediting organization approved by the Medical Board's licensing division (i.e. the Joint Commission, the AAAHC, or the AAAASF). Presently, the Medical Board inspects accredited outpatient surgery centers at least every 3 years and as often as necessary. In addition, surgery centers are required to establish a medical staff and grant clinical privileges only to qualified and appropriately credentialed doctors.

With the passage of Senate Bill No. 396, effective January 1, 2016, accrediting agencies may conduct unannounced inspections subsequent to the initial inspection. Further, all outpatient settings which must be accredited must peer review their licensees who perform procedures, no matter how small the physician staff. Specifically, prior to credentialing (the initial granting of staff privileges) and upon the renewal of staff privileges, the surgery center must request an 805 (disciplinary) report from the practitioner's licensing Board. Additionally, at least every two years, practitioners must be peer reviewed by others with similar education and experience to determine if the practitioner continues to be qualified for the privileges granted.

The new law is intended to address lingering concerns regarding patient safety in outpatient settings, away from the more rigorous scrutiny of hospital medical staffs and peer review. These requirements will be reflected in amendments to current Sec 805.5 of the Business and Professions Code, and section 1248.15, 1248.35 of the Health and Safety Code and 12529.7 of the Government Code.

For more information/questions regarding any legal matters, please email info@nelsonhardiman.com or call 310.203.2800.