

4527--A

2013-2014 Regular Sessions

I N S E N A T E

April 8, 2013

Introduced by Sen. HANNON -- (at request of the Department of Health) -- read twice and ordered printed, and when printed to be committed to the Committee on Health -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public health law and the education law, in relation to enforcing compliance with clinical competency exams, simplifying service of charges, limiting petitions to modify or vacate orders, profiling requirements of self-insured physicians, modifying physician and advertising and testimonial standards; to amend the public health law, in relation to expanding the applicability of penalties for willful violations of the commissioner of health's orders; and to amend chapter 58 of the laws of 2008, amending the elder law and other laws relating to reimbursement to particular provider pharmacies and prescription drug coverage, in relation to the effectiveness of certain provisions thereof

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Subdivision 7 of section 230 of the public health law is
2 amended by adding a new paragraph (d) to read as follows:
3 (D) (I) A COMMITTEE ON PROFESSIONAL CONDUCT, ON NOTICE TO THE LICENSEE
4 AND AFTER AFFORDING THE LICENSEE AND THE OFFICE OF PROFESSIONAL MEDICAL
5 CONDUCT AN OPPORTUNITY TO BE HEARD, SHALL HAVE THE AUTHORITY TO ORDER
6 THE LICENSEE TO COMPLY WITH RECOMMENDED REMEDIATION ARISING FROM THE
7 EXAMINATIONS IN PARAGRAPH (C) OF THIS SUBDIVISION. (II) IF A COMMITTEE
8 ON PROFESSIONAL CONDUCT WHEN CONSIDERING THE RESULTS OF A CLINICAL
9 COMPETENCY EXAMINATION PURSUANT TO PARAGRAPH (C) OF THIS SUBDIVISION
10 DETERMINES THAT THE LICENSEE IS INCOMPETENT AND THAT THERE IS NO PRACTI-
11 CAL REMEDIATION FOR SUCH INCOMPETENCE, IT MAY REFER THE CASE TO THE
12 DIRECTOR OF THE OFFICE OF PROFESSIONAL MEDICAL CONDUCT FOR THE DIREC-
13 TOR'S CONSIDERATION OF WHETHER TO PRESENT TO AN INVESTIGATION COMMITTEE
14 PURSUANT TO SUBPARAGRAPH (IV) OF PARAGRAPH (A) OF SUBDIVISION TEN OF

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets
[] is old law to be omitted.

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1 THIS SECTION FOR ITS CONCURRENCE ON CHARGES PURSUANT TO PARAGRAPH (B) OF
2 SUBDIVISION FIVE OF SECTION SIXTY-FIVE HUNDRED THIRTY OF THE EDUCATION
3 LAW.

4 S 2. Subdivision 5 of section 6530 of the education law, as added by
5 chapter 606 of the laws of 1991, is amended to read as follows:

6 5. (A) Practicing the profession with incompetence on more than one
7 occasion; OR

8 (B) BEING FOUND TO BE INCOMPETENT BY AN EXAMINATION WHICH HAS OCCURRED
9 PURSUANT TO PARAGRAPH (C) OF SUBDIVISION SEVEN OF SECTION TWO HUNDRED
10 THIRTY OF THE PUBLIC HEALTH LAW WHEN THE RESULTS OF THE EXAMINATION
11 DEMONSTRATE THAT THERE ARE NO REASONABLE CONDITIONS OR LIMITATIONS THAT
12 COULD BE IMPOSED UPON THE LICENSEE THAT WOULD SUFFICIENTLY MITIGATE SUCH
13 INCOMPETENCE.

14 S 3. Subdivision 15 of section 6530 of the education law, as added by
15 chapter 606 of the laws of 1991, is amended to read as follows:

16 15. (A) Failure to comply with an order issued pursuant to subdivision
17 seven, paragraph (a) of subdivision ten, and subdivision seventeen of
18 section two hundred thirty of the public health law; OR

19 (B) FAILURE TO COMPLY WITH REMEDIATION RECOMMENDATIONS ARISING FROM AN
20 EXAMINATION WHEN AN EXAMINATION HAS OCCURRED PURSUANT TO PARAGRAPH (C)
21 OF SUBDIVISION SEVEN OF SECTION TWO HUNDRED THIRTY OF THE PUBLIC HEALTH
22 LAW, WHEN SUCH COMPLIANCE HAS BEEN ORDERED BY A COMMITTEE ON PROFES-
23 SIONAL CONDUCT PURSUANT TO PARAGRAPH (D) OF SUBDIVISION SEVEN OF SECTION
24 TWO HUNDRED THIRTY OF THE PUBLIC HEALTH LAW.

25 S 4. Subparagraph (i) of paragraph (d) of subdivision 10 of section
26 230 of the public health law, as amended by chapter 477 of the laws of
27 2008, is amended to read as follows:

28 (i) A copy of the charges and the notice of the hearing shall be
29 served BY THE BOARD on the licensee EITHER (A) personally [by the board]
30 at least thirty days before the hearing[. If personal service cannot be
31 made after due diligence and such fact is certified under oath, a copy
32 of the charges and the notice of hearing shall be served]; OR (B) by
33 registered or certified mail to the licensee's [last known] CURRENT
34 RESIDENTIAL OR PRACTICE address [by the board]; MAILED at least
35 [fifteen] THIRTY days before the hearing; OR (C) BY REGISTERED OR CERTI-
36 FIED MAIL TO THE LICENSEE'S CURRENT REGISTRATION ADDRESS PURSUANT TO
37 SECTION SIXTY-FIVE HUNDRED TWO OF THE EDUCATION LAW OR THE LICENSEE'S
38 MOST RECENT MAILING ADDRESS ON FILE WITH THE NEW YORK STATE EDUCATION
39 DEPARTMENT PURSUANT TO THE NOTIFICATION REQUIREMENT SET FORTH IN SUBDI-
40 VISION FIVE OF SUCH SECTION, MAILED AT LEAST FORTY-FIVE DAYS BEFORE THE
41 HEARING; OR (D) BY FIRST CLASS MAIL TO AN ATTORNEY, LICENSED TO PRACTICE
42 IN THE STATE OF NEW YORK, WHO HAS APPEARED ON BEHALF OF THE LICENSEE IN
43 THE MATTER BEFORE THE OFFICE OF PROFESSIONAL MEDICAL CONDUCT MAILED AT
44 LEAST THIRTY DAYS BEFORE THE HEARING. IN THE EVENT A COPY OF THE CHARG-
45 ES ARE SERVED THROUGH EITHER CLAUSES (A), (B), OR (C) OF THIS SUBPARA-
46 GRAPH, THEN THE BOARD SHALL ALSO SERVE THE ATTORNEY, LICENSED TO PRAC-
47 TICE IN THE STATE OF NEW YORK, WHO HAS REQUESTED IN WRITING SERVICE ON
48 BEHALF OF THE LICENSEE IN THE MATTER BEFORE THE OFFICE OF PROFESSIONAL
49 MEDICAL CONDUCT AT LEAST THIRTY DAYS BEFORE THE HEARING.

50 S 5. Paragraph (q) of subdivision 10 of section 230 of the public
51 health law, as added by chapter 477 of the laws of 2008, is amended to
52 read as follows:

53 (q) [At any time subsequent] SUBSEQUENT to the final conclusion of a
54 professional misconduct proceeding against a licensee, whether upon the
55 determination and order of a hearing committee issued pursuant to para-
56 graph (h) of this subdivision or upon the determination and order of the

1 administrative review board issued pursuant to paragraph (d) of subdivi-
2 sion four of section two hundred thirty-c of this title, the licensee
3 may file a petition with the director, requesting vacatur or modifica-
4 tion of the determination and order. IF THE DETERMINATION AND ORDER DID
5 NOT INCLUDE THE PENALTY OF LICENSE REVOCATION, THE PETITION MAY BE FILED
6 AT ANY TIME. IF THE DETERMINATION AND ORDER INCLUDED A SANCTION OF
7 LICENSE REVOCATION, THE PETITION MAY BE FILED AT ANY TIME PRIOR TO SUCH
8 TIME AS THE LICENSEE IS AUTHORIZED, PURSUANT TO SECTION SIXTY-FIVE
9 HUNDRED ELEVEN OF THE EDUCATION LAW, THE RULES OF THE BOARD OF REGENTS
10 AND THE REGULATIONS OF THE COMMISSIONER OF EDUCATION TO SEEK BOARD OF
11 REGENTS RESTORATION OF THE REVOKED LICENSE. The director shall, after
12 reviewing the matter and after consulting with department counsel,
13 determine in the reasonable exercise of his or her discretion whether
14 there is new and material evidence that was not previously available
15 which, had it been available, would likely have led to a different
16 result, or whether circumstances have occurred subsequent to the
17 original determination that warrant a reconsideration of the measure of
18 discipline. Upon determining that such evidence or circumstances exist,
19 the director shall have the authority to join the licensee in an appli-
20 cation to the chairperson of the state board for professional medical
21 conduct to vacate or modify the determination and order, as the director
22 may deem appropriate. Upon the joint application of the licensee and the
23 director, the chairperson shall have the authority to grant or deny such
24 application.

25 S 6. Section 6511 of the education law, as amended by chapter 542 of
26 the laws of 2000, is amended to read as follows:

27 S 6511. Penalties for professional misconduct. The penalties which may
28 be imposed by the board of regents on a present or former licensee found
29 guilty of professional misconduct (under the definitions and proceedings
30 prescribed in sections sixty-five hundred nine and sixty-five hundred
31 ten of this [article] SUBPART) are: (1) censure and reprimand, (2)
32 suspension of license, (a) wholly, for a fixed period of time; (b)
33 partially, until the licensee successfully completes a course of
34 retraining in the area to which the suspension applies; (c) wholly,
35 until the licensee successfully completes a course of therapy or treat-
36 ment prescribed by the regents; (3) revocation of license, (4) annulment
37 of license or registration, (5) limitation on registration or issuance
38 of any further license, (6) a fine not to exceed ten thousand dollars,
39 upon each specification of charges of which the respondent is determined
40 to be guilty, (7) a requirement that a licensee pursue a course of
41 education or training, and (8) a requirement that a licensee perform up
42 to one hundred hours of public service, in a manner and at a time and
43 place as directed by the board. The board of regents may stay such
44 penalties in whole or in part, may place the licensee on probation and
45 may restore a license which has been revoked, provided, in the case of
46 licensees subject to section two hundred thirty of the public health
47 law, notice that the board is considering such restoration is given to
48 the office of professional medical conduct at least thirty days before
49 the date on which such restoration shall be considered. Upon the recom-
50 mendation of the office of professional medical conduct, the board of
51 regents may deny such restoration. IN THE EVENT THAT THE BOARD, WHEN
52 CONSIDERING SUCH RESTORATION, ELECTS TO ACT IN A MANNER INCONSISTENT
53 WITH ANY RECOMMENDATION OF THE OFFICE OF PROFESSIONAL MEDICAL CONDUCT,
54 THE BOARD SHALL INCLUDE AN EXPLICIT JUSTIFICATION FOR DEPARTING FROM
55 SUCH RECOMMENDATION IN ITS WRITTEN DETERMINATION. Any fine imposed
56 pursuant to this section or pursuant to subdivision two of section

1 sixty-five hundred ten of this [article] SUBPART may be sued for and
2 recovered in the name of the people of the state of New York in an
3 action brought by the attorney general. In such action the findings and
4 determination of the board of regents or of the violations committee
5 shall be admissible evidence and shall be conclusive proof of the
6 violation and the penalty assessed.

7 S 7. Subdivision 3 of section 2995-a of the public health law, as
8 added by chapter 542 of the laws of 2000, is amended to read as follows:

9 3. Each physician who is self-insured for professional medical malp-
10 ractice shall periodically report to the department on forms and in the
11 time and manner required by the commissioner the information specified
12 in paragraph [(f)] (E) of subdivision one of this section, except that
13 the physician shall report the dollar amount (to the extent of the
14 physician's information and belief) for each judgment, award and settle-
15 ment and not a level of significance or context.

16 S 8. Subdivision 27 of section 6530 of the education law, as added by
17 chapter 606 of the laws of 1991, is amended to read as follows:

18 27. Advertising or soliciting for patronage that is not in the public
19 interest. (a) Advertising or soliciting not in the public interest shall
20 include, but not be limited to, advertising or soliciting that: (i) is
21 false, fraudulent, deceptive, OR misleading[, sensational, or flamboy-
22 ant];

23 (ii) represents intimidation or undue pressure;

24 (iii) [uses testimonials;

25 (iv)] guarantees any service;

26 [(v)] (IV) makes any claim relating to professional services or
27 products or the costs or price therefor which cannot be substantiated by
28 the licensee, who shall have the burden of proof;

29 [(vi)] (V) makes claims of professional superiority which cannot be
30 substantiated by the licensee, who shall have the burden of proof; or

31 [(vii)] (VI) offers bonuses or inducements in any form other than a
32 discount or reduction in an established fee or price for a professional
33 service or product.

34 (b) The following shall be deemed appropriate means of informing the
35 public of the availability of professional services: (i) informational
36 advertising not contrary to the foregoing prohibitions; and

37 (ii) the advertising in a newspaper, periodical or professional direc-
38 tory or on radio [or], television, OR THE INTERNET of fixed prices, or a
39 stated range of prices, for specified routine professional services,
40 provided that if there is an additional charge for related services
41 which are an integral part of the overall service being provided by the
42 licensee, the advertisement shall so state, and provided further that
43 the advertisement indicates the period of time for which the advertised
44 prices shall be in effect.

45 (c)(i) All licensees placing advertisements shall maintain, or cause
46 to be maintained, an exact copy of each advertisement, transcript, tape
47 or video tape thereof as appropriate for the medium used, for a period
48 of one year after its last appearance. This copy shall be made avail-
49 able for inspection upon demand of the department of health;

50 (ii) A licensee shall not compensate or give anything of value to rep-
51 resentatives of the press, radio, television or other communications
52 media in anticipation of or in return for professional publicity in a
53 news item[;].

54 (d) [No demonstrations, dramatizations or other portrayals of profes-
55 sional practice shall be permitted in advertising on radio or tele-
56 vision;] TESTIMONIALS, DEMONSTRATIONS, DRAMATIZATIONS, OR OTHER PORTRAY-

1 ALS OF PROFESSIONAL PRACTICE ARE PERMITTED PROVIDED THAT THEY OTHERWISE
2 COMPLY WITH THE LAWS OF PROFESSIONAL MEDICAL CONDUCT AND FURTHER
3 PROVIDED THAT THE FOLLOWING CONDITIONS ARE SATISFIED:

4 (I) THE PATIENT EXPRESSLY AUTHORIZES THE PORTRAYAL IN WRITING;

5 (II) THE APPROPRIATE DISCLOSURE IS INCLUDED TO PREVENT ANY MISLEADING
6 INFORMATION OR IMAGERY AS TO THE IDENTITY OF THE PATIENT;

7 (III) REASONABLE DISCLAIMERS ARE INCLUDED AS TO ANY STATEMENTS MADE OR
8 RESULTS ACHIEVED IN A PARTICULAR MATTER;

9 (IV) THE USE OF FICTIONAL SITUATIONS OR CHARACTERS MAY BE USED IF NO
10 TESTIMONIALS ARE INCLUDED; AND

11 (V) FICTIONAL PATIENT TESTIMONIALS ARE NOT PERMITTED.

12 S 9. Section 32 of part A of chapter 58 of the laws of 2008, amending
13 the elder law and other laws relating to reimbursement to particular
14 provider pharmacies and prescription drug coverage, as amended by
15 section 26 of part A of chapter 59 of the laws of 2011, is amended to
16 read as follows:

17 S 32. This act shall take effect immediately and shall be deemed to
18 have been in full force and effect on and after April 1, 2008; provided
19 however, that sections one, six-a, nineteen, twenty, twenty-four, and
20 twenty-five of this act shall take effect July 1, 2008; provided however
21 that sections sixteen[, seventeen] and eighteen of this act shall expire
22 April 1, 2014; provided, however, that the amendments made by section
23 twenty-eight of this act shall take effect on the same date as section 1
24 of chapter 281 of the laws of 2007 takes effect; provided further, that
25 sections twenty-nine, thirty, and thirty-one of this act shall take
26 effect October 1, 2008; provided further, that section twenty-seven of
27 this act shall take effect January 1, 2009; and provided further, that
28 section twenty-seven of this act shall expire and be deemed repealed
29 March 31, 2014; and provided, further, however, that the amendments to
30 subdivision 1 of section 241 of the education law made by section twen-
31 ty-nine of this act shall not affect the expiration of such subdivision
32 and shall be deemed to expire therewith and provided that the amendments
33 to section 272 of the public health law made by section thirty of this
34 act shall not affect the repeal of such section and shall be deemed
35 repealed therewith.

36 S 10. This act shall take effect immediately; provided that sections
37 one, two, three, four, five, six and eight of this act shall take effect
38 on the sixtieth day after this act shall have become a law.