Date of Hearing: May 3, 2023

ASSEMBLY COMMITTEE ON APPROPRIATIONS Chris Holden, Chair AB 765 (Wood) – As Amended April 17, 2023

Policy Committee:	Business and Professions	Vote:	16 - 0

SUMMARY:

Urgency: No

This bill makes it a misdemeanor for a person who does not have a valid, unrevoked, and unsuspended certificate as a physician and surgeon (physician) to use "doctor," "physician," "Dr.," "M.D.," or "D.O.," or any other terms or letters indicating or implying that the person is a physician licensed to practice under the Medical Practice Act.

State Mandated Local Program: Yes Reimbursable: No

The bill also makes it a misdemeanor for a person who is not a physician to use a medical specialty title, such as anesthesiologist or pediatrician, unless that person is licensed under the Medical Practice Act to practice as such a specialist.

FISCAL EFFECT:

The Medical Board of California, Dental Board of California, Acupuncture Board, and California Board of Occupational Therapy do not anticipate costs from this bill.

The Osteopathic Medical Board (OMB) will need to update regulations for citation and fine authority, but expects the costs to be minor and absorbable within current resources.

The California Board of Naturopathic Medicine (Board) states it will need to conduct outreach to educate specialists and address the increase in complaints. The Board anticipates 24 additional complaints for specialists using prohibited specialized titles that would require investigations and increase enforcement costs by \$120,000 per year. To do this work, the Board estimates it will need to add one full-time, analyst in 2024-25 and 2025-26 and one part-time analyst in 2026-27 and ongoing. The Board estimates costs of \$282,000 in fiscal year (FY) 2024-25, \$274,000 in FY 2025-26 and \$199,000 in FY 2026-27 and ongoing to support the implementation of this bill (Naturopathic Doctor's Fund).

COMMENTS:

1) **Purpose.** This bill is sponsored by the California Medical Association. According to the author:

Health care consumers deserve to know what types of providers are delivering their care. Trust, transparency and honest in licensure status, education and training is critical in promoting and protecting patient safety. California has adopted many scope of practice expansions and I was the author of one for nurse practitioners (NP). These expansions, including my NP bill, have called for clear representation of a practitioner's license so the public is aware should they prefer to receive care from a different type of licensed provider. This bill further clarifies and strengthens this disclosure by assuring consumers that if certain terms are used in a title, consumers know the care they are seeking or receiving is being provided by a physician.

2) **Background.** The Medical Practice Act prohibits any person from practicing or advertising as practicing medicine without a valid, unrevoked, and unsuspended license. It is a misdemeanor for any unlicensed person to use the words "doctor" or "physician," the letters or prefix "Dr.," the initials "M.D.," or any other terms or letters indicating or implying that the person is a licensed physician and surgeon on any sign, business card, or letterhead, or, in an advertisement.

Statutes governing health professional licensing boards make it unlawful for any healing arts licensee to publically communicate any false, fraudulent, misleading, or deceptive statement, claim, or image for the purpose of rendering professional services in connection with their licensed practice. Statute specifically prohibits a licensee from using

any professional card, professional announcement card, office sign, letterhead, telephone directory listing, medical list, medical directory listing, or a similar professional notice or device if it includes a statement or claim that is false, fraudulent, misleading, or deceptive.

Additionally, Section 17500 of the Business and Professions Code broadly prohibits false advertising of a product or service. While this code section covers a wide range of false advertisements by sellers of goods or services, its provisions are applicable to health care licensees.

The Medical Practice Act expressly reserves use of the words "doctor" or "physician" for actively licensed physicians. However, podiatrists are independently licensed by the Podiatric Medical Board of California, and their formal title is "doctors of podiatric medicine." The California Board of Naturopathic Medicine licenses and regulates a profession statutorily referred to as "naturopathic doctors." Optometrists, dentists, chiropractors, psychologists, and other practitioners possessing professional doctorates are also expressly authorized by law to use the term "doctor." "Dr." is also commonly used as a social honorific for anyone who has received a doctoral degree, including research doctorates not associated with licensure.

3) Concerns. The Board of Naturopathic Examiners writes:

AB 765 undermines the specialty titles that naturopathic doctors (NDs) who are additionally trained in the respective board-certified specialties are allowed to use. Many NDs coming in from other states, or who provide these specialty services within California, have been advertising with the ability to use these specialty titles for over 15 years, with no violations for the illegal or inappropriate use of the title by a licensee who does not have the additional training in the specialty....

AB 765 places the Board in a very precarious position. There is an anticipation that the Board would be subject to lawsuits for prohibiting the use of earned titles within the naturopathic medicine profession after use of these titles has been long-established. Further there is question of whether this is in direct violation of the Federal Trade Commission's (FTC) non-compete policies. The impacted naturopathic medicine specialties are used commonly and within naturopathic medicine standards in all regulating authorities within North America.

The California Association of Nurse Anesthetists (CANA) opposes this bill, writing:

There is no actual evidence of patient confusion or safety risk, let alone harm. The bill author has provided results from a survey completed by the American Medical Association...which did not measure or report any outcomes relative to utilization of the terms or abbreviations "Dr." or anesthesiologist. It simply supported the idea that providers should clearly designate their level of education and training.

4) **Related Legislation**. AB 1564 (Low) prohibits a person who has earned a Master of Divinity from displaying the title "MDiv" or "M.D.i.v." in relation to the person's practice unless the title is clearly distinguishable from "MD" or "M.D." AB 1564 is pending in this committee.

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