

Information Bulletin

SB 697 – Frequently Asked Questions

Overview

SB 697 (Chapter 707, Statutes of 2018) became effective on January 1, 2020 and made numerous changes to the Physician Assistant Practice Act (Act), which provides for licensure and regulation of physician assistants by the Physician Assistant Board (Board). Generally, the new law removes requirements that the medical record identify the responsible supervising physician and surgeon, removes requirements that the physician be physically available to the physician assistant for consultation, removes requirements for review and countersignature of patient medical records, and removes requirements that written guidelines for adequate supervision be established. The new law instead authorizes a physician assistant to perform medical services authorized by the Act if certain requirements are met, including that the medical services are rendered pursuant to a practice agreement, as defined, and the physician assistant is competent to perform the medical services.

The Act now requires that a practice agreement between a physician assistant and a physician and surgeon meet specified requirements, including that the agreement have policies and procedures to ensure adequate supervision of the physician assistant, including, but not limited to, appropriate communication, availability, consultations, and referrals between a physician and surgeon and the physician assistant in the provision of medical services. In addition, a practice agreement must establish policies and procedures to identify a physician and surgeon (with privileges to practice in that hospital) who is supervising a physician assistant rendering services in a general acute care hospital.

The prior law authorized a physician assistant, under the supervision of a physician and surgeon, to administer or provide medication to a patient, or transmit orally, or in writing on a patient's record or in a drug order, an order to a person who may lawfully furnish the medication or medical device, subject to specified requirements. The new law authorizes a physician assistant to furnish or order a drug or device subject to specified requirements, including that the furnishing or ordering be in accordance with the practice agreement and consistent with the physician assistant's educational preparation or for which clinical competency has been established and maintained, and that the physician and surgeon be available by telephone or other electronic communication method at the time the physician assistant examines the patient.

The Act now authorizes the physician assistant to furnish or order Schedule II or III controlled substances in accordance with the practice agreement or a patient-specific order approved by the treating or supervising physician and surgeon and requires completion of a controlled substances course by the PA's next renewal if the PA is

authorized by a practice agreement to furnish Schedule II controlled substances and if the PA has a DEA registration.

In addition, the new law provides that any reference to a “delegation of services agreement” in any other law means “practice agreement,” as defined. The Act now provides that supervision does not require the supervising physician and surgeon to be physically present, but does require adequate supervision as agreed to in the practice agreement and does require that the physician and surgeon be available by telephone or other electronic communication method at the time the physician assistant examines the patient. However, the Act also prohibits this provision from being construed as prohibiting the Board from requiring the physical presence of a physician and surgeon as a term or condition of a PA’s reinstatement, probation, or imposing discipline.

For more detailed information and to review the exact text of this new legislation, a copy of SB 697 is included with this information bulletin at:

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201920200SB697.

The Board is providing the following information in response to questions received:

Practice Agreement

1. What is a practice agreement?

The practice agreement replaces the delegation of services agreement. The practice agreement is a written agreement developed through collaboration among one or more physicians and surgeons (“physician”) and one or more physician assistants (PA). The practice agreement defines the medical services the PA is authorized to perform pursuant to Business and Professions Code (BPC) section 3502 and grants approval for the physicians and surgeons on the staff of an “organized health care system”¹ to supervise one or more PAs in an organized health care system. (See BPC, § 3501, subd. (k).).

The practice agreement must include provisions that address the following:

- (1) The types of medical services a physician assistant is authorized to perform,
- (2) Policies and procedure to ensure adequate supervision of the PA,
- (3) The methods for continuing evaluation of the competency and qualifications of the PA,

¹ Under the new law, an “organized health care system” includes a licensed clinic, an outpatient setting, a health facility, an accountable care organization, a home health agency, a physician’s office, a professional medical corporation, a medical partnership, a medical foundation, and any other entity that lawfully provides medical services (see BPC, § 3501, subd. (j)).

- (4) The furnishing or ordering of drugs or devices by a PA pursuant to Section 3502.1 (see answer to Question No. 5); and,
- (5) Any additional provisions agreed to by the PA and the supervising physician. (See BPC, § 3502.3, subd. (a)(1).)

The practice agreement must be signed by the PA and one or more physicians or a physician who is authorized to approve the practice agreement on behalf of the staff of the physicians on the staff of an organized health care system. (See BPC, § 3502.3, subd. (a)(2).)

2. Will the Board be publishing a sample/template practice agreement on its website?

No, not at this time. Further, the law does not require the Board to approve practice agreements. (BPC, § 3502.3, subd. (a)(5).)

3. Can an existing delegation of services agreement be used instead of a practice agreement?

Yes. Any delegation of services agreement in effect prior to January 1, 2020 shall be deemed to meet the requirements of BPC Section 3502.3. (See BPC, § 3502.3, subd. (a)(3).)

4. What Medical Services is a PA authorized to perform?

A PA is authorized to perform those medical services described in the practice agreement. The PA must also have the competency to perform the medical services, and the PA's education, training, and experience must have prepared the PA to render the services. (See BPC, § 3502, subd. (a).)

Finally, in addition to any other practices that meet the criteria set forth in the Act or the Board's or the Medical Board of California's regulations, a practice agreement may authorize a PA to do any of the following:

(1) Order durable medical equipment, subject to any limitations set forth in Section 3502 of the Act (particularly competency, education training, and experience), or the practice agreement.

(2) For individuals receiving home health services or personal care services, after consultation with a supervising physician, approve, sign, modify, or add to a plan of treatment or plan of care.

(3) After performance of a physical examination by the PA under the supervision of a physician, certify disability pursuant to Section 2708 of the Unemployment Insurance Code. (See BPC, § 3502.3, subd. (b).)

Prescriptions

5. Are protocols and formularies for controlled substances required?

No. However, there are still criteria that need to be met to authorize a PA to furnish a controlled substance. A PA may furnish or order only those Schedule II through Schedule V controlled substances under the California Uniform Controlled Substances Act that have been agreed upon in the practice agreement, and consistent with the PA's educational preparation or for which clinical competency has been established and maintained. With respect to Schedules II or III controlled substances, the practice agreement or a patient-specific order approved by the treating or supervising physician can authorize the PA to furnish a Schedule II or III controlled substance. (See BPC, § 3502.1, subds. (a), (d)(1), and (d)(2).)

A practice agreement authorizing a PA to order or furnish a drug or device shall specify all of the following:

- (1) which PA or PAs may furnish or order a drug or device,
- (2) which drugs or devices may be furnished or ordered,
- (3) under what circumstances a drug or device will be furnished,
- (4) the extent of physician supervision,
- (5) the method of periodic review of the PA's competence, including peer review,
- (6) review of the practice agreement (BPC, § 3502.1, subd. (b)(1); and,
- (7) if the practice agreement authorizes the PA to furnish a Schedule II controlled substance, the practice agreement shall address the diagnosis of the illness, injury, or condition for which the PA may furnish the Schedule II controlled substance. (See BPC, § 3502.1, subd. (b)(2).)

To furnish any drug or device, the PA must have also completed a course in pharmacology that meets the requirements contained in section 1399.530 of Title 16 of the California Code of Regulations as that provision read on June 7, 2019. (See BPC, § 3502.1, subd. (e)(1).) For PAs that are authorized through a practice agreement to furnish Schedule II controlled substances, completion of a controlled substance education course is now mandatory, as described below.

6. Is the Controlled Substance Education Course required?

Yes. A PA who holds an active license, who is authorized through a practice agreement to furnish Schedule II controlled substances, who is registered with the U.S. Drug Enforcement Administration (DEA), and who has not completed a one-time course in compliance with sections 1399.610 and 1399.612 of Title 16 of the California Code of Regulations as those provisions read on June 7, 2019, shall complete, as part of their continuing education requirements, a course that

covers Schedule II controlled substances and the risks of addiction associated with their use, based on standards developed by the Board. Therefore, if a PA who holds an active license has not yet completed the required course, the PA needs to complete the course before renewing their license. (See BPC, § 3502.1, subd. (e)(3).)

7. Can a PA furnish or order Schedule II or III controlled substances?

Yes. A PA may furnish or order Schedule II or III controlled substances in accordance with the practice agreement or a patient-specific order approved by the treating or supervising physician. (See BPC, § 3502.1, subd. (d)(2).) However, continuing education and practice agreement requirements also need to be met to maintain compliance with the Act (see answers to Question Nos. 5 and 6 above).

8. Is supervising physician contact information required on PA prescriptions?

No. PA prescription pads are no longer required to list the name, address, and telephone number of their supervising physician. Further, a PA's drug order that is authorized to be issued under the Act must be treated in the same manner as a prescription of a supervising physician, and the signature of a PA on a drug order issued in accordance with the Act is deemed to be the signature of a prescriber for purposes of the Business and Professions Code and the Health and Safety Code. (See BPC, § 3502.1, subd. (g).)

Supervision

9. Are PAs required to identify their supervising physician for each episode of care in the patient's medical record?

Not anymore. The legislation removed the requirement that each episode of care for a patient identify the physician responsible for the supervision of the physician assistant. (See BPC, § 3502, as amended.)

10. Does the supervising physician still need to review or countersign my charts?

No. Unless the practice agreement requires it, the supervising physician no longer must review or countersign the medical records of a patient treated by a PA. The Board may, as a condition of probation or reinstatement of a licensee, require the review or countersignature of records of patients treated by a PA for a specified duration. (See BPC, § 3502, subd. (c).)

11. What are the Responsibilities of a Supervising Physician?

Under the new law, a supervising physician must provide adequate supervision of a PA as agreed to in the practice agreement. A supervising physician need not be physically present while the PA provides medical services but must be available by telephone or other electronic communication method at the time the PA examines the patient. (See BPC, § 3501, subd. (f)(1)(A)-(B).) However, the Board may require the physical presence of the supervising physician as a term or condition of a PA's reinstatement, probation, or imposing discipline. (See BPC, § 3501, subd. (f)(2).)

Supervision means that a physician oversees and accepts responsibility for the medical services provided by the PA. (See BPC, § 3501, subd. (f)(1).) While the PA is also no longer an agent of the supervising physician, the PA and the supervising physician can agree via practice agreement, that the PA is designated as an agent of the supervising physician. (See BPC, § 3502.3, subd. (a)(4).)

If rendering services in a general acute care hospital as defined in Health and Safety Code section 1250, the PA must be supervised by a physician who has privileges to practice in that hospital. Within a general acute hospital, the practice agreement shall establish policies and procedures to identify a physician who is supervising the PA. (See BPC, § 3502, subd. (f).)

However, amendments to the new law did not change the following requirements for physician supervision:

- (a) a physician assistant licensed by the board shall be eligible for employment or supervision by a physician who is not subject to a disciplinary condition imposed by the Medical Board of California prohibiting that employment or supervision.
- (b) Except as provided in Business and Professions Code section 3502.5 (state of war or emergency), a physician shall not supervise more than four physician assistants at any one time.
- (c) The Medical Board of California may restrict a physician and surgeon to supervising specific types of physician assistants including, but not limited to, restricting a physician and surgeon from supervising physician assistants outside of the field of specialty of the physician and surgeon. (See BPC, § 3516.)

Miscellaneous

12. Can a PA now own a majority share in a medical practice?

No. The new law did not change the Moscone-Knox Professional Corporation Act's ban on the owning of a majority of shares of a professional medical corporation. Under this prohibition a PA cannot own more than 49% of a professional medical corporation. (See Corp. Code, § 13401.5, subd. (a)(7).)

Form: PAB SB 697 FAQ Sheet .docx
Version: January 6, 2020

**DELEGATION OF SERVICES AGREEMENT
BETWEEN
A SUPERVISING PHYSICIAN AND A PHYSICIAN ASSISTANT**

Title 16, Section 1399.540 of the Physician Assistant Regulations states, in part, “a) A physician assistant may only provide those medical services which he or she is competent to perform and which are consistent with the physician assistant’s education, training, and experience, and which are delegated in writing by a supervising physician who is responsible for the patients cared for by that physician assistant. b) The writing which delegates the medical services shall be known as a delegation of services agreement. A delegation of services agreement shall be signed and dated by the physician assistant and each supervising physician. A delegation of services agreement may be signed by more than one supervising physician only if the same medical services have been delegated by each supervising physician. A physician assistant may provide medical services pursuant to more than one delegation of services agreement.”

The following document is a sample Delegation of Services Agreement (DSA) to assist you with meeting this legal requirement. This sample DSA is provided for information purposes; feel free to duplicate or modify it as appropriate and consistent with the law.

If you choose not to use the sample DSA, please be aware that you are still required by law to execute a DSA with your supervising physician. The DSA must be signed and dated by you and your supervising physician. The original or a copy of this document should be maintained at all practice sites where the physician assistant practices, and should be readily accessible. It is recommended that you retain prior DSAs for one to three years after the DSA is no longer current or valid.

While every practicing physician assistant is required to have a DSA, you are **not** required to submit it to the Physician Assistant Board. If requested, you must make a copy of your DSA available to any authorized agent of the Medical Board of California, the Osteopathic Medical Board of California, or the Physician Assistant Board who may request it.

Failure to have a current DSA constitutes a violation of the Physician Assistant Regulations and is grounds for disciplinary action against a physician assistant’s license. In addition, failure by the physician assistant and supervising physician to comply with the supervision requirements specified in the Physician Assistant Regulations and in the Delegation of Services Agreement is ground for disciplinary action.

**THE ATTACHED DOCUMENTS DO NOT NEED TO BE RETURNED TO THE
PHYSICIAN ASSISTANT BOARD**

SAMPLE

DELEGATION OF SERVICES AGREEMENT BETWEEN SUPERVISING PHYSICIAN AND PHYSICIAN ASSISTANT (Title 16, CCR, Section 1399.540)

PHYSICIAN ASSISTANT _____
(Name)

Physician assistant, graduated from the _____
(Name of PA Training Program)

physician assistant training program on _____
(Date)

He/she took (or is to take) the licensing examination for physician assistants recognized by the State of California (e.g., Physician Assistant National Certifying Examination or a specialty examination given by the State of California) on _____
(Date)

He/she was first granted licensure by the Physician Assistant Board on _____, which expires on _____, unless renewed.
(Date) (Date)

SUPERVISION REQUIRED. The physician assistant named above (hereinafter referred to as PA) will be supervised in accordance with the written supervisor guidelines required by Section 3502 of the Business and Professions Code and Section 1399.545 of the Physician Assistant Regulations. The written supervisor guidelines are incorporated with the attached document entitled, "Supervising Physician's Responsibility for Supervision of Physician Assistants."

AUTHORIZED SERVICES. The PA is authorized by the physician whose name and signature appear below to perform all the tasks set forth in subsections (a), (b), (c), (d), (e), (f), (g) and (h) of Section 1399.541 of the Physician Assistant Regulations, when acting under the supervision of the herein named physician. (In lieu of listing specific lab procedures, etc. the PA and *supervising* physician may state as follows: "Those procedures specified in the practice protocols or which the supervising physician specifically authorizes.")

The PA is authorized to perform the following laboratory and screening procedures:

The PA is authorized to assist in the performance of the following laboratory and screening procedures:

The PA is authorized to perform the following therapeutic procedures:

The PA is authorized to assist in the performance of the following therapeutic procedures:

The PA is authorized to function as my agent per bylaws and/or rules and regulations of (name of hospital):

a) The PA is authorized to write and sign drug orders for Schedule: II, III, IV, V without advance approval (circle authorized Schedule(s)). The PA has taken and passed the drug course approved by the Board on _____ (attach certificate). DEA #: _____ Date _____

or
b) The PA is authorized to write and sign drug orders for Schedule: II, III, IV, V with advance patient specific approval (circle authorized Schedule(s)). DEA #: _____

CONSULTATION REQUIREMENTS. The PA is required to always and immediately seek consultation on the following types of patients and situations (e.g., patient's failure to respond to therapy; physician assistant's uncertainty of diagnosis; patient's desire to see physician; any conditions which the physician assistant feels exceeds his/her ability to manage, etc.)

(List Types of Patients and Situations)

MEDICAL DEVICES AND PHYSICIAN'S PRESCRIPTIONS. The PA may transmit by telephone to a pharmacist, and orally or in writing on a patient's medical record or a written prescription drug order, the supervising physician's prescription in accordance with Section 3502.1 of the Business and Professions Code.

The supervising physician authorizes the delegation and use of the drug order form under the established practice protocols and drug formulary. _____ YES _____ NO

The PA may also enter a drug order on the medical record of a patient at _____
(Name of Institution)
in accordance with the Physician Assistant Regulations and other applicable laws and regulations.

Any medication handed to a patient by the PA shall be authorized by the supervising physician's prescription and be prepackaged and labeled in accordance with Sections 4076 of the Business and Professions Code.

PRACTICE SITE. All approved tasks may be performed for care of patients in this office or clinic located at _____ and, in _____ hospital(s) and _____ skilled nursing facility (facilities) for care of patients admitted to those institutions by physician(s) _____.
(Address / City) (Address / City) (Name of Facility) (Name/s)

EMERGENCY TRANSPORT AND BACKUP. In a medical emergency, telephone the 911 operator to summon an ambulance.

The _____ emergency room at _____
(Name of Hospital) (Phone Number)
is to be notified that a patient with an emergency problem is being transported to them for immediate admission. Give the name of the admitting physician. Tell the ambulance crew where to take the patient and brief them on known and suspected health condition of the patient.
Notify _____ at _____ immediately
(Name of Physician) (Phone Number/s)
(or within _____ minutes).

PHYSICIAN ASSISTANT DECLARATION

My signature below signifies that I fully understand the foregoing Delegation of Services Agreement, having received a copy of it for my possession and guidance, and agree to comply with its terms without reservations.

Date

Physician's Signature (Required)

Physician's Printed Name

Date

Physician Assistant's Signature (Required)

Physician Assistant's Printed Name

(c) The requirement that the physician assistant be supervised by, or work in collaboration with, a licensed physician and surgeon.

(Amended by Stats. 2018, Ch. 92, § 2 (SB 1289), eff. January 1, 2019.)

§ 3502.2. Physical Examinations

Notwithstanding any other provision of law, a physician assistant may perform the physical examination and any other specified medical services that are required pursuant to Section 2881 of the Public Utilities Code and Sections 44336, 49406, 49423, 49455, 87408, 87408.5, and 87408.6 of the Education Code, practicing in compliance with this chapter, and may sign and attest to any certificate, card, form, or other documentation evidencing the examination or other specified medical services.

(Added by Stats. 2010, Ch. 512, § 2 (SB 1069), eff. January 1, 2011.)

§ 3502.3. Practice Agreement

(a) (1) A practice agreement shall include provisions that address the following:

(A) The types of medical services a physician assistant is authorized to perform.

(B) Policies and procedures to ensure adequate supervision of the physician assistant, including, but not limited to, appropriate communication, availability, consultations, and referrals between a physician and surgeon and the physician assistant in the provision of medical services.

(C) The methods for the continuing evaluation of the competency and qualifications of the physician assistant.

(D) The furnishing or ordering of drugs or devices by a physician assistant pursuant to Section 3502.1.

(E) Any additional provisions agreed to by the physician assistant and physician and surgeon.

(2) A practice agreement shall be signed by both of the following:

(A) The physician assistant.

(B) One or more physicians and surgeons or a physician and surgeon who is authorized to approve the practice agreement on behalf of the staff of the physicians and surgeons on the staff of an organized health care system.

(3) A delegation of services agreement in effect prior to January 1, 2020, shall be deemed to meet the requirements of this subdivision.

(4) A practice agreement may designate a PA as an agent of a supervising physician and surgeon.

(5) Nothing in this section shall be construed to require approval of a practice agreement by the board.

(b) Notwithstanding any other law, in addition to any other practices that meet the general criteria set forth in this chapter or regulations adopted by the board or the Medical Board of California, a practice agreement may authorize a PA to do any of the following:

(1) Order durable medical equipment, subject to any limitations set forth in Section 3502 or the practice agreement. Notwithstanding that authority, nothing in this paragraph shall operate to limit the ability of a third-party payer to require prior approval.

(2) For individuals receiving home health services or personal care services, after consultation with a supervising physician and surgeon, approve, sign, modify, or add to a plan of treatment or plan of care.

(3) After performance of a physical examination by the PA under the supervision of a physician and surgeon consistent with this chapter, certify disability pursuant to Section 2708 of the Unemployment Insurance Code. The Employment Development Department shall implement this paragraph on or before January 1, 2017.

(c) This section shall not be construed to affect the validity of any practice agreement in effect prior to the effective date of this section or those adopted subsequent to the effective date of this section.

(Amended by Stats. 2019, Ch. 707, § 5 (SB 697), eff. January 1, 2020.)