

# Exhibit

# J



STATE AND CONSUMER SERVICES AGENCY • GOVERNOR EDMUND G. BROWN JR.

Medical Board of California  
**BOARD OF PODIATRIC MEDICINE**  
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## 6. Legislative Committee

Ms. Dixon, *Chair*

Dr. Wrubel, *Vice*

### a. Overview ..... J

- BPM's legislative priority remains the renewal fee increase as indicated in the Financial Report
- The Board of Directors, California Podiatric Medical Association, voted April 20 to make this an action item
- We will be working with CPMA's legislative representatives Barry Broad and Shane Gusman
- SB 1330 (Statutes of 1989, Chapter 801) raised the biennial renewal fee from \$525 to \$800 effective 1/1/1990
- AB 1252 (Wildman, Statutes of 1999, Chapter 977) raised it to \$900 temporarily effective 1/1/2000
- SB 1549 (Figueroa, Statutes of 2004, Chapter 691) made the \$900 permanent effective 1/1/2005

### b. SB 381 (Yee) ..... K

- SB 381 failed in the Senate Business & Professions Committee April 15 on a vote of 1 Aye 6 Noes but was granted reconsideration, to be heard again (April 29 date postponed)
- CPMA has alerted Senator Yee's staff that the bill must be amended to include Doctors of Podiatric Medicine, so that DPMs are not disenfranchised from current scope that includes manipulation

### c. SB 809 (DeSaulnier and Steinberg) ..... L

- SB 809 (Coauthors: Senators Hancock, Lieu, Pavley, and Price; Assembly Member Blumenfield) appears headed towards enactment
- It would assess and mandate health licensing fee increases of 1.16% to support the CURES program
- This is the Controlled Substance and Utilization Review and Evaluation System (CURES)
- It passed Senate B&P 7 Ayes 2 Noes April 15 and was referred to Committee on Governance and Finance for hearing May 8
- The authors allow that General Fund funding would be optimum but that something like the current bill is the best workable option at this time (see next page)
- BPM staff will back up CPMA liaison with Sen. DeSaulnier's staff re whether the Section 2 language restricting fee increases to the amount for CURES needs amendment

**"Boards are established to protect the people of California."  
Section 101.6, B&P Code**

**Rathlesberger, Jim@DCA**

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**From:** Burgess, Jordan@DCA  
**Sent:** Tuesday, April 23, 2013 4:14 PM  
**To:** Whitney, Linda@MBC; Kirchmeyer, Kimberly@MBC; Heim, Tamiko@MBC; Burton, Angie@DCA; Davies, Francine@DCA; Maggio, Mona@DCA; Leiva, Andrea@DCA; Herold, Virginia@DCA; Hendricks, Laura@DCA; Lazarus, Jamie@DCA; Fischer, Karen@DCA; Albertsen, Frances@DCA; Geranen, Susan@DCA; Sanchez, Paul@DCA; Bailey, Louise@DCA; Valim, Alcidia@DCA; Mitchell, Glenn@MBC; Tincher, Dianne@MBC; Rathlesberger, Jim@DCA; Matsunami, Mischa@DCA  
**Cc:** Mayorga, Sandra@DCA; Shintaku-Enkoji, Janice@DCA; Schick, Taylor@DCA; Dines, Cynthia@DCA; Rhine, Tracy@DCA; Clifford, Brian@DCA; Hall, Steven@DCA; Skewis, Brian@DCA; Espera, Jennifer@DCA; Rumbaoa, Wilbert@DCA  
**Subject:** CURES funding sources

Hello,

I know many of you have been working with Steven Hall or your program's assigned analyst to identify your population that prescribes/dispenses controlled substances. These inquiries from our office have come as a result of both SB 809 and a subsequent request from Department of Finance (DOF), as directed by the Governor's office, relating to the CURES database. Both SB 809 and the DOF request are attempting to find non-General Fund monies to support CURES. Here is a description of the two options:

1. SB 809 – Would provide for a special assessment on licensees and certifications that are able to prescribe or dispense schedule II – IV controlled substances. Additionally, an one-time fee would be assessed to insurers to upgrade the CURES database;
2. DOF Request – DOF has been working with the DOJ to determine the latest costs associated with upgrading CURES (\$1.575 million in FY 2013-14 and FY 2014-15) and the ongoing costs (\$325,000). These costs would be split between each program based on the number of licensees or certifications in the program that can prescribe or dispense schedule II – IV substances.

At this point, we have no definitive direction regarding which option will be used to fund CURES, but we wanted to reach out and keep you all in the loop.

DOF is aware that many of your fees are currently at the statutory cap, and therefore, has asked us to look into other options. One such option is adding a surcharge to fees so the statutory caps are not affected. Again, this is all tentative and is still being discussed along with other options.

If you have any questions, please contact me or your budget analyst.

Thank you,

*Jordan Burgess*

Budget Manager  
Department of Consumer Affairs  
916.574.7163

Exhibit

K

BILL NUMBER: SB 381      INTRODUCED  
BILL TEXT

INTRODUCED BY    Senator Yee

FEBRUARY 20, 2013

An act to add Section 734 to the Business and Professions Code, relating to chiropractic practice.

LEGISLATIVE COUNSEL'S DIGEST

SB 381, as introduced, Yee. Healing arts: chiropractic practice. Existing law, the Chiropractic Act, enacted by an initiative measure, provides for the licensure and regulation of chiropractors by the State Board of Chiropractic Examiners. Under the act, a license authorizes its holder to practice chiropractic as taught in chiropractic schools or colleges but does not authorize its holder to practice medicine, surgery, osteopathy, dentistry, or optometry.

Existing law provides for the licensure and regulation of physicians and surgeons and osteopathic physicians and surgeons by the Medical Board of California and the Osteopathic Medical Board of California, respectively.

This bill would prohibit a health care practitioner from performing a joint manipulation or joint adjustment, as defined, unless he or she is a licensed chiropractor, physician and surgeon, or osteopathic physician and surgeon. The bill would provide that a health care practitioner who performs a joint manipulation or joint adjustment in violation of these provisions engages in the unlawful practice of chiropractic, which shall constitute, among other things, good cause for the revocation or suspension of the health care practitioner's license, as specified.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 734 is added to the Business and Professions Code, to read:

734. (a) Notwithstanding any other law, a health care practitioner subject to regulation pursuant to this division shall not be authorized to perform a joint manipulation or joint adjustment except for the following individuals:

(1) A chiropractor licensed by the State Board of Chiropractic Examiners.

(2) A physician and surgeon licensed by the Medical Board of California.

(3) An osteopathic physician and surgeon licensed by the Osteopathic Medical Board of California.

(b) A health care practitioner who performs a joint manipulation or joint adjustment in violation of this section engages in the unlawful practice of chiropractic, which shall constitute good cause for the revocation or suspension of the health care practitioner's license, or any other disciplinary action deemed appropriate by the health care practitioner's licensing board.

(c) For purposes of this section, "joint manipulation" and "joint adjustment" are synonymous terms that describe a method of skillful and beneficial treatment where a person uses a direct thrust to move

the joint of a patient beyond its normal range of motion, but without exceeding the limits of anatomical integrity, as taught in chiropractic schools or colleges.

# Exhibit L

BILL NUMBER: SB 809      INTRODUCED  
BILL TEXT

INTRODUCED BY    Senators DeSaulnier and Steinberg ;  
                  (Coauthors: Senators Hancock, Lieu, Pavley, and Price)  
                  (Coauthor: Assembly Member Blumenfield)

FEBRUARY 22, 2013

An act to add Section 805.8 to the Business and Professions Code, to amend Sections 11165 and 11165.1 of the Health and Safety Code, and to add Part 21 (commencing with Section 42001) to Division 2 of the Revenue and Taxation Code, relating to controlled substances, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 809, as introduced, DeSaulnier. Controlled substances: reporting.

(1) Existing law classifies certain controlled substances into designated schedules. Existing law requires the Department of Justice to maintain the Controlled Substance Utilization Review and Evaluation System (CURES) for the electronic monitoring of the prescribing and dispensing of Schedule II, Schedule III, and Schedule IV controlled substances by all practitioners authorized to prescribe or dispense these controlled substances.

Existing law requires dispensing pharmacies and clinics to report, on a weekly basis, specified information for each prescription of Schedule II, Schedule III, or Schedule IV controlled substances, to the department, as specified.

This bill would establish the CURES Fund within the State Treasury to receive funds to be allocated, upon appropriation by the Legislature, to the Department of Justice for the purposes of funding CURES, and would make related findings and declarations.

This bill would require the Medical Board of California, the Dental Board of California, the California State Board of Pharmacy, the Veterinary Medical Board, the Board of Registered Nursing, the Physician Assistant Committee of the Medical Board of California, the Osteopathic Medical Board of California, the State Board of Optometry, and the California Board of Podiatric Medicine to increase the licensure, certification, and renewal fees charged to practitioners under their supervision who are authorized to prescribe or dispense controlled substances, by up to 1.16%, the proceeds of which would be deposited into the CURES Fund for support of CURES, as specified. This bill would also require the California State Board of Pharmacy to increase the licensure, certification, and renewal fees charged to wholesalers, nonresident wholesalers, and veterinary food-animal drug retailers under their supervision by up to 1.16%, the proceeds of which would be deposited into the CURES Fund for support of CURES, as specified.

(2) Existing law permits a licensed health care practitioner, as specified, or a pharmacist to apply to the Department of Justice to obtain approval to access information stored on the Internet regarding the controlled substance history of a patient under his or her care. Existing law also authorizes the Department of Justice to provide the history of controlled substances dispensed to an individual to licensed health care practitioners, pharmacists, or both, providing care or services to the individual.

This bill would require licensed health care practitioners, as

specified, and pharmacists to apply to the Department of Justice to obtain approval to access information stored on the Internet regarding the controlled substance history of a patient under his or her care, and, upon the happening of specified events, to access and consult that information prior to prescribing or dispensing Schedule II, Schedule III, or Schedule IV controlled substances.

(3) Existing law imposes various taxes, including taxes on the privilege of engaging in certain activities. The Fee Collection Procedures Law, the violation of which is a crime, provides procedures for the collection of certain fees and surcharges.

This bill would impose a tax upon qualified manufacturers, as defined, for the privilege of doing business in this state, as specified. This bill would also impose a tax upon specified insurers, as defined, for the privilege of doing business in this state, as specified. The tax would be administered by the State Board of Equalization and would be collected pursuant to the procedures set forth in the Fee Collection Procedures Law. The bill would require the board to deposit all taxes, penalties, and interest collected pursuant to these provisions in the CURES Fund, as provided. Because this bill would expand application of the Fee Collection Procedures Law, the violation of which is a crime, it would impose a state-mandated local program.

(4) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

(5) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: 2/3. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. The Legislature finds and declares all of the following:

(a) The Controlled Substance Utilization Review and Evaluation System (CURES) is a valuable investigative, preventive, and educational tool for law enforcement, regulatory boards, educational researchers, and the health care community. Recent budget cuts to the Attorney General's Division of Law Enforcement have resulted in insufficient funding to support the CURES Prescription Drug Monitoring Program (PDMP). The PDMP is necessary to ensure health care professionals have the necessary data to make informed treatment decisions and to allow law enforcement to investigate diversion of prescription drugs. Without a dedicated funding source, the CURES PDMP is not sustainable.

(b) Each year CURES responds to more than 60,000 requests from practitioners and pharmacists regarding all of the following:

(1) Helping identify and deter drug abuse and diversion of prescription drugs through accurate and rapid tracking of Schedule II, Schedule III, and Schedule IV controlled substances.

(2) Helping practitioners make better prescribing decisions.

(3) Helping reduce misuse, abuse, and trafficking of those drugs.

(c) Schedule II, Schedule III, and Schedule IV controlled substances have had deleterious effects on private and public interests, including the misuse, abuse, and trafficking in dangerous prescription medications resulting in injury and death. It is the intent of the Legislature to work with stakeholders to fully fund the operation of CURES which seeks to mitigate those deleterious effects, and which has proven to be a cost-effective tool to help

reduce the misuse, abuse, and trafficking of those drugs.

SEC. 2. Section 805.8 is added to the Business and Professions Code, to read:

805.8. (a) (1) The Medical Board of California, the Dental Board of California, the California State Board of Pharmacy, the Veterinary Medical Board, the Board of Registered Nursing, the Physician Assistant Committee of the Medical Board of California, the Osteopathic Medical Board of California, the State Board of Optometry, and the California Board of Podiatric Medicine shall increase the licensure, certification, and renewal fees charged to practitioners under their supervision who are authorized pursuant to Section 11150 of the Health and Safety Code to prescribe or dispense Schedule II, Schedule III, or Schedule IV controlled substances by up to 1.16 percent annually, but in no case shall the fee increase exceed the reasonable costs associated with maintaining CURES for the purpose of regulating prescribers and dispensers of controlled substances licensed or certificated by these boards.

(2) The California State Board of Pharmacy shall increase the licensure, certification, and renewal fees charged to wholesalers and nonresident wholesalers of dangerous drugs, licensed pursuant to Article 11 (commencing with Section 4160) of Chapter 9, by up to 1.16 percent annually, but in no case shall the fee increase exceed the reasonable costs associated with maintaining CURES for the purpose of regulating wholesalers and nonresident wholesalers of dangerous drugs licensed or certificated by that board.

(3) The California State Board of Pharmacy shall increase the licensure, certification, and renewal fees charged to veterinary food-animal drug retailers, licensed pursuant to Article 15 (commencing with Section 4196) of Chapter 9, by up to 1.16 percent annually, but in no case shall the fee increase exceed the reasonable costs associated with maintaining CURES for the purpose of regulating veterinary food-animal drug retailers licensed or certificated by that board.

(b) The funds collected pursuant to subdivision (a) shall be deposited in the CURES accounts, which are hereby created, within the Contingent Fund of the Medical Board of California, the State Dentistry Fund, the Pharmacy Board Contingent Fund, the Veterinary Medical Board Contingent Fund, the Board of Registered Nursing Fund, the Osteopathic Medical Board of California Contingent Fund, the Optometry Fund, and the Board of Podiatric Medicine Fund. Moneys in the CURES accounts of each of those funds shall, upon appropriation by the Legislature, be available to the Department of Justice solely for maintaining CURES for the purposes of regulating prescribers and dispensers of controlled substances. All moneys received by the Department of Justice pursuant to this section shall be deposited in the CURES Fund described in Section 11165 of the Health and Safety Code.

SEC. 3. Section 11165 of the Health and Safety Code is amended to read:

11165. (a) To assist law enforcement and regulatory agencies in their efforts to control the diversion and resultant abuse of Schedule II, Schedule III, and Schedule IV controlled substances, and for statistical analysis, education, and research, the Department of Justice shall, contingent upon the availability of adequate funds ~~from~~ in the CURES accounts within the Contingent Fund of the Medical Board of California, the Pharmacy Board Contingent Fund, the State Dentistry Fund, the Board of Registered Nursing Fund, ~~and~~ the Osteopathic Medical Board of California Contingent Fund, the Veterinary Medical Board Contingent Fund, the Optometry Fund, the Board of Podiatric Medicine Fund, and the CURES Fund, maintain the Controlled Substance Utilization Review and Evaluation System (CURES) for the electronic monitoring of, and Internet access to information

regarding, the prescribing and dispensing of Schedule II, Schedule III, and Schedule IV controlled substances by all practitioners authorized to prescribe or dispense these controlled substances.

(b) The reporting of Schedule III and Schedule IV controlled substance prescriptions to CURES shall be contingent upon the availability of adequate funds ~~from~~ for the Department of Justice *for the purpose of finding CURES*. The department may seek and use grant funds to pay the costs incurred from the reporting of controlled substance prescriptions to CURES. ~~Funds~~ The department shall make information about the amount and the source of all private grant funds it receives for support of CURES available to the public. Grant funds shall not be appropriated from the Contingent Fund of the Medical Board of California, the Pharmacy Board Contingent Fund, the State Dentistry Fund, the Board of Registered Nursing Fund, the Naturopathic Doctor's Fund, or the Osteopathic Medical Board of California Contingent Fund to pay the costs of reporting Schedule III and Schedule IV controlled substance prescriptions to CURES.

(c) CURES shall operate under existing provisions of law to safeguard the privacy and confidentiality of patients. Data obtained from CURES shall only be provided to appropriate state, local, and federal persons or public agencies for disciplinary, civil, or criminal purposes and to other agencies or entities, as determined by the Department of Justice, for the purpose of educating practitioners and others in lieu of disciplinary, civil, or criminal actions. Data may be provided to public or private entities, as approved by the Department of Justice, for educational, peer review, statistical, or research purposes, provided that patient information, including any information that may identify the patient, is not compromised. Further, data disclosed to any individual or ~~agency~~ agency, as described in this ~~subdivision~~ subdivision, shall not be disclosed, sold, or transferred to any third party.

(d) For each prescription for a Schedule II, Schedule III, or Schedule IV controlled substance, as defined in the controlled substances schedules in federal law and regulations, specifically Sections 1308.12, 1308.13, and 1308.14, respectively, of Title 21 of the Code of Federal Regulations, the dispensing pharmacy or clinic shall provide the following information to the Department of Justice on a weekly basis and in a format specified by the Department of Justice:

(1) Full name, address, and ~~the~~ telephone number of the ultimate user or research subject, or contact information as determined by the Secretary of the United States Department of Health and Human Services, and the gender, and date of birth of the ultimate user.

(2) The prescriber's category of licensure and license ~~number,~~ number, the federal controlled substance registration ~~number,~~ number, and the state medical license number of any prescriber using the federal controlled substance registration number of a government-exempt facility.

(3) Pharmacy prescription number, license number, and federal controlled substance registration number.

(4) ~~NDC (National Drug Code)~~ National Drug Code (NDC) number of the controlled substance dispensed.

(5) Quantity of the controlled substance dispensed.

(6) ~~ICD-9 (diagnosis code),~~ International Statistical Classification of Diseases, 9th revision (ICD-9) Code, if available.

(7) Number of refills ordered.

(8) Whether the drug was dispensed as a refill of a prescription or as a first-time request.

(9) Date of origin of the prescription.

(10) Date of dispensing of the prescription.

(e) ~~This section shall become operative on January 1, 2005.~~ The CURES Fund is hereby established within the State Treasury. The CURES Fund shall consist of all funds made available to the Department of Justice for the purpose of funding CURES. Money in the CURES Fund shall, upon appropriation by the Legislature, be available for allocation to the Department of Justice for the purpose of funding CURES.

SEC. 4. Section 11165.1 of the Health and Safety Code is amended to read:

11165.1. (a) (1) A licensed health care practitioner eligible to prescribe Schedule II, Schedule III, or Schedule IV controlled substances or a pharmacist ~~may~~ shall provide a notarized application developed by the Department of Justice to obtain approval to access information stored on the Internet regarding the controlled substance history of a patient maintained within the Department of Justice, ~~and~~ and, upon approval, the department ~~may~~ shall release to that practitioner or pharmacist, the electronic history of controlled substances dispensed to an individual under his or her care based on data contained in the CURES Prescription Drug Monitoring Program (PDMP).

(A) An application may be denied, or a subscriber may be suspended, for reasons which include, but are not limited to, the following:

(i) Materially falsifying an application for a subscriber.

(ii) Failure to maintain effective controls for access to the patient activity report.

(iii) Suspended or revoked federal Drug Enforcement Administration (DEA) registration.

(iv) Any subscriber who is arrested for a violation of law governing controlled substances or any other law for which the possession or use of a controlled substance is an element of the crime.

(v) Any subscriber accessing information for any other reason than caring for his or her patients.

(B) Any authorized subscriber shall notify the Department of Justice within 10 days of any changes to the subscriber account.

(2) To allow sufficient time for licensed health care practitioners eligible to prescribe Schedule II, Schedule III, or Schedule IV controlled substances and a pharmacist to apply and receive access to PDMP, a written request may be made, until July 1, 2012, and the Department of Justice may release to that practitioner or pharmacist the history of controlled substances dispensed to an individual under his or her care based on data contained in CURES.

(b) Any request for, or release of, a controlled substance history pursuant to this section shall be made in accordance with guidelines developed by the Department of Justice.

(c) ~~In~~ (1) Until the Department of Justice has issued the notification described in paragraph (3), in order to prevent the inappropriate, improper, or illegal use of Schedule II, Schedule III, or Schedule IV controlled substances, the Department of Justice may initiate the referral of the history of controlled substances dispensed to an individual based on data contained in CURES to licensed health care practitioners, pharmacists, or both, providing care or services to the individual.

(2) Upon the Department of Justice issuing the notification described in paragraph (3) and approval of the application required

pursuant to subdivision (a), licensed health care practitioners eligible to prescribe Schedule II, Schedule III, or Schedule IV controlled substances and pharmacists shall access and consult the electronic history of controlled substances dispensed to an individual under his or her care prior to prescribing or dispensing a Schedule II, Schedule III, or Schedule IV controlled substance.

(3) The Department of Justice shall notify licensed health care practitioners and pharmacists who have submitted the application required pursuant to subdivision (a) when the department determines that CURES is capable of accommodating the mandate contained in paragraph (2). The department shall provide a copy of the notification to the Secretary of the State, the Secretary of the Senate, the Chief Clerk of the Assembly, and the Legislative Counsel, and shall post the notification on the department's Internet Web site.

(d) The history of controlled substances dispensed to an individual based on data contained in CURES that is received by a practitioner or pharmacist from the Department of Justice pursuant to this section shall be considered medical information subject to the provisions of the Confidentiality of Medical Information Act contained in Part 2.6 (commencing with Section 56) of Division 1 of the Civil Code.

(e) Information concerning a patient's controlled substance history provided to a prescriber or pharmacist pursuant to this section shall include prescriptions for controlled substances listed in Sections 1308.12, 1308.13, and 1308.14 of Title 21 of the Code of Federal Regulations.

SEC. 5. Part 21 (commencing with Section 42001) is added to Division 2 of the Revenue and Taxation Code, to read:

PART 21. Controlled Substance Utilization Review and Evaluation System (CURES) Tax Law

42001. For purposes of this part, the following definitions apply:

(a) "Controlled substance" means a drug, substance, or immediate precursor listed in any schedule in Section 11055, 11056, or 11057 of the Health and Safety Code.

(b) "Insurer" means a health insurer licensed pursuant to Part 2 (commencing with Section 10110) of Division 2 of the Insurance Code, a health care service plan licensed pursuant to the Knox-Keene Health Care Service Plan Act of 1975 (Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code), and a workers' compensation insurer licensed pursuant to Part 3 (commencing with Section 11550) of Division 2 of the Insurance Code.

(c) "Qualified manufacturer" means a manufacturer of a controlled substance doing business in this state, as defined in Section 23101, but does not mean a wholesaler or nonresident wholesaler of dangerous drugs, regulated pursuant to Article 11 (commencing with Section 4160) of Chapter 9 of Division 2 of the Business and Professions Code, a veterinary food-animal drug retailer, regulated pursuant to Article 15 (commencing with Section 4196) of Chapter 9 of Division 2 of the Business and Professions Code, or an individual regulated by the Medical Board of California, the Dental Board of California, the California State Board of Pharmacy, the Veterinary Medical Board, the Board of Registered Nursing, the Physician Assistant Committee of the Medical Board of California, the Osteopathic Medical Board of California, the State Board of Optometry, or the California Board of Podiatric Medicine.

42003. (a) For the privilege of doing business in this state, an

annual tax is hereby imposed on all qualified manufacturers in an amount of \_\_\_\_\_ dollars (\$\_\_\_\_\_); for the purpose of establishing and maintaining enforcement of the Controlled Substance Utilization Review and Evaluation System (CURES), established pursuant to Section 11165 of the Health and Safety Code.

(b) For the privilege of doing business in this state, a tax is hereby imposed on a one time basis on all insurers in an amount of \_\_\_\_\_ dollars (\$\_\_\_\_\_), for the purpose of upgrading CURES.

42005. Each qualified manufacturer and insurer shall prepare and file with the board a return, in the form prescribed by the board, containing information as the board deems necessary or appropriate for the proper administration of this part. The return shall be filed on or before the last day of the calendar month following the calendar quarter to which it relates, together with a remittance payable to the board for the amount of tax due for that period.

42007. The board shall administer and collect the tax imposed by this part pursuant to the Fee Collection Procedures Law (Part 30 (commencing with Section 55001)). For purposes of this part, the references in the Fee Collection Procedures Law (Part 30 (commencing with Section 55001)) to "fee" shall include the tax imposed by this part and references to "feepayer" shall include a person required to pay the tax imposed by this part.

42009. All taxes, interest, penalties, and other amounts collected pursuant to this part, less refunds and costs of administration, shall be deposited into the CURES Fund.

42011. The board shall prescribe, adopt, and enforce rules and regulations relating to the administration and enforcement of this part.

SEC. 6. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

SEC. 7. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to protect the public from the continuing threat of prescription drug abuse at the earliest possible time, it is necessary this act take effect immediately.

Exhibit

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Medical Board of California
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Licensing & Medical Education Committee
Dr. Zapf, Chair Dr. Mansdorf, Vice Chair

Overview.....M

Licensing is currently up to date on all statistics, new licenses and renewals. Approval letters for the 2013-2014 residency year have been sent out to the California resident directors and programs. Once approval has been obtained from the Board (i.e. approved by this committee) all residents will be licensed by their July 1, 2013 start date.

BreEZe update:

In the last few months the BreEZE project has made further advancements and is coming into the final stages of production. Currently being worked on is the User Acceptance and Data Verification testing phase. This extensive process verifies the converted data that is coming into BreEZe from the legacy systems and validates its accuracy. While this phase of the project is still being worked, a new "go live" date is yet to be determined.

APMLE Part III Exam:

The next part III exam is scheduled for June 5, 2013. Registration deadline for the examination is May 10, 2013.

Council on Podiatric Medical Education

The Council on Podiatric Medical Education has converted all approved programs to a single, three-year program, the Podiatric Medicine and Surgery Residency (PMSR). Furthermore, if an institution has the capability of providing training in reconstructive rearfoot/ankle surgery, then it will receive the RRA (Reconstructive Rearfoot and Ankle Surgery) designation as well. All programs approved by the Council will be converted by July 1, 2013 to a podiatric medicine and surgery residency (PMSR), via document submission or on-site evaluation.

Licensing Statistics.....N

Submitted by:

Christine Raymond
Licensing Coordinator
May 2013

Exhibit

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### LICENSING STATISTICS BY FISCAL YEAR-2012/2013

New licenses issued		Valid Active/Inactive licenses*	
1993/94	56	1993/94	1962
1994/95	41	1994/95	1924
1995/96	31	1995/96	1849
1996/97	69	1996/97	1845
1997/98	75	1997/98	1858
1998/99	63	1998/99	1853
1999/00	61	1999/00	1751
2000/01	76	2000/01	1755
2001/02	76	2001/02	1808
2002/03	71	2002/03	1834
2003/04	76	2003/04	1868
2004/05	54	2004/05	1851
2005/06	43	2005/06	1837
2006/07	60	2006/07	1836
2007/08	55	2007/08	1848
2008/09	47	2008/09	1895
2009/10	59	2009/10	1905
2010/11	58	2010/11	1916
2011/12	61	2011/12	1945
2012/13	40 (July 2012 – May 2013)	2012/13	1955

\* fee-exempt categories and residents excluded

Submitted by:

Christine Raymond  
Licensing Coordinator  
May 2013

## Licensing

### Primary Status Report as of May 2013

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<b>Lic. Status</b>	<b>E-Permanent</b>	<b>EFE- Fee Exempt</b>	<b>EL- Resident</b>	<b>FNP- Fict. Name</b>	<b>Total</b>
Valid- Active	1917	204	108	385	2614
Valid- Inactive	38				38
Delinquent	118	47	1060	324	1549
Cancelled	1806	219	225	602	2852
Revoked	60	3			63
Deceased	185	59			244
Surrender	38	5			43
Retired	308	170			478
Disabled	67	51			118
Military	34	21			55

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**\* Fee- exempt licensees are retired, military and disabled status.**

Submitted by:

Christine Raymond  
Licensing Coordinator  
May 2013

**RESIDENT'S LICENSES (EL) – May 2013**

Category	Number of Residents by Year of Training				
	Year 1	Year 2	Year 3	Year 4	Total
PM&S-36	34	36	30	0	100
PMSR	0	0	0	0	0
PMSR/RRA	0	0	0	0	0
FELLOWSHIP	0	0	0	0	0
ROTATIONS	1	3	1	0	5
<b>TOTAL</b>	<b>35</b>	<b>39</b>	<b>31</b>	<b>0</b>	<b>105</b>

PM&S-36	Podiatric Medicine & Surgery - 36 Months
PMSR	Podiatric Medicine and Surgery Residency
PMSR/RRA	Podiatric Medicine and Surgery Residency with Reconstructive Rearfoot/Ankle Surgery
ROTATIONS	Residency licenses issued to trainees in out-of-state programs participating in California clinical rotations.

Submitted by:

Christine Raymond  
Licensing Coordinator  
May 2013

# Exhibit 0



Medical Board of California  
**BOARD OF PODIATRIC MEDICINE**  
2005 Evergreen Street, Suite 1300, Sacramento, CA 95815  
PHONE: 916.263.2647 FAX: 916.263.2651 WWW.BPM.CA.GOV



NEIL B. MANSDORF, D.P.M., *President*  
KRISTINA M. DIXON, M.B.A., *Vice President*

EDWARD E. BARNES  
MELODI MASANIAI KAREN L. WRUBEL, D.P.M.

JOHN Y. CHA, D.P.M.  
MICHAEL A. ZAPF, D.P.M.

**ENFORCEMENT COMMITTEE**  
**Mr. Barnes, Chair**  
**Dr. Cha, Vice Chair**

**a. Overview.....O**

The Enforcement Program is running smoothly. Data reports show no significant trend changes.

**b. Data Reports.....P**

- **Complaint and Disciplinary Data Report** – This report shows complaint and disciplinary data from FY 04/05 through FY 12/13. FY 12/13 shows year to date data.
- **BPM and MBC Matrix Reports** – These reports show case aging data for BPM and MBC (aged cases are usually a reflection of more complex cases that require additional investigative work.) We and MBC use these as program management tools.
- **Enforcement Performance Measures Report** – This is a DCA report that shows the volume, intake, investigation and discipline data for the most recent quarter available.
- **Probation Report** – This report shows all active and tolled probationers as of April 2013, who is monitoring them, and the expected probation completion dates.

**c. June 21 Medical Consultant training.....Q**

The agenda for the annual Podiatric Medical Consultant training held at the Western Foot and Ankle Conference in Anaheim is displayed. Consultants are given a Consultant Training Manual, an overview of the investigative process and vertical prosecution, and can engage in a question and answer discussion with experienced staff from Medical Board Investigations and the Attorney General’s Office.

Submitted by:

Bethany DeAngelis  
Enforcement Coordinator  
April 2013

Exhibit

P

**COMPLAINT & DISCIPLINARY DATA**

FY 12/13 July 1, 2012 - April 18, 2013

Fiscal Year	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13
Numbers of Licensees*:	2016	2052	2045	2056	2055	2072	2086	2105	2121
Complaints Received**:	147	109	116	104	108	127	90	124	95
Open Cases:60									
Discipline Cases Pending at Attorney General:6									
Licensees on Probation: 17									
Citations and Fines	1	4	1	0	4	4	0	0	1
Cease/desist Letters***	10	5	6	4	5	2	0	0	0
Referred to Attorney General	12	12	13	9	6	9	11	4	5
Referred to District Attorney	0	0	1	0	0	0	0	0	0
Accusations/Petitions to									
Revoke Probation/SOI	9	7	12	8	4	8	8	5	1
Penalty Relief Petitions Filed	1	0	1	1	1	2	1	1	2
Hearings****	4	2	2	5	2	2	2	1	0
Prop. Dec. Non-adopted	0	1	0	0	0	0	0	0	0
Prop. Dec. Adopted	2	1	2	1	2	2	1	0	1
Stipulations Adopted	6	6	9	5	8	5	2	7	4
Probations	4	4	9	5	6	5	2	5	3
Suspensions	1	0	1	2	1	1	0	0	0
Revocations	1	2	0	1	2	1	0	0	1
Surrenders During Prosecution	1	2	0	0	0	1	1	1	0
Public Letter of Reprimand	0	0	0	0	0	0	1	1	0
Other	0	0	0	0	2	0	0	0	0
Criminal arrests/convictions	0/0	0/0	1/0	0/0	0/1	0/0	0/0	0/0	1/0
Temporary Restraining Orders/Interim Suspensions/Automatic Suspensions/PC-23 Orders	1	0	2	1	1	1	0	0	2

\* includes all E & EFE licensees with a status code 10 (E)  
 \*\* includes multiple complaints against individual licensees  
 \*\*\* cease and desist letters were discontinued in 2010  
 \*\*\*\* includes reinstatements, penalty relief petitions, and any other cases heard by an Administrative Law Judge (ALJ)

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FOR: 1B BOARD OF PODIATRIC MEDICINE

DAYS:	M O N T H S		Y E A R S		TOTAL
	0-3 (0-90)	4-6 (91-180)	7-9 (181-270)	10-12 (271-364)	
	1	2	3	4	OVR 4
	(365-728)	(729-1092)	(1093-1456)	(1457-1820)	(GT 1820)

CAT/ CSR/ CSA	22	2			24
CONSULTANT	7				7
EXEC OFFICER					
INVESTIGATION	7	6	10	5	33
AG - PRE	1	1			2
AG - POST			2		2

\*\* REPORT TOTALS: 36 9 11 5 4 3 68

INITIAL COMPLAINT REVIEWED BY CONSUMER ASSISTANT TECHNICIAN / CONSUMER SERVICES REPRESENTATIVE / ANALYST.

CONSULTANT REVIEW DURING EVALUATION OF COMPLAINT.

CASES AWAITING FILING OF ACCUSATION BY ATTORNEY GENERAL'S OFFICE.

CASES AFTER FILING OF AN ACCUSATION BY ATTORNEY GENERAL'S OFFICE.

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 ^y80,10,3250,7,2  
 ^y90,10,3250,7,2  
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REPORT: FD720020  
AGENCY: 6301

MEDICAL BOARD OF CALIFORNIA

PAGE: 1  
DATE: 04/02/13  
TIME: 13:30:50

AVERAGE NUMBER OF DAYS FOR OPEN CASES AS OF 03/31/2013

FOR: 1B BOARD OF PODIATRIC MEDICINE

CAT/CSR CSA (1)	CONSULT (2)	EXEC OFFICER	INVEST- IGATION	---ATTORNEY GENERAL--- PRE (3) POST (4)
53	33	0	290	171 543

\*\*\* AVERAGE AGING CASES CALCULATED USING OPEN CASES ONLY \*\*\*

- (1) INITIAL COMPLAINT REVIEWED BY CONSUMER ASSISTANT TECHICIAN / CONSUMER SERVICES REPRESENTATIVE / ANALYST.
- (2) CONSULTANT REVIEW DURING EVALUATION OF COMPLAINT.
- (3) CASES AWAITING FILING OF ACCUSATION BY ATTORNEY GENERAL'S OFFICE.
- (4) CASES AFTER FILING OF AN ACCUSATION BY ATTORNEY GENERAL'S OFFICE.

FOR: IDENTIFIERS OF PHYSICIANS AND SURGEONS

DAYS:	M O N T H S		Y E A R S				TOTAL		
	0-3	4-6	7-9	10-12	1	2		3	4
(0-90)	(91-180)	(181-270)	(271-364)	(365-728)	(729-1092)	(1093-1456)	(1457-1820)		

CAT/ CSR/ CSA	778	779	215	11					1005
CONSULTANT	117	1							118
EXEC OFFICER									
INVESTIGATION	260	289	221	174	157	3			1104
AG - PRE	80	30	18	10	6	1			145
AG - POST	68	68	65	50	103	9	10	4	379
** REPORT TOTALS:	1303	603	315	234	266	13	10	4	2751

INITIAL COMPLAINT REVIEWED BY CONSUMER ASSISTANT TECHNICIAN / CONSUMER SERVICES REPRESENTATIVE / ANALYST.  
 CONSULTANT REVIEW DURING EVALUATION OF COMPLAINT.  
 CASES AWAITING FILING OF ACCUSATION BY ATTORNEY GENERAL'S OFFICE.  
 CASES AFTER FILING OF AN ACCUSATION BY ATTORNEY GENERAL'S OFFICE.

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 ^y20,10,3250,7,2  
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 ^y80,10,3250,7,2  
 ^y90,10,3250,7,2  
 ^y100,10,3250,7,2  
 ^y110,10,3250,7,2

AVERAGE NUMBER OF DAYS FOR OPEN CASES AS OF 03/31/2013

FOR: IDENTIFIERS OF PHYSICIANS AND SURGEONS

CAT/CSR CSA (1)	CONSULT (2)	EXEC OFFICER	INVEST- IGATION	PRE (3)	ATTORNEY GENERAL POST (4)	
PHYSICIANS & SURGEONS	65	23	0	208	118	333

\*\*\* AVERAGE AGING CASES CALCULATED USING OPEN CASES ONLY \*\*\*

- (1) INITIAL COMPLAINT REVIEWED BY CONSUMER ASSISTANT TECHICIAN / CONSUMER SERVICES REPRESENTATIVE / ANALYST.
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Department of Consumer Affairs  
Board of Podiatric  
Medicine

## Performance Measures

### Q2 Report (October - December 2012)

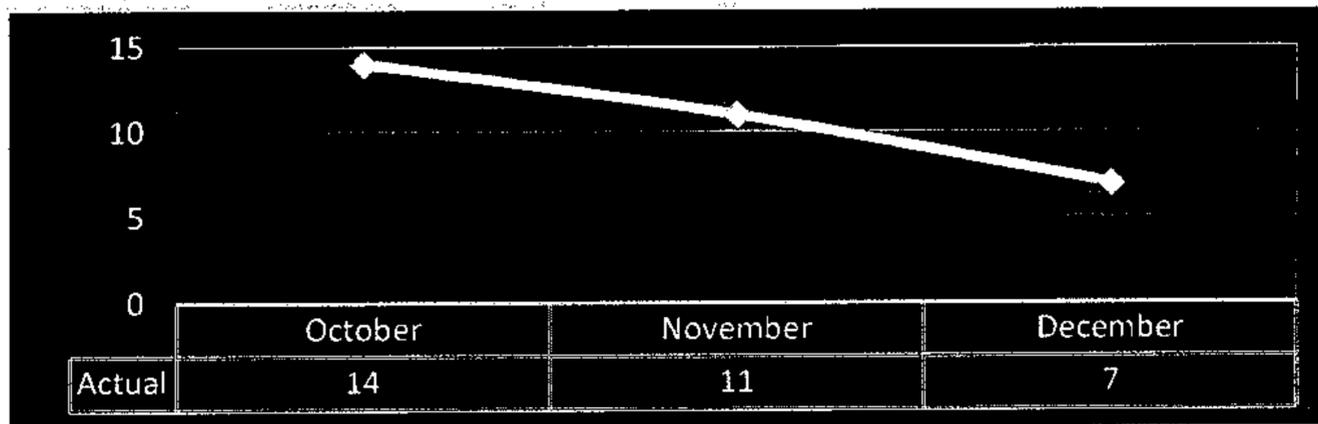
To ensure stakeholders can review the Board's progress toward meeting its enforcement goals and targets, we have developed a transparent system of performance measurement. These measures will be posted publicly on a quarterly basis.

#### Volume

Number of complaints and convictions received.

**Q2 Total: 32**

**Q2 Monthly Average: 11**

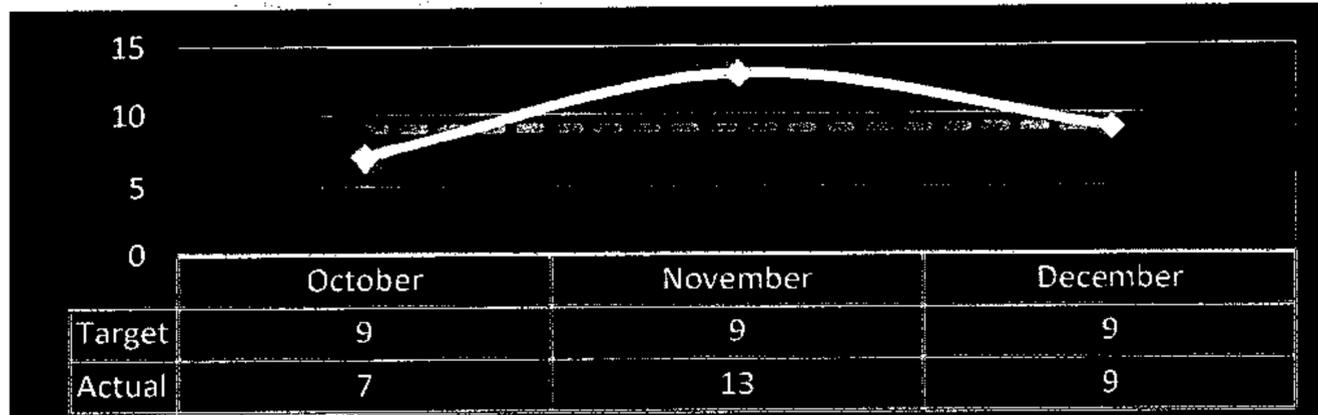


#### Intake

Average cycle time from complaint receipt, to the date the complaint was assigned to an investigator.

**Target: 9 Days**

**Q2 Average: 9 Days**

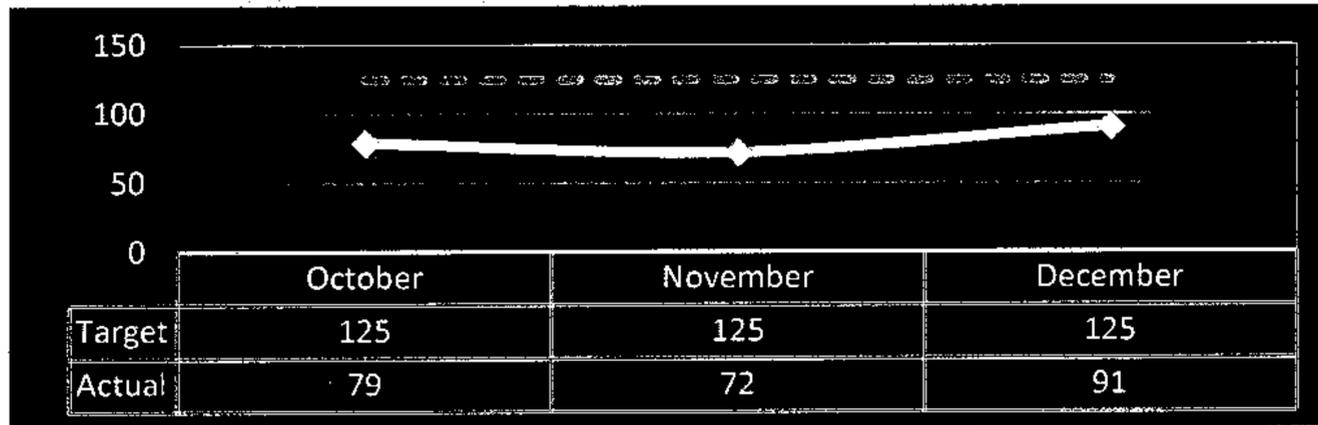


## Intake & Investigation

Average cycle time from complaint receipt to closure of the investigation process. Does not include cases sent to the Attorney General or other forms of formal discipline.

**Target: 125 Days**

**Q2 Average: 77 Days**

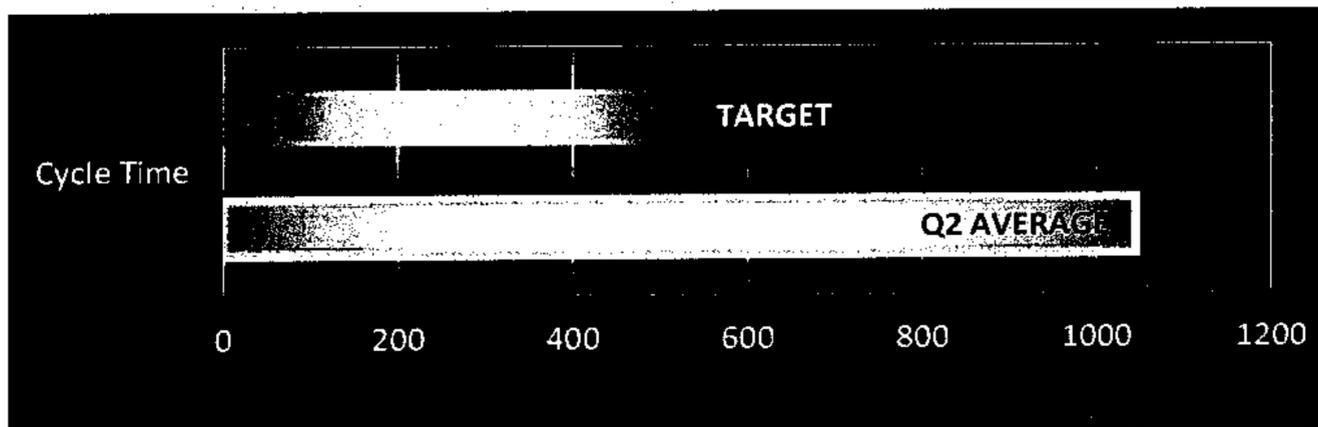


## Formal Discipline

Average number of days to complete the entire enforcement process for cases resulting in formal discipline. (Includes intake and investigation by the Board, and prosecution by the AG)

**Target: 540 Days**

**Q2 Average: 1,044 Days**

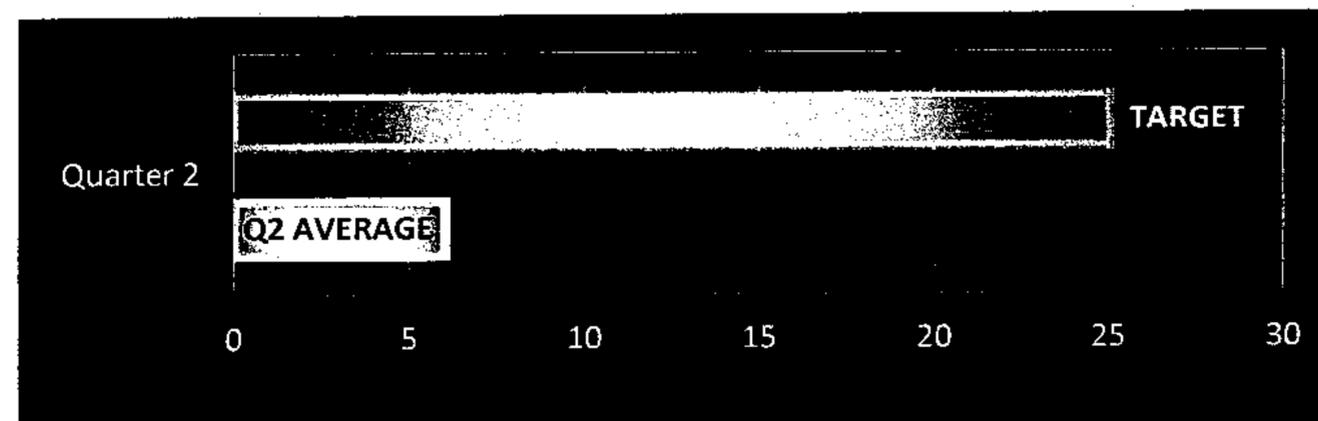


## Probation Intake

Average number of days from monitor assignment, to the date the monitor makes first contact with the probationer.

**Target: 25 Days**

**Q2 Average: 6 Days**



## **Probation Violation Response**

Average number of days from the date a violation of probation is reported, to the date the assigned monitor initiates appropriate action.

**Target: 14 Days**

**Q2 Average: N/A**

*The Board did not handle any probation violations this quarter.*

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**Board of Podiatry Medicine's  
Probation Surveillance Program  
April 18, 2013**

<b>Complaint No.</b>	<b>Subject's Name</b>	<b>Probation Officer</b>	<b>Medical Consultant</b>	<b>Practice Monitor</b>	<b>Status</b>	<b>Completion Date</b>
<b>Active Status:</b>						
1B-2009-203969	Hamilton, Mark	Brown	Taubman		Active	10/24/13
1B-2005-163869	Lawrence, Eric	Argosino	Walburg	Labovitz	Active	11/19/13
1B-2004-162844	Graves, Richard	Seamons	Labovitz	Alavy	Active	03/09/14
1B-2007-181509	Servatjoo, Parviz	Brown	Walburg	Walburg	Active	05/08/14
1B-2004-162454	Hernandez, Virgil	Brown	Giacopelli	Wagreich	Active	07/09/14
1B-2008-194027	Subotnick, Steven	Seamons	Bois		Active	08/12/14
1B-2005-169051	Nguyen, Tan	Seamons	Bois	Bois	Active	08/17/14
1B-2009-200359	Redko, Peter	Sherer	Bois		Active	09/14/14
1B-2009-198964	Eng, Steven	Brown	Rosenthal		Active	03/01/15
1B-2008-192098	Nordyke, Randolph	Seamons	Wagreich	Wagreich	Active	04/08/15
1B-2004-162196	Carrasco, Pete	Argosino	Wagreich	PEP	Active	07/02/15
1B-2010-210403	Jones, Franklyn	Seamons	Kaschak		Active	09/20/15
1B-2004-158802	Moy, Richard	Argosino	Labovitz	Taubman	Active	12/30/15
1B-2009-201287	Garofalo, Joseph	Argosino	Rosenthal		Active	03/13/16
1B-2009-199047	Moussavi, Ramyar	Brown	Rosenthal	Rosenthal	Active	06/29/17
1B-2009-203735	Ahmadi, Matt	Brown	Rosenthal	Rosenthal	Active	10/24/17
1B-2005-167595	Truong, Vinncente	Seamons	Greenwald	Greenwald	Active	07/28/18
<b>Subtotal</b>	<b>17</b>					

Complaint No.	Subject's Name	Probation Officer	Medical Consultant	Practice Monitor	Status	Completion Date
---------------	----------------	-------------------	--------------------	------------------	--------	-----------------

**Tolled Status: (Out of State)**

1B-1990-3602	Marek, Neal	Seamons			Tolled	
1B-2000-105396	Salz, Joseph	Seamons			Tolled	
1B-2006-179270	O'Meara, Sean	Seamons			Tolled	
				<b>Subtotal</b>		<b>3</b>

**Tolled Status: (In State)**

1B-1990-5979	Metz, Douglas	Seamons			Pended	
1B-1996-64516	Levy, Sherwin	Seamons			Pended	
1B-1995-52592	Weber, Bennie	Seamons			Pended	
1B-2002-133194	Fowler, Morris	Seamons			Pended	
				<b>Subtotal</b>		<b>4</b>

Exhibit

Q



## AGENDA

### Enforcement Meeting/Consultant Training Session 8:30 am -12:00 pm - June 21, 2013

**Disneyland Hotel**  
**Adventure Tower – Nile Room**  
**1600 South Disneyland Drive**  
**Anaheim, CA**  
**(714) 635-2300**

- 1. Introductions** **8:30 – 8:35**  
Presenter: Bethany DeAngelis, BPM Enforcement Coordinator
- 2. Role of the Consultant** **8:35 – 8:45**  
Presenter: Bethany DeAngelis, BPM Enforcement Coordinator
- 3. Report Format** **8:45 – 9:15**  
Presenters: Harinder Kapur, DAG  
John Hirai, MBC Supervising Investigator
- 4. Field Investigations** **9:15 – 10:00**  
Presenters: John Hirai, MBC Supervising Investigator  
Harinder Kapur, DAG
  - a. MBC Investigation Procedures
  - b. Vertical Prosecution
  - c. What can be done when the subject cancels or is a no show?
- 5. Probation** **10:00 – 10:15**  
Presenter: John Hirai, MBC Supervising Investigator
  - a. MBC Probation Procedures
  - b. Roundtable Discussion on being a Practice Monitor
- 6. Communication between Parties** **10:15 – 10:30**  
Roundtable question and answer discussion on what communications are allowed between Consultants, Experts and other involved parties and how to improve communication for effective case management.
- 7. Case Reviews** **10:30 – 12:00**

Exhibit

R



## **ANNOUNCEMENT & REQUEST FOR APPLICATIONS EXECUTIVE OFFICER**

600-110-3423-001 Salary: \$6297-7015

The Board of Podiatric Medicine Executive Officer (EO) is hired by and serves at pleasure of the seven appointed Board Members. As chief executive officer, the EO reports and is accountable to the full Board, and accepts responsibility for the success or failure of all BPM operations. The position is exempt from civil service and is located in Sacramento, CA.

The following qualifications are expected of all applicants:

1. Baccalaureate degree from an accredited college or university
2. Experience in State licensing, enforcement, rulemaking, administration
3. Understanding of board-staff relations, and completed staff work
4. Polished communication skills, oral and written
5. Winning legislative advocacy experience

The following qualifications are desirable:

1. Experience as an executive or assistant executive officer
2. Experience managing complaints, investigations, and prosecutions
3. Knowledge of medical and podiatric medical credentials, education, training, exams, issues
4. Training and skill in analytical thinking, policy and management analysis
5. Master's degree in public policy, administration or political science
6. Experience in both Executive and Legislative branches
7. Experience with the Sunset Review process
8. Experience evaluating higher education curriculum, reviewing medical education
9. Strong experience with media relations, testifying before legislature, court testimony
10. Experience managing challenged budgets and fund conditions
11. Commitment to BPM Strategic Plan goals & objectives, and governance policies
12. Commitment to continuing competence, and primary source verification
13. Ability to manage with minimum staff and no assistant managers/supervisors
14. Experience in complex organizations
15. Mindful of small board challenges and issues
16. Strategic leadership ability to position BPM for success
17. Collegial, cooperative, consultative approach facilitating coalition building

Interested persons must submit a resume and a one-page statement of qualifications electronically by **January 10, 2014** to [BPM@dca.ca.gov](mailto:BPM@dca.ca.gov). The most qualified candidates will be scheduled for interviews in early 2014. The anticipated start date is May 15, 2014. For further information, please contact Kia-Maria Zamora at (916) 263-2647.

The Department of Consumer Affairs provides equal employment opportunities to all regardless of race, color, creed, national origin, ancestry, sex, marital status, disability, religious or political affiliation, age or sexual orientation.