STATE OF CALIFORNIA
LEGISLATIVE COUNSEL BUREAU
AUTHENTICATED
ELECTRONIC LEGAL MATERIAL

Assembly Bill No. 1979

CHAPTER 854

An act to add Chapter 25.5 (commencing with Section 22758.5) to Division 8 of the Business and Professions Code, and to amend Sections 56.05 and 56.06 of the Civil Code, relating to health care services.

[Approved by Governor September 30, 2026. Filed with Secretary of State September 30, 2026.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1979, Bonta. Health care services: artificial intelligence.

(1) The Confidentiality of Medical Information Act (CMIA) prohibits a provider of health care, a health care service plan, a contractor, or a corporation and its subsidiaries and affiliates from intentionally sharing, selling, using for marketing, or otherwise using any medical information, as defined, for any purpose not necessary to provide health care services to a patient, except as provided. Existing law makes a violation of these provisions that results in economic loss or personal injury punishable as a misdemeanor. Existing law deems a business that offers a mental health digital service or reproductive or sexual health digital service to a consumer for the purpose of allowing the individual to manage the individual's information, or for the diagnosis, treatment, or management of a medical condition of the individual, to be a provider of health care subject to the requirements of the CMIA.

The bill would additionally deem a business that offers a health care chatbot, as defined, to a consumer for the above-described purposes to be a provider of health care subject to the requirements of the CMIA. Because the bill would expand the scope of a crime, it would impose a state-mandated local program.

(2) Existing law requires a health facility, clinic, physician's office, or office of a group practice that uses generative artificial intelligence to generate written or verbal patient communications pertaining to patient clinical information, as defined, to ensure that those communications include both a disclaimer that indicates to the patient that a communication was generated by generative artificial intelligence, as specified, and clear instructions describing how a patient may contact a human health care provider, employee, or other appropriate person, except as specified.

This bill would require a health facility, clinic, physician's office, or office of a group practice to take reasonable steps to ensure that a licensed health care professional, acting within their scope of practice, retains the ability to exercise independent professional judgment in their care of a patient whenever that care is informed by the output of a clinical decision support system, as defined. The bill would prohibit a health facility, clinic,

physician's office, or office of a group practice from using or deploying a tool, system, or device that includes artificial intelligence to independently perform any clinical function that is required by law to be performed by a person with a professional license. The bill would make a violation of these provisions by a physician subject to the jurisdiction of the Medical Board of California or the Osteopathic Medical Board of California. The bill would also authorize the appropriate professional licensing board to pursue an injunction or restraining order to enforce these provisions to the extent that a violation constitutes the practice of a health care profession without a license. The bill would specify that these provisions do not apply to the use of automated decision systems for documentation and communication that does not involve the application of professional judgment, including automated messages to inform patients of updates to their health records.

(3) 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.

The people of the State of California do enact as follows:

SECTION 1. Chapter 25.5 (commencing with Section 22758.5) is added to Division 8 of the Business and Professions Code, to read:

Chapter 25.5. AI Clinical Decision Support

22758.5. (a) A health facility, clinic, physician's office, or office of a group practice shall take reasonable steps to ensure that a licensed health care provider, acting within their scope of practice, retains the ability to exercise independent professional judgment in their care of a patient whenever that care is informed by the output of a clinical decision support system.

(b) (1) A health facility, clinic, physician's office, or office of a group practice shall not use or deploy a tool, system, or device that includes artificial intelligence to do any of the following:

(A) Direct, guide, supervise, or instruct unlicensed personnel in their performance of any clinical function that is required by law to be performed by a person with a professional license.

(B) Independently perform any clinical function that is required by law to be performed by a person with a professional license.

(2) This subdivision does not prohibit the use or deployment of a tool, system, or device by a trainee as part of a supervised course of study or training program while working toward licensure.

(c) (1) A violation of this section by a physician is subject to the jurisdiction of the Medical Board of California or the Osteopathic Medical Board of California, as appropriate.

(2) To the extent that a violation of this section constitutes the practice of a health care profession without a license, the appropriate health care professional licensing board may pursue an injunction or restraining order to enforce this section, as authorized by Section 125.5.

(3) Nothing in this section limits the authority for a health care professional licensing board or enforcement agency to pursue any remedy otherwise authorized under the law.

(d) This section does not apply to the use of automated decision systems for documentation and communication that does not involve the application of professional judgment, including, but not limited to, automated messages to inform patients of updates to their health records, generating reminders, or assisting patients to find information at their request.

(e) For purposes of this section, the following definitions apply:

(1) "Artificial intelligence" has the same meaning as defined in Section 1339.75 of the Health and Safety Code.

(2) (A) "Automated decision system" means a computational process derived from machine learning, statistical modeling, data analytics, or artificial intelligence that issues simplified output, including a score, classification, or recommendation, that is used to assist or replace human discretionary decisionmaking and materially impacts natural persons.

(B) "Automated decision system" does not include a spam email filter, firewall, antivirus software, identity and access management tools, calculator, database, dataset, or other compilation of data.

(3) "Clinic" has the same meaning as defined in Section 1200 of the Health and Safety Code.

(4) "Clinical decision support system" means an artificial intelligence system that produces a prediction, classification, recommendation, evaluation, or analysis that aids clinical decisionmaking related to timing of care, diagnosis, or treatment. It does not include systems that provide appointment management such as booking, canceling and rescheduling appointments, appointment reminders, patient education and pre-visit materials and preparation, and payment processing, to the extent the independent performance of these activities by the system does not require a professional license.

(5) "Generative artificial intelligence" has the same meaning as that term is defined in Section 1339.75 of the Health and Safety Code.

(6) "Health care provider" means a person licensed or certified pursuant to Division 2 (commencing with Section 500).

(7) "Health facility" has the same meaning as defined in Section 1250 of the Health and Safety Code.

(8) "Office of a group practice" has the same meaning as defined in Section 1339.75 of the Health and Safety Code.

(9) "Physician's office" has the same meaning as defined in Section 1339.75 of the Health and Safety Code.

SEC. 2. Section 56.05 of the Civil Code is amended to read:

56.05. For purposes of this part:

(a) "Artificial intelligence" has the same meaning as that term is defined in Section 1339.75 of the Health and Safety Code.

(b) "Authorization" means permission granted in accordance with Section 56.11 or 56.21 for the disclosure of medical information.

(c) "Authorized recipient" means a person who is authorized to receive medical information pursuant to Section 56.10 or 56.20.

(d) "Confidential communications request" means a request by a subscriber or enrollee that health care service plan communications containing medical information be communicated to them at a specific mail or email address or specific telephone number, as designated by the subscriber or enrollee.

(e) "Contractor" means a person or entity that is a medical group, independent practice association, pharmaceutical benefits manager, or a medical service organization and is not a health care service plan or provider of health care. "Contractor" does not include insurance institutions as defined in subdivision (k) of Section 791.02 of the Insurance Code or pharmaceutical benefits managers 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).

(f) "Enrollee" has the same meaning as that term is defined in Section 1345 of the Health and Safety Code.

(g) "Expiration date or event" means a specified date or an occurrence relating to the individual to whom the medical information pertains or the purpose of the use or disclosure, after which the provider of health care, health care service plan, pharmaceutical company, or contractor is no longer authorized to disclose the medical information.

(h) "Generative artificial intelligence" has the same meaning as that term is defined in Section 1339.75 of the Health and Safety Code.

(i) "Health care chatbot" means a generative artificial intelligence system with a natural language interface that does all of the following:

(1) Provides adaptive, human-like responses to user inputs.

(2) Is marketed as facilitating or supporting health services to a consumer.

(3) (A) Uses health care chatbot information to facilitate or support health service to a consumer.

(B) For purposes of this paragraph, "health care chatbot information" means information related to a consumer's physical or mental health or wellness that a consumer provides to a chatbot, either directly or by allowing access to that information, or is collected, generated, or inferred by a chatbot.

(j) "Health care service plan" means an entity regulated 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).

(k) "Licensed health care professional" means a person licensed or certified pursuant to Division 2 (commencing with Section 500) of the Business and Professions Code, the Osteopathic Initiative Act or the Chiropractic Initiative Act, or Division 2.5 (commencing with Section 1797) of the Health and Safety Code.

(*l*) "Marketing" means to make a communication about a product or service that encourages recipients of the communication to purchase or use the product or service.

"Marketing" does not include any of the following:

(1) Communications made orally or in writing for which the communicator does not receive direct or indirect remuneration, including, but not limited to, gifts, fees, payments, subsidies, or other economic benefits, from a third party for making the communication.

(2) Communications made to current enrollees solely for the purpose of describing a provider's participation in an existing health care provider network or health plan network of a Knox-Keene licensed health plan to which the enrollees already subscribe; communications made to current enrollees solely for the purpose of describing if, and the extent to which, a product or service, or payment for a product or service, is provided by a provider, contractor, or plan or included in a plan of benefits of a Knox-Keene licensed health plan to which the enrollees already subscribe; or communications made to plan enrollees describing the availability of more cost-effective pharmaceuticals.

(3) Communications that are tailored to the circumstances of a particular individual to educate or advise the individual about treatment options, and otherwise maintain the individual's adherence to a prescribed course of medical treatment, as provided in Section 1399.901 of the Health and Safety Code, for a chronic and seriously debilitating or life-threatening condition as defined in subdivisions (e) and (f) of Section 1367.21 of the Health and Safety Code, if the health care provider, contractor, or health plan receives direct or indirect remuneration, including, but not limited to, gifts, fees, payments, subsidies, or other economic benefits, from a third party for making the communication, if all of the following apply:

(A) The individual receiving the communication is notified in the communication in typeface no smaller than 14-point type of the fact that the provider, contractor, or health plan has been remunerated and the source of the remuneration.

(B) The individual is provided the opportunity to opt out of receiving future remunerated communications.

(C) The communication contains instructions in typeface no smaller than 14-point type describing how the individual can opt out of receiving further communications by calling a toll-free number of the health care provider, contractor, or health plan making the remunerated communications. Further communication shall not be made to an individual who has opted out after 30 calendar days from the date the individual makes the opt-out request.

(m) (1) "Medical information" means any individually identifiable information, in electronic or physical form, in possession of or derived from a provider of health care, health care service plan, pharmaceutical company, or contractor regarding a patient's medical history, mental health application information, reproductive or sexual health application information, mental or physical condition, or treatment. "Individually identifiable" means that the medical information includes or contains any element of personal

identifying information sufficient to allow identification of the individual, such as the patient's name, address, electronic mail address, telephone number, or social security number, or other information that, alone or in combination with other publicly available information, reveals the identity of the individual.

(2) If individually identifying information regarding immigration status, including current and prior immigration status, or place of birth, is known or collected in electronic or physical form by a provider of health care, health care service plan, pharmaceutical company, or contractor regarding a patient's medical history, it shall be treated as medical information, as defined in paragraph (1).

(n) "Mental health application information" means information related to a consumer's inferred or diagnosed mental health or substance use disorder, as defined in Section 1374.72 of the Health and Safety Code, collected by a mental health digital service.

(o) "Mental health digital service" means a mobile-based application or internet website that collects mental health application information from a consumer, markets itself as facilitating mental health services to a consumer, and uses the information to facilitate mental health services to a consumer.

(p) "Patient" means a natural person, whether or not still living, who received health care services from a provider of health care and to whom medical information pertains.

(q) "Pharmaceutical company" means a company or business, or an agent or representative thereof, that manufactures, sells, or distributes pharmaceuticals, medications, or prescription drugs. "Pharmaceutical company" does not include a pharmaceutical benefits manager, as included in subdivision (e), or a provider of health care.

(r) "Protected individual" means any adult covered by the subscriber's health care service plan or a minor who can consent to a health care service without the consent of a parent or legal guardian, pursuant to state or federal law. "Protected individual" does not include an individual that lacks the capacity to give informed consent for health care pursuant to Section 813 of the Probate Code.

(s) "Provider of health care" means a person licensed or certified pursuant to Division 2 (commencing with Section 500) of the Business and Professions Code; a person licensed pursuant to the Osteopathic Initiative Act or the Chiropractic Initiative Act; a person certified pursuant to Division 2.5 (commencing with Section 1797) of the Health and Safety Code; or a clinic, health dispensary, or health facility licensed pursuant to Division 2 (commencing with Section 1200) of the Health and Safety Code. "Provider of health care" does not include insurance institutions as defined in subdivision (k) of Section 791.02 of the Insurance Code.

(t) "Reproductive or sexual health application information" means information about a consumer's reproductive health, menstrual cycle, fertility, pregnancy, pregnancy outcome, plans to conceive, or type of sexual activity collected by a reproductive or sexual health digital service, including, but not limited to, information from which one can infer someone's

pregnancy status, menstrual cycle, fertility, hormone levels, birth control use, sexual activity, or gender identity.

(u) "Reproductive or sexual health digital service" means a mobile-based application or internet website that collects reproductive or sexual health application information from a consumer, markets itself as facilitating reproductive or sexual health services to a consumer, and uses the information to facilitate reproductive or sexual health services to a consumer.

(v) "Sensitive services" means all health care services related to mental or behavioral health, sexual and reproductive health, sexually transmitted infections, substance use disorder, gender-affirming care, and intimate partner violence, and includes services described in Sections 6924, 6925, 6926, 6927, 6928, 6929, and 6930 of the Family Code, and Sections 121020 and 124260 of the Health and Safety Code, obtained by a patient at or above the minimum age specified for consenting to the service specified in the section.

(w) "Subscriber" has the same meaning as that term is defined in Section 1345 of the Health and Safety Code.

(x) "Immigration enforcement" means any and all efforts to investigate, enforce, or assist in the investigation or enforcement of any federal civil immigration law, and also includes any and all efforts to investigate, enforce, or assist in the investigation or enforcement of any federal criminal immigration law that penalizes a person's presence in, entry or reentry to, or employment in, the United States.

SEC. 3. Section 56.06 of the Civil Code is amended to read:

56.06. (a) Any business organized for the purpose of maintaining medical information in order to make the information available to an individual or to a provider of health care at the request of the individual or a provider of health care, for purposes of allowing the individual to manage the individual's information, or for the diagnosis and treatment of the individual, shall be deemed to be a provider of health care subject to the requirements of this part. However, this section shall not be construed to make a business specified in this subdivision a provider of health care for purposes of any law other than this part, including laws that specifically incorporate by reference the definitions of this part.

(b) Any business that offers software or hardware to consumers, including a mobile application or other related device that is designed to maintain medical information in order to make the information available to an individual or a provider of health care at the request of the individual or a provider of health care, for purposes of allowing the individual to manage the individual's information, or for the diagnosis, treatment, or management of a medical condition of the individual, shall be deemed to be a provider of health care subject to the requirements of this part. However, this section shall not be construed to make a business specified in this subdivision a provider of health care for purposes of any law other than this part, including laws that specifically incorporate by reference the definitions of this part.

(c) Any business that is licensed pursuant to Division 10 (commencing with Section 26000) of the Business and Professions Code that is authorized

to receive or receives identification cards issued pursuant to Section 11362.71 of the Health and Safety Code or information contained in a physician's recommendation issued in accordance with Article 25 (commencing with Section 2525) of Chapter 5 of Division 2 of the Business and Professions Code shall be deemed to be a provider of health care subject to the requirements of this part. However, this section shall not be construed to make a business specified in this subdivision a provider of health care for purposes of any law other than this part, including laws that specifically incorporate by reference the definitions of this part.

(d) Any business that offers a mental health digital service to a consumer for the purpose of allowing the individual to manage the individual's information, or for the diagnosis, treatment, or management of a medical condition of the individual, shall be deemed to be a provider of health care subject to the requirements of this part. However, this section shall not be construed to make a business specified in this subdivision a provider of health care for purposes of any law other than this part, including laws that specifically incorporate by reference the definitions of this part.

(e) Any business that offers a reproductive or sexual health digital service to a consumer for the purpose of allowing the individual to manage the individual's information, or for the diagnosis, treatment, or management of a medical condition of the individual, shall be deemed to be a provider of health care subject to the requirements of this part. However, this section shall not be construed to make a business specified in this subdivision a provider of health care for purposes of any law other than this part, including, but not limited to, laws that specifically incorporate by reference the definitions of this part.

(f) Any business that offers a health care chatbot to a consumer for the purpose of allowing the individual to manage the individual's information, or for the diagnosis, treatment, or management of a medical condition of the individual, shall be deemed to be a provider of health care subject to the requirements of this part. However, this section shall not be construed to make a business specified in this subdivision a provider of health care for purposes of any law other than this part, including laws that specifically incorporate by reference the definitions of this part.

(g) Any business described in this section shall maintain the same standards of confidentiality required of a provider of health care with respect to medical information disclosed to the business.

(h) Any business described in this section is subject to the penalties for improper use and disclosure of medical information prescribed in this part.

SEC. 4. 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.

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