



Senate Bill 1228 (SB 1228)
Frequently Asked Questions
February 2019

The following answers to frequently asked questions intend to provide applicants and licensed and/or certified alcoholism or drug abuse recovery or treatment facilities with additional guidance and clarification regarding SB 1228. This document will be updated as necessary.

For additional information regarding SB 1228:

- Chapter 792, Senate Bill 1228:
http://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180SB1228
- Information Notice 19-002:
https://www.dhcs.ca.gov/provgovpart/Documents/MHSUDS_Info_Notice_19-002_Implementation_of_SB_1228.pdf
- SUDCD Complaints:
<https://www.dhcs.ca.gov/individuals/Pages/Sud-Complaints.aspx>
- Contact us at: (916) 322-2911 or at the Toll Free Number: (877) 685-8333

1. What is SB 1228?

Senate Bill (SB) 1228 adds Health & Safety Code (HSC) Sections 11831.6 & 11831.7 prohibiting specified persons, programs, or entities, including a licensed and/or certified alcoholism or drug abuse recovery and treatment facility, or an employee of that facility, from giving or receiving remuneration for the referral of a person who is seeking alcoholism or drug abuse recovery and treatment services.

2. Who will investigate violations of HSC Section 11831.6?

SB 1228 grants DHCS the authority to investigate and impose sanctions for violations.

3. When is SB 1228 effective?

January 1, 2019.

4. Does SB 1228 affect both licensed and certified programs?

Yes.

5. Who is prohibited from giving or receiving remuneration for client referrals?

Licensed and/or certified alcoholism or drug abuse recovery and treatment facilities, owners, partners, directors, employees, and/or shareholders are prohibited from giving or receiving anything of value for client referrals.

6. What qualifies as receiving remuneration?

Anything of value, including, but not limited to financial compensation.

7. What is the penalty for giving or receiving remuneration for a client?

For violations of the HSC, DHCS may impose the following potential penalties:

- 1) Assess a civil penalty of up to \$2,000 against a licensed and/or certified Alcoholism or drug abuse recovery and treatment facility for each occurrence of a violation;
- 2) Suspend an alcoholism or drug abuse recovery and treatment facility's license or certification;
- 3) Revoke an alcoholism or drug abuse recovery and treatment facility's license or certification;
- 4) Deny any new application for licensure for a period of five (5) years from when the applicant is found to have violated HSC 11831.6;
- 5) Deny an extension of the licensing period;
- 6) Deny any applications for modification to a license;
- 7) Suspend the registration or certification of a counselor or;
- 8) Revoke the registration or certification of a counselor.

8. How do programs notify DHCS if they believe an employee, owner, partner or shareholder is violating HSC Section 11831.6?

Programs can report any violations to DHCS at SUDComplaints@dhcs.ca.gov or by calling the toll free complaint line at 877-685-8333.

9. Can clients notify DHCS that programs are violating HSC Section 11831.6?

Yes.

10. Can a counselor's registration or certification be revoked or suspended due to a violation of HSC Section 11831.6?

Yes.

11. Is a program's call center in violation of HSC 11831.6?

A program's call center is not in violation of HSC 11831.6, provided there is no remuneration given or received by the call center staff beyond their salary or hourly wage, for the recruitment or referral of clients.