

Date of Hearing: May 6, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 2386 (Alvarez) – As Amended April 22, 2026

Policy Committee: Business and Professions Vote: 12 - 2

Urgency: No State Mandated Local Program: No Reimbursable: No

SUMMARY:

This bill requires the Medical Board of California (Board) to issue a full and unrestricted physician's license to a person who has completed the 3-year term of the Licensed Physicians from Mexico Program or the former Licensed Physicians and Dentists from Mexico Pilot Program, if specified requirements are met. The bill also requires the Board to issue a provisional license to an applicant who holds a full and unrestricted license to practice medicine in another country, if that provisional licensee is employed by, and practices medicine only within, a sponsoring entity approved by the Board. The provisional license would be valid for three years, with possibility of extension for an additional three years. This bill also deems a provisional licensee applicant who meets specified requirements, after three years of practice under the provisional license, to meet the requirements for a certificate under the Medical Practice Act.

FISCAL EFFECT:

The Board must complete regulations in the initial two fiscal years (FYs) before the program can be implemented. Beginning in the third FY, the Board will assume responsibilities related to licensing, enforcement, information systems development, and facilities expansion for additional employees. Licensing workloads include creating and processing new application types, evaluating the equivalency of international postgraduate training, reviewing supervising agreements, and processing renewals and transition applications. Enforcement workloads include complaint intake, investigations, and disciplinary actions. The Board will need to add one staff position in the third FY, another position in the third FY and ongoing, and 0.5 positions in the sixth FY and ongoing. Additional spending authority is needed for medical consultant workload in FY 3. The Board projects costs for the first six FYs as follows:

- FY 1: \$115,761.
- FY 2: \$0.
- FY 3: \$473,691.
- FY 4: \$274,153.
- FY 5: \$298,812.
- FY 6 and ongoing: \$385,840 (Medical Board Contingent Fund).

Additional cost pressures, potentially in the hundreds of thousands to millions of dollars per year, because the Board also anticipates litigation. This bill requires the Board to determine whether a residency program in another country is substantially equivalent to an ACGME-accredited program in the U.S. If the Board determines that a residency program is not equivalent and denies a license, the Board believes it will be sued, and estimates litigation costs could range from around \$600,000 to \$2.8 million per year, beginning in FY 3.

The Department of Consumer Affairs (DCA) Office of Information Services (OIS) estimates cost of \$147,000 to build a new license type in DCA's online licensing and enforcement system, create initial, renewal, and transition applications, clone enforcement configurations, update website content, and test functionality (Consumer Affairs Fund). OIS states it will need delayed implementation due to the need for a Budget Change Proposal to secure vendor resources.

COMMENTS:

- 1) **Purpose.** This bill is sponsored by AltaMed and California Primary Care Association. According to the author:

[This bill] will make it easier for qualified physicians to practice in California, with guardrails such as supervision requirements and a probationary period before physicians can apply for a full license. It expands an existing program that allows doctors from Mexico to get a provisional license to practice in California and establishes a program for physicians who have trained abroad to obtain a provisional license. Too many California families can't find a doctor when they need one, especially in rural and underserved communities. The California Physician Expansion Act creates a real pathway for qualified international physicians to help fill that gap, with proper guardrails and oversight, so that the those who need care the most can get it. By integrating international medical talent into California's workforce, [This bill] offers a sustainable, culturally responsive solution to the state's evolving healthcare workforce needs.

- 2) **Background.** AB 1045 (Firebaugh) Chapter 1157, Statutes of 2002, established the Licensed Physicians and Dentists from Mexico Pilot Program. Physicians from Mexico started serving California patients under the pilot program in August 2021, beginning with physicians working at San Benito Health Foundation. Additional physicians subsequently began serving patients in Monterey County and Tulare County. In 2023, additional physicians from Mexico began serving patients in the AltaMed Health Corporation in Los Angeles and Orange Counties.
- 3) **Related Legislation.** AB 2398 (Alvarez) allows an individual who has graduated from an accredited medical school but who has not completed a residency program to receive a physician graduate license to practice under a supervising practice agreement with a sponsoring physician. AB 2398 is pending in this committee.

SB 1179 (Menjivar) establishes the Doctors from El Salvador Program for the purpose of permitting licensed physicians from El Salvador to practice medicine in California for up to three years. SB 1179 is pending on suspense in the Senate Appropriations Committee.

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