

1                                   A bill to be entitled  
2           An act relating to certificates of need for hospitals;  
3           amending s. 408.032, F.S.; revising definitions;  
4           amending s. 408.034, F.S.; revising duties and  
5           responsibilities of the Agency for Health Care  
6           Administration in the exercise of its authority to  
7           issue licenses to health care facilities and health  
8           service providers; amending s. 408.035, F.S.; revising  
9           review criteria for applications for certificate-of-  
10          need determinations for health care facilities and  
11          health services; excluding general hospitals from such  
12          review; amending s. 408.036, F.S.; revising health-  
13          care-related projects subject to review for a  
14          certificate of need and exemptions therefrom; amending  
15          s. 408.037, F.S.; revising content requirements with  
16          respect to an application for a certificate of need;  
17          amending s. 408.039, F.S.; revising the review process  
18          for certificates of need; amending s. 408.043, F.S.;  
19          revising special provisions to eliminate provisions  
20          relating to osteopathic acute care hospitals; amending  
21          s. 395.1055, F.S.; revising the agency's rulemaking  
22          authority with respect to minimum standards for  
23          hospitals; requiring hospitals that provide certain  
24          services to meet specified licensure requirements;  
25          deleting requirements for submitting data by hospitals  
26          for certificate-of-need reviews, to conform to changes

27 | made by the act; repealing s. 395.6025, F.S., relating  
 28 | to rural hospital replacement facilities; amending ss.  
 29 | 395.603, 395.604, and 395.605, F.S.; conforming  
 30 | references; amending s. 408.0361, F.S.; deleting  
 31 | outdated licensure provisions for cardiovascular  
 32 | services and burn units; providing an effective date.  
 33 |

34 | Be It Enacted by the Legislature of the State of Florida:  
 35 |

36 | Section 1. Subsections (8) through (17) of section  
 37 | 408.032, Florida Statutes, are amended to read:

38 | 408.032 Definitions relating to Health Facility and  
 39 | Services Development Act.—As used in ss. 408.031-408.045, the  
 40 | term:

41 | (8) "Health care facility" means a ~~hospital, long-term~~  
 42 | ~~care hospital,~~ skilled nursing facility, hospice, or  
 43 | intermediate care facility for the developmentally disabled. A  
 44 | facility relying solely on spiritual means through prayer for  
 45 | healing is not included as a health care facility.

46 | ~~(9) "Health services" means inpatient diagnostic,~~  
 47 | ~~curative, or comprehensive medical rehabilitative services and~~  
 48 | ~~includes mental health services. Obstetric services are not~~  
 49 | ~~health services for purposes of ss. 408.031-408.045.~~

50 | (9) ~~(10)~~ "Hospice" or "hospice program" means a hospice as  
 51 | defined in part IV of chapter 400.

52 | ~~(11) "Hospital" means a health care facility licensed~~

53 ~~under chapter 395.~~

54 (10)~~(12)~~ "Intermediate care facility for the  
55 developmentally disabled" means a residential facility licensed  
56 under part VIII of chapter 400.

57 ~~(13) "Long term care hospital" means a hospital licensed  
58 under chapter 395 which meets the requirements of 42 C.F.R. s.  
59 412.23(e) and seeks exclusion from the acute care Medicare  
60 prospective payment system for inpatient hospital services.~~

61 ~~(14) "Mental health services" means inpatient services  
62 provided in a hospital licensed under chapter 395 and listed on  
63 the hospital license as psychiatric beds for adults; psychiatric  
64 beds for children and adolescents; intensive residential  
65 treatment beds for children and adolescents; substance abuse  
66 beds for adults; or substance abuse beds for children and  
67 adolescents.~~

68 (11)~~(15)~~ "Nursing home geographically underserved area"  
69 means:

70 (a) A county in which there is no existing or approved  
71 nursing home;

72 (b) An area with a radius of at least 20 miles in which  
73 there is no existing or approved nursing home; or

74 (c) An area with a radius of at least 20 miles in which  
75 all existing nursing homes have maintained at least a 95 percent  
76 occupancy rate for the most recent 6 months or a 90 percent  
77 occupancy rate for the most recent 12 months.

78 (12)~~(16)~~ "Skilled nursing facility" means an institution,

79 | or a distinct part of an institution, which is primarily engaged  
 80 | in providing, to inpatients, skilled nursing care and related  
 81 | services for patients who require medical or nursing care, or  
 82 | rehabilitation services for the rehabilitation of injured,  
 83 | disabled, or sick persons.

84 | ~~(17) "Tertiary health service" means a health service~~  
 85 | ~~which, due to its high level of intensity, complexity,~~  
 86 | ~~specialized or limited applicability, and cost, should be~~  
 87 | ~~limited to, and concentrated in, a limited number of hospitals~~  
 88 | ~~to ensure the quality, availability, and cost effectiveness of~~  
 89 | ~~such service. Examples of such service include, but are not~~  
 90 | ~~limited to, pediatric cardiac catheterization, pediatric open-~~  
 91 | ~~heart surgery, organ transplantation, neonatal intensive care~~  
 92 | ~~units, comprehensive rehabilitation, and medical or surgical~~  
 93 | ~~services which are experimental or developmental in nature to~~  
 94 | ~~the extent that the provision of such services is not yet~~  
 95 | ~~contemplated within the commonly accepted course of diagnosis or~~  
 96 | ~~treatment for the condition addressed by a given service. The~~  
 97 | ~~agency shall establish by rule a list of all tertiary health~~  
 98 | ~~services.~~

99 | Section 2. Subsection (2) of section 408.034, Florida  
 100 | Statutes, is amended to read:

101 | 408.034 Duties and responsibilities of agency; rules.—

102 | (2) In the exercise of its authority to issue licenses to  
 103 | health care facilities and health service providers, as provided  
 104 | under chapter ~~chapters~~ 393 and ~~395~~ and parts II, IV, and VIII of

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105 chapter 400, the agency may not issue a license to any health  
106 care facility or health service provider that fails to receive a  
107 certificate of need or an exemption for the licensed facility or  
108 service.

109 Section 3. Section 408.035, Florida Statutes, is amended  
110 to read:

111 408.035 Review criteria.—

112 ~~(1)~~ The agency shall determine the reviewability of  
113 applications and shall review applications for certificate-of-  
114 need determinations for health care facilities and health  
115 services in context with the following criteria, ~~except for~~  
116 ~~general hospitals as defined in s. 395.002:~~

117 (1) ~~(a)~~ The need for the health care facilities and health  
118 services being proposed.

119 (2) ~~(b)~~ The availability, quality of care, accessibility,  
120 and extent of utilization of existing health care facilities and  
121 health services in the service district of the applicant.

122 (3) ~~(c)~~ The ability of the applicant to provide quality of  
123 care and the applicant's record of providing quality of care.

124 (4) ~~(d)~~ The availability of resources, including health  
125 personnel, management personnel, and funds for capital and  
126 operating expenditures, for project accomplishment and  
127 operation.

128 (5) ~~(e)~~ The extent to which the proposed services will  
129 enhance access to health care for residents of the service  
130 district.

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131        (6)~~(f)~~ The immediate and long-term financial feasibility  
132 of the proposal.

133        (7)~~(g)~~ The extent to which the proposal will foster  
134 competition that promotes quality and cost-effectiveness.

135        (8)~~(h)~~ The costs and methods of the proposed construction,  
136 including the costs and methods of energy provision and the  
137 availability of alternative, less costly, or more effective  
138 methods of construction.

139        (9)~~(i)~~ The applicant's past and proposed provision of  
140 health care services to Medicaid patients and the medically  
141 indigent.

142        (10)~~(j)~~ The applicant's designation as a Gold Seal Program  
143 nursing facility pursuant to s. 400.235, when the applicant is  
144 requesting additional nursing home beds at that facility.

145        ~~(2) For a general hospital, the agency shall consider only~~  
146 ~~the criteria specified in paragraph (1) (a), paragraph (1) (b),~~  
147 ~~except for quality of care in paragraph (1) (b), and paragraphs~~  
148 ~~(1) (c), (g), and (i).~~

149        Section 4. Section 408.036, Florida Statutes, is amended  
150 to read:

151        408.036 Projects subject to review; exemptions.—

152        (1) APPLICABILITY.—Unless exempt under subsection (3), all  
153 health-care-related projects, as described in this subsection  
154 ~~paragraphs (a)–(f)~~, are subject to review and must file an  
155 application for a certificate of need with the agency. The  
156 agency is exclusively responsible for determining whether a

157 health-care-related project is subject to review under ss.  
 158 408.031-408.045.

159 (a) The addition of beds in community nursing homes or  
 160 intermediate care facilities for the developmentally disabled by  
 161 new construction or alteration.

162 (b) The new construction or establishment of additional  
 163 health care facilities, including a replacement health care  
 164 facility when the proposed project site is not located on the  
 165 same site as or within 1 mile of the existing health care  
 166 facility, if the number of beds in each licensed bed category  
 167 will not increase.

168 (c) The conversion from one type of health care facility  
 169 to another, ~~including the conversion from a general hospital, a~~  
 170 ~~specialty hospital, or a long-term care hospital.~~

171 (d) The establishment of a hospice or hospice inpatient  
 172 facility, except as provided in s. 408.043.

173 ~~(e) An increase in the number of beds for comprehensive~~  
 174 ~~rehabilitation.~~

175 ~~(f) The establishment of tertiary health services,~~  
 176 ~~including inpatient comprehensive rehabilitation services.~~

177 (2) PROJECTS SUBJECT TO EXPEDITED REVIEW.—Unless exempt  
 178 pursuant to subsection (3), the following projects are subject  
 179 to expedited review:

180 (a) Transfer of a certificate of need, ~~except that when an~~  
 181 ~~existing hospital is acquired by a purchaser, all certificates~~  
 182 ~~of need issued to the hospital which are not yet operational~~

183 ~~shall be acquired by the purchaser without need for a transfer.~~

184 (b) Replacement of a nursing home, if the proposed project  
185 site is within a 30-mile radius of the replaced nursing home. If  
186 the proposed project site is outside the subdistrict where the  
187 replaced nursing home is located, the prior 6-month occupancy  
188 rate for licensed community nursing homes in the proposed  
189 subdistrict must be at least 85 percent in accordance with the  
190 agency's most recently published inventory.

191 (c) Replacement of a nursing home within the same  
192 district, if the proposed project site is outside a 30-mile  
193 radius of the replaced nursing home but within the same  
194 subdistrict or a geographically contiguous subdistrict. If the  
195 proposed project site is in the geographically contiguous  
196 subdistrict, the prior 6-month occupancy rate for licensed  
197 community nursing homes for that subdistrict must be at least 85  
198 percent in accordance with the agency's most recently published  
199 inventory.

200 (d) Relocation of a portion of a nursing home's licensed  
201 beds to another facility or to establish a new facility within  
202 the same district or within a geographically contiguous  
203 district, if the relocation is within a 30-mile radius of the  
204 existing facility and the total number of nursing home beds in  
205 the state does not increase.

206 (e) New construction of a community nursing home in a  
207 retirement community as further provided in this paragraph.

208 1. Expedited review under this paragraph is available if

209 | all of the following criteria are met:

210 |       a. The residential use area of the retirement community is  
 211 | deed-restricted as housing for older persons as defined in s.  
 212 | 760.29(4)(b).

213 |       b. The retirement community is located in a county in  
 214 | which 25 percent or more of its population is age 65 and older.

215 |       c. The retirement community is located in a county that  
 216 | has a rate of no more than 16.1 beds per 1,000 persons age 65  
 217 | years or older. The rate shall be determined by using the  
 218 | current number of licensed and approved community nursing home  
 219 | beds in the county per the agency's most recent published  
 220 | inventory.

221 |       d. The retirement community has a population of at least  
 222 | 8,000 residents within the county, based on a population data  
 223 | source accepted by the agency.

224 |       e. The number of proposed community nursing home beds in  
 225 | an application does not exceed the projected bed need after  
 226 | applying the rate of 16.1 beds per 1,000 persons aged 65 years  
 227 | and older projected for the county 3 years into the future using  
 228 | the estimates adopted by the agency reduced by the agency's most  
 229 | recently published inventory of licensed and approved community  
 230 | nursing home beds in the county.

231 |       2. No more than 120 community nursing home beds shall be  
 232 | approved for a qualified retirement community under each request  
 233 | for expedited review. Subsequent requests for expedited review  
 234 | under this process may not be made until 2 years after

235 construction of the facility has commenced or 1 year after the  
236 beds approved through the initial request are licensed,  
237 whichever occurs first.

238 3. The total number of community nursing home beds which  
239 may be approved for any single deed-restricted community  
240 pursuant to this paragraph may not exceed 240, regardless of  
241 whether the retirement community is located in more than one  
242 qualifying county.

243 4. Each nursing home facility approved under this  
244 paragraph must be dually certified for participation in the  
245 Medicare and Medicaid programs.

246 5. Each nursing home facility approved under this  
247 paragraph must be at least 1 mile, as measured over publicly  
248 owned roadways, from an existing approved and licensed community  
249 nursing home.

250 6. A retirement community requesting expedited review  
251 under this paragraph shall submit a written request to the  
252 agency for expedited review. The request must include the number  
253 of beds to be added and provide evidence of compliance with the  
254 criteria specified in subparagraph 1.

255 7. After verifying that the retirement community meets the  
256 criteria for expedited review specified in subparagraph 1., the  
257 agency shall publicly notice in the Florida Administrative  
258 Register that a request for an expedited review has been  
259 submitted by a qualifying retirement community and that the  
260 qualifying retirement community intends to make land available

261 for the construction and operation of a community nursing home.  
262 The agency's notice must identify where potential applicants can  
263 obtain information describing the sales price of, or terms of  
264 the land lease for, the property on which the project will be  
265 located and the requirements established by the retirement  
266 community. The agency notice must also specify the deadline for  
267 submission of the certificate-of-need application, which may not  
268 be earlier than the 91st day or later than the 125th day after  
269 the date the notice appears in the Florida Administrative  
270 Register.

271 8. The qualified retirement community shall make land  
272 available to applicants it deems to have met its requirements  
273 for the construction and operation of a community nursing home  
274 but may sell or lease the land only to the applicant that is  
275 issued a certificate of need by the agency under this paragraph.

276 a. A certificate-of-need application submitted under this  
277 paragraph must identify the intended site for the project within  
278 the retirement community and the anticipated costs for the  
279 project based on that site. The application must also include  
280 written evidence that the retirement community has determined  
281 that both the provider submitting the application and the  
282 project satisfy its requirements for the project.

283 b. If the retirement community determines that more than  
284 one provider satisfies its requirements for the project, it may  
285 notify the agency of the provider it prefers.

286 9. The agency shall review each submitted application. If

287 multiple applications are submitted for a project published  
288 pursuant to subparagraph 7., the agency shall review the  
289 competing applications.

290

291 The agency shall develop rules to implement the expedited review  
292 process, including time schedule, application content that may  
293 be reduced from the full requirements of s. 408.037(1), and  
294 application processing.

295 (3) EXEMPTIONS.—Upon request, the following projects are  
296 subject to exemption from the provisions of subsection (1):

297 (a) For hospice services ~~or for swing beds in a rural~~  
298 ~~hospital, as defined in s. 395.602, in a number that does not~~  
299 ~~exceed one half of its licensed beds.~~

300 ~~(b) For the conversion of licensed acute care hospital~~  
301 ~~beds to Medicare and Medicaid certified skilled nursing beds in~~  
302 ~~a rural hospital, as defined in s. 395.602, so long as the~~  
303 ~~conversion of the beds does not involve the construction of new~~  
304 ~~facilities. The total number of skilled nursing beds, including~~  
305 ~~swing beds, may not exceed one half of the total number of~~  
306 ~~licensed beds in the rural hospital as of July 1, 1993.~~

307 ~~Certified skilled nursing beds designated under this paragraph,~~  
308 ~~excluding swing beds, shall be included in the community nursing~~  
309 ~~home bed inventory. A rural hospital that subsequently~~  
310 ~~decertifies any acute care beds exempted under this paragraph~~  
311 ~~shall notify the agency of the decertification, and the agency~~  
312 ~~shall adjust the community nursing home bed inventory~~

313 accordingly.

314 (b)~~(e)~~ For the addition of nursing home beds at a skilled  
315 nursing facility that is part of a retirement community that  
316 provides a variety of residential settings and supportive  
317 services and that has been incorporated and operated in this  
318 state for at least 65 years on or before July 1, 1994. All  
319 nursing home beds must not be available to the public but must  
320 be for the exclusive use of the community residents.

321 (c)~~(d)~~ For an inmate health care facility built by or for  
322 the exclusive use of the Department of Corrections as provided  
323 in chapter 945. This exemption expires when such facility is  
324 converted to other uses.

325 (d)~~(e)~~ For mobile surgical facilities and related health  
326 care services provided under contract with the Department of  
327 Corrections or a private correctional facility operating  
328 pursuant to chapter 957.

329 (e)~~(f)~~ For the addition of nursing home beds licensed  
330 under chapter 400 in a number not exceeding 30 total beds or 25  
331 percent of the number of beds licensed in the facility being  
332 replaced under paragraph (2)(b), paragraph (2)(c), or paragraph  
333 (j) ~~(p)~~, whichever is less.

334 (f)~~(g)~~ For state veterans' nursing homes operated by or on  
335 behalf of the Florida Department of Veterans' Affairs in  
336 accordance with part II of chapter 296 for which at least 50  
337 percent of the construction cost is federally funded and for  
338 which the Federal Government pays a per diem rate not to exceed

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339 one-half of the cost of the veterans' care in such state nursing  
340 homes. These beds shall not be included in the nursing home bed  
341 inventory.

342 (g)~~(h)~~ For combination within one nursing home facility of  
343 the beds or services authorized by two or more certificates of  
344 need issued in the same planning subdistrict. An exemption  
345 granted under this paragraph shall extend the validity period of  
346 the certificates of need to be consolidated by the length of the  
347 period beginning upon submission of the exemption request and  
348 ending with issuance of the exemption. The longest validity  
349 period among the certificates shall be applicable to each of the  
350 combined certificates.

351 (h)~~(i)~~ For division into two or more nursing home  
352 facilities of beds or services authorized by one certificate of  
353 need issued in the same planning subdistrict. An exemption  
354 granted under this paragraph shall extend the validity period of  
355 the certificate of need to be divided by the length of the  
356 period beginning upon submission of the exemption request and  
357 ending with issuance of the exemption.

358 ~~(j) For the addition of hospital beds licensed under  
359 chapter 395 for comprehensive rehabilitation in a number that  
360 may not exceed 10 total beds or 10 percent of the licensed  
361 capacity, whichever is greater.~~

362 ~~1. In addition to any other documentation otherwise  
363 required by the agency, a request for exemption submitted under  
364 this paragraph must:~~

365           ~~a. Certify that the prior 12-month average occupancy rate~~  
366 ~~for the licensed beds being expanded meets or exceeds 80~~  
367 ~~percent.~~

368           ~~b. Certify that the beds have been licensed and~~  
369 ~~operational for at least 12 months.~~

370           ~~2. The timeframes and monitoring process specified in s.~~  
371 ~~408.040(2)(a)-(c) apply to any exemption issued under this~~  
372 ~~paragraph.~~

373           ~~3. The agency shall count beds authorized under this~~  
374 ~~paragraph as approved beds in the published inventory of~~  
375 ~~hospital beds until the beds are licensed.~~

376           (i)-(k) For the addition of nursing home beds licensed  
377 under chapter 400 in a number not exceeding 10 total beds or 10  
378 percent of the number of beds licensed in the facility being  
379 expanded, whichever is greater; or, for the addition of nursing  
380 home beds licensed under chapter 400 at a facility that has been  
381 designated as a Gold Seal nursing home under s. 400.235 in a  
382 number not exceeding 20 total beds or 10 percent of the number  
383 of licensed beds in the facility being expanded, whichever is  
384 greater.

385           1. In addition to any other documentation required by the  
386 agency, a request for exemption submitted under this paragraph  
387 must certify that:

388           a. The facility has not had any class I or class II  
389 deficiencies within the 30 months preceding the request.

390           b. The prior 12-month average occupancy rate for the

391 nursing home beds at the facility meets or exceeds 94 percent.

392 c. Any beds authorized for the facility under this  
393 paragraph before the date of the current request for an  
394 exemption have been licensed and operational for at least 12  
395 months.

396 2. The timeframes and monitoring process specified in s.  
397 408.040(2)(a)-(c) apply to any exemption issued under this  
398 paragraph.

399 3. The agency shall count beds authorized under this  
400 paragraph as approved beds in the published inventory of nursing  
401 home beds until the beds are licensed.

402 ~~(1) For the establishment of:~~

403 ~~1. A Level II neonatal intensive care unit with at least~~  
404 ~~10 beds, upon documentation to the agency that the applicant~~  
405 ~~hospital had a minimum of 1,500 births during the previous 12~~  
406 ~~months;~~

407 ~~2. A Level III neonatal intensive care unit with at least~~  
408 ~~15 beds, upon documentation to the agency that the applicant~~  
409 ~~hospital has a Level II neonatal intensive care unit of at least~~  
410 ~~10 beds and had a minimum of 3,500 births during the previous 12~~  
411 ~~months; or~~

412 ~~3. A Level III neonatal intensive care unit with at least~~  
413 ~~5 beds, upon documentation to the agency that the applicant~~  
414 ~~hospital is a verified trauma center pursuant to s.~~  
415 ~~395.4001(14), and has a Level II neonatal intensive care unit,~~

416

417 ~~if the applicant demonstrates that it meets the requirements for~~  
418 ~~quality of care, nurse staffing, physician staffing, physical~~  
419 ~~plant, equipment, emergency transportation, and data reporting~~  
420 ~~found in agency certificate-of-need rules for Level II and Level~~  
421 ~~III neonatal intensive care units and if the applicant commits~~  
422 ~~to the provision of services to Medicaid and charity patients at~~  
423 ~~a level equal to or greater than the district average. Such a~~  
424 ~~commitment is subject to s. 408.040.~~

425 ~~(m)1. For the provision of adult open-heart services in a~~  
426 ~~hospital located within the boundaries of a health service~~  
427 ~~planning district, as defined in s. 408.032(5), which has~~  
428 ~~experienced an annual net out-migration of at least 600 open-~~  
429 ~~heart surgery cases for 3 consecutive years according to the~~  
430 ~~most recent data reported to the agency, and the district's~~  
431 ~~population per licensed and operational open-heart programs~~  
432 ~~exceeds the state average of population per licensed and~~  
433 ~~operational open-heart programs by at least 25 percent. All~~  
434 ~~hospitals within a health service planning district which meet~~  
435 ~~the criteria reference in sub-subparagraphs 2.a. h. shall be~~  
436 ~~eligible for this exemption on July 1, 2004, and shall receive~~  
437 ~~the exemption upon filing for it and subject to the following:~~

438 ~~a. A hospital that has received a notice of intent to~~  
439 ~~grant a certificate of need or a final order of the agency~~  
440 ~~granting a certificate of need for the establishment of an open-~~  
441 ~~heart surgery program is entitled to receive a letter of~~  
442 ~~exemption for the establishment of an adult open-heart surgery~~

443 ~~program upon filing a request for exemption and complying with~~  
444 ~~the criteria enumerated in sub-subparagraphs 2.a.-h., and is~~  
445 ~~entitled to immediately commence operation of the program.~~

446 ~~b. An otherwise eligible hospital that has not received a~~  
447 ~~notice of intent to grant a certificate of need or a final order~~  
448 ~~of the agency granting a certificate of need for the~~  
449 ~~establishment of an open-heart-surgery program is entitled to~~  
450 ~~immediately receive a letter of exemption for the establishment~~  
451 ~~of an adult open-heart-surgery program upon filing a request for~~  
452 ~~exemption and complying with the criteria enumerated in sub-~~  
453 ~~subparagraphs 2.a.-h., but is not entitled to commence operation~~  
454 ~~of its program until December 31, 2006.~~

455 ~~2. A hospital shall be exempt from the certificate of need~~  
456 ~~review for the establishment of an open-heart-surgery program~~  
457 ~~when the application for exemption submitted under this~~  
458 ~~paragraph complies with the following criteria:~~

459 ~~a. The applicant must certify that it will meet and~~  
460 ~~continuously maintain the minimum licensure requirements adopted~~  
461 ~~by the agency governing adult open-heart programs, including the~~  
462 ~~most current guidelines of the American College of Cardiology~~  
463 ~~and American Heart Association Guidelines for Adult Open Heart~~  
464 ~~Programs.~~

465 ~~b. The applicant must certify that it will maintain~~  
466 ~~sufficient appropriate equipment and health personnel to ensure~~  
467 ~~quality and safety.~~

468 ~~c. The applicant must certify that it will maintain~~

469 ~~appropriate times of operation and protocols to ensure~~  
470 ~~availability and appropriate referrals in the event of~~  
471 ~~emergencies.~~

472 ~~d. The applicant can demonstrate that it has discharged at~~  
473 ~~least 300 inpatients with a principal diagnosis of ischemic~~  
474 ~~heart disease for the most recent 12-month period as reported to~~  
475 ~~the agency.~~

476 ~~e. The applicant is a general acute care hospital that is~~  
477 ~~in operation for 3 years or more.~~

478 ~~f. The applicant is performing more than 300 diagnostic~~  
479 ~~cardiac catheterization procedures per year, combined inpatient~~  
480 ~~and outpatient.~~

481 ~~g. The applicant's payor mix at a minimum reflects the~~  
482 ~~community average for Medicaid, charity care, and self-pay~~  
483 ~~patients or the applicant must certify that it will provide a~~  
484 ~~minimum of 5 percent of Medicaid, charity care, and self-pay to~~  
485 ~~open-heart-surgery patients.~~

486 ~~h. If the applicant fails to meet the established criteria~~  
487 ~~for open-heart programs or fails to reach 300 surgeries per year~~  
488 ~~by the end of its third year of operation, it must show cause~~  
489 ~~why its exemption should not be revoked.~~

490 ~~3. By December 31, 2004, and annually thereafter, the~~  
491 ~~agency shall submit a report to the Legislature providing~~  
492 ~~information concerning the number of requests for exemption it~~  
493 ~~has received under this paragraph during the calendar year and~~  
494 ~~the number of exemptions it has granted or denied during the~~

495 ~~calendar year.~~

496 ~~(n) For the provision of percutaneous coronary~~  
497 ~~intervention for patients presenting with emergency myocardial~~  
498 ~~infarctions in a hospital without an approved adult open-heart-~~  
499 ~~surgery program. In addition to any other documentation required~~  
500 ~~by the agency, a request for an exemption submitted under this~~  
501 ~~paragraph must comply with the following:~~

502 ~~1. The applicant must certify that it will meet and~~  
503 ~~continuously maintain the requirements adopted by the agency for~~  
504 ~~the provision of these services. These licensure requirements~~  
505 ~~shall be adopted by rule and must be consistent with the~~  
506 ~~guidelines published by the American College of Cardiology and~~  
507 ~~the American Heart Association for the provision of percutaneous~~  
508 ~~coronary interventions in hospitals without adult open-heart~~  
509 ~~services. At a minimum, the rules must require the following:~~

510 ~~a. Cardiologists must be experienced interventionalists~~  
511 ~~who have performed a minimum of 75 interventions within the~~  
512 ~~previous 12 months.~~

513 ~~b. The hospital must provide a minimum of 36 emergency~~  
514 ~~interventions annually in order to continue to provide the~~  
515 ~~service.~~

516 ~~e. The hospital must offer sufficient physician, nursing,~~  
517 ~~and laboratory staff to provide the services 24 hours a day, 7~~  
518 ~~days a week.~~

519 ~~d. Nursing and technical staff must have demonstrated~~  
520 ~~experience in handling acutely ill patients requiring~~

521 ~~intervention based on previous experience in dedicated~~  
522 ~~interventional laboratories or surgical centers.~~

523 ~~e. Cardiac care nursing staff must be adept in hemodynamic~~  
524 ~~monitoring and Intra-aortic Balloon Pump (IABP) management.~~

525 ~~f. Formalized written transfer agreements must be~~  
526 ~~developed with a hospital with an adult open heart surgery~~  
527 ~~program, and written transport protocols must be in place to~~  
528 ~~ensure safe and efficient transfer of a patient within 60~~  
529 ~~minutes. Transfer and transport agreements must be reviewed and~~  
530 ~~tested, with appropriate documentation maintained at least every~~  
531 ~~3 months. However, a hospital located more than 100 road miles~~  
532 ~~from the closest Level II adult cardiovascular services program~~  
533 ~~does not need to meet the 60-minute transfer time protocol if~~  
534 ~~the hospital demonstrates that it has a formalized, written~~  
535 ~~transfer agreement with a hospital that has a Level II program.~~  
536 ~~The agreement must include written transport protocols that~~  
537 ~~ensure the safe and efficient transfer of a patient, taking into~~  
538 ~~consideration the patient's clinical and physical~~  
539 ~~characteristics, road and weather conditions, and viability of~~  
540 ~~ground and air ambulance service to transfer the patient.~~

541 ~~g. Hospitals implementing the service must first undertake~~  
542 ~~a training program of 3 to 6 months' duration, which includes~~  
543 ~~establishing standards and testing logistics, creating quality~~  
544 ~~assessment and error management practices, and formalizing~~  
545 ~~patient-selection criteria.~~

546 ~~2. The applicant must certify that it will use at all~~

547 ~~times the patient-selection criteria for the performance of~~  
548 ~~primary angioplasty at hospitals without adult open-heart-~~  
549 ~~surgery programs issued by the American College of Cardiology~~  
550 ~~and the American Heart Association. At a minimum, these criteria~~  
551 ~~would provide for the following:~~

552 ~~a. Avoidance of interventions in hemodynamically stable~~  
553 ~~patients who have identified symptoms or medical histories.~~

554 ~~b. Transfer of patients who have a history of coronary~~  
555 ~~disease and clinical presentation of hemodynamic instability.~~

556 ~~3. The applicant must agree to submit a quarterly report~~  
557 ~~to the agency detailing patient characteristics, treatment, and~~  
558 ~~outcomes for all patients receiving emergency percutaneous~~  
559 ~~coronary interventions pursuant to this paragraph. This report~~  
560 ~~must be submitted within 15 days after the close of each~~  
561 ~~calendar quarter.~~

562 ~~4. The exemption provided by this paragraph does not apply~~  
563 ~~unless the agency determines that the hospital has taken all~~  
564 ~~necessary steps to be in compliance with all requirements of~~  
565 ~~this paragraph, including the training program required under~~  
566 ~~sub-subparagraph 1.g.~~

567 ~~5. Failure of the hospital to continuously comply with the~~  
568 ~~requirements of sub-subparagraphs 1.c.-f. and subparagraphs 2.~~  
569 ~~and 3. will result in the immediate expiration of this~~  
570 ~~exemption.~~

571 ~~6. Failure of the hospital to meet the volume requirements~~  
572 ~~of sub-subparagraphs 1.a. and b. within 18 months after the~~

573 ~~program begins offering the service will result in the immediate~~  
574 ~~expiration of the exemption.~~

575

576 ~~If the exemption for this service expires under subparagraph 5.~~  
577 ~~or subparagraph 6., the agency may not grant another exemption~~  
578 ~~for this service to the same hospital for 2 years and then only~~  
579 ~~upon a showing that the hospital will remain in compliance with~~  
580 ~~the requirements of this paragraph through a demonstration of~~  
581 ~~corrections to the deficiencies that caused expiration of the~~  
582 ~~exemption. Compliance with the requirements of this paragraph~~  
583 ~~includes compliance with the rules adopted pursuant to this~~  
584 ~~paragraph.~~

585 ~~(o) For the addition of mental health services or beds if~~  
586 ~~the applicant commits to providing services to Medicaid or~~  
587 ~~charity care patients at a level equal to or greater than the~~  
588 ~~district average. Such a commitment is subject to s. 408.040.~~

589 ~~(j)(p)~~ (j) For replacement of a licensed nursing home on the  
590 same site, or within 5 miles of the same site if within the same  
591 subdistrict, if the number of licensed beds does not increase  
592 except as permitted under paragraph (e) ~~(f)~~.

593 ~~(k)(q)~~ (k) For consolidation or combination of licensed  
594 nursing homes or transfer of beds between licensed nursing homes  
595 within the same planning district, by nursing homes with any  
596 shared controlled interest within that planning district, if  
597 there is no increase in the planning district total number of  
598 nursing home beds and the site of the relocation is not more

599 than 30 miles from the original location.

600 (1)~~(r)~~ For beds in state mental health treatment  
601 facilities defined in s. 394.455 and state mental health  
602 forensic facilities operated under chapter 916.

603 (m)~~(s)~~ For beds in state developmental disabilities  
604 centers as defined in s. 393.063.

605 (n)~~(t)~~ For the establishment of a health care facility or  
606 project that meets all of the following criteria:

607 1. The applicant was previously licensed within the past  
608 21 days as a health care facility or provider that is subject to  
609 subsection (1).

610 2. The applicant failed to submit a renewal application  
611 and the license expired on or after January 1, 2015.

612 3. The applicant does not have a license denial or  
613 revocation action pending with the agency at the time of the  
614 request.

615 4. The applicant's request is for the same service type,  
616 district, service area, and site for which the applicant was  
617 previously licensed.

618 5. The applicant's request, if applicable, includes the  
619 same number and type of beds as were previously licensed.

620 6. The applicant agrees to the same conditions that were  
621 previously imposed on the certificate of need or on an exemption  
622 related to the applicant's previously licensed health care  
623 facility or project.

624 7. The applicant applies for initial licensure as required

625 under s. 408.806 within 21 days after the agency approves the  
626 exemption request. If the applicant fails to apply in a timely  
627 manner, the exemption expires on the 22nd day following the  
628 agency's approval of the exemption.

629  
630 Notwithstanding subparagraph 1., an applicant whose license  
631 expired between January 1, 2015, and the effective date of this  
632 act may apply for an exemption within 30 days of this act  
633 becoming law.

634 (4) REQUESTS FOR EXEMPTION.—A request for exemption under  
635 subsection (3) may be made at any time and is not subject to the  
636 batching requirements of this section. The request shall be  
637 supported by such documentation as the agency requires by rule.  
638 The agency shall assess a fee of \$250 for each request for  
639 exemption submitted under subsection (3).

640 (5) NOTIFICATION.—Health care facilities and providers  
641 must provide to the agency notification of:

642 ~~(a)~~ replacement of a health care facility when the  
643 proposed project site is located in the same district and on the  
644 existing site or within a 1-mile radius of the replaced health  
645 care facility, if the number and type of beds do not increase.

646 ~~(b) The termination of a health care service, upon 30~~  
647 ~~days' written notice to the agency.~~

648 ~~(c) The addition or delicensure of beds.~~

649  
650 Notification under this subsection may be made by electronic,

651 | facsimile, or written means at any time before the described  
 652 | action has been taken.

653 |       Section 5. Section 408.037, Florida Statutes, is amended  
 654 | to read:

655 |       408.037 Application content.—

656 |       (1) ~~Except as provided in subsection (2) for a general~~  
 657 | ~~hospital,~~ An application for a certificate of need must contain:

658 |       (a) A detailed description of the proposed project and  
 659 | statement of its purpose and need in relation to the district  
 660 | health plan.

661 |       (b) A statement of the financial resources needed by and  
 662 | available to the applicant to accomplish the proposed project.  
 663 | This statement must include:

664 |       1. A complete listing of all capital projects, including  
 665 | new health facility development projects and health facility  
 666 | acquisitions applied for, pending, approved, or underway in any  
 667 | state at the time of application, regardless of whether or not  
 668 | that state has a certificate-of-need program or a capital  
 669 | expenditure review program pursuant to s. 1122 of the Social  
 670 | Security Act. The agency may, by rule, require less-detailed  
 671 | information from major health care providers. This listing must  
 672 | include the applicant's actual or proposed financial commitment  
 673 | to those projects and an assessment of their impact on the  
 674 | applicant's ability to provide the proposed project.

675 |       2. A detailed listing of the needed capital expenditures,  
 676 | including sources of funds.

677           3. A detailed financial projection, including a statement  
678 of the projected revenue and expenses for the first 2 years of  
679 operation after completion of the proposed project. This  
680 statement must include a detailed evaluation of the impact of  
681 the proposed project on the cost of other services provided by  
682 the applicant.

683           (c) An audited financial statement of the applicant or the  
684 applicant's parent corporation if audited financial statements  
685 of the applicant do not exist. In an application submitted by an  
686 existing health care facility, health maintenance organization,  
687 or hospice, financial condition documentation must include, but  
688 need not be limited to, a balance sheet and a profit-and-loss  
689 statement of the 2 previous fiscal years' operation.

690           ~~(2) An application for a certificate of need for a general  
691 hospital must contain a detailed description of the proposed  
692 general hospital project and a statement of its purpose and the  
693 needs it will meet. The proposed project's location, as well as  
694 its primary and secondary service areas, must be identified by  
695 zip code. Primary service area is defined as the zip codes from  
696 which the applicant projects that it will draw 75 percent of its  
697 discharges. Secondary service area is defined as the zip codes  
698 from which the applicant projects that it will draw its  
699 remaining discharges. If, subsequent to issuance of a final  
700 order approving the certificate of need, the proposed location  
701 of the general hospital changes or the primary service area  
702 materially changes, the agency shall revoke the certificate of~~

703 ~~need. However, if the agency determines that such changes are~~  
704 ~~deemed to enhance access to hospital services in the service~~  
705 ~~district, the agency may permit such changes to occur. A party~~  
706 ~~participating in the administrative hearing regarding the~~  
707 ~~issuance of the certificate of need for a general hospital has~~  
708 ~~standing to participate in any subsequent proceeding regarding~~  
709 ~~the revocation of the certificate of need for a hospital for~~  
710 ~~which the location has changed or for which the primary service~~  
711 ~~area has materially changed. In addition, the application for~~  
712 ~~the certificate of need for a general hospital must include a~~  
713 ~~statement of intent that, if approved by final order of the~~  
714 ~~agency, the applicant shall within 120 days after issuance of~~  
715 ~~the final order or, if there is an appeal of the final order,~~  
716 ~~within 120 days after the issuance of the court's mandate on~~  
717 ~~appeal, furnish satisfactory proof of the applicant's financial~~  
718 ~~ability to operate. The agency shall establish documentation~~  
719 ~~requirements, to be completed by each applicant, which show~~  
720 ~~anticipated provider revenues and expenditures, the basis for~~  
721 ~~financing the anticipated cash flow requirements of the~~  
722 ~~provider, and an applicant's access to contingency financing. A~~  
723 ~~party participating in the administrative hearing regarding the~~  
724 ~~issuance of the certificate of need for a general hospital may~~  
725 ~~provide written comments concerning the adequacy of the~~  
726 ~~financial information provided, but such party does not have~~  
727 ~~standing to participate in an administrative proceeding~~  
728 ~~regarding proof of the applicant's financial ability to operate.~~

729 ~~The agency may require a licensee to provide proof of financial~~  
730 ~~ability to operate at any time if there is evidence of financial~~  
731 ~~instability, including, but not limited to, unpaid expenses~~  
732 ~~necessary for the basic operations of the provider.~~

733 (2)~~(3)~~ The applicant must certify that it will license and  
734 operate the health care facility. For an existing health care  
735 facility, the applicant must be the licenseholder of the  
736 facility.

737 Section 6. Paragraphs (c) and (d) of subsection (3),  
738 paragraphs (b) and (c) of subsection (5), and paragraph (d) of  
739 subsection (6) of section 408.039, Florida Statutes, are amended  
740 to read:

741 408.039 Review process.—The review process for  
742 certificates of need shall be as follows:

743 (3) APPLICATION PROCESSING.—

744 ~~(c) Except for competing applicants, in order to be~~  
745 ~~eligible to challenge the agency decision on a general hospital~~  
746 ~~application under review pursuant to paragraph (5) (c), existing~~  
747 ~~hospitals must submit a detailed written statement of opposition~~  
748 ~~to the agency and to the applicant. The detailed written~~  
749 ~~statement must be received by the agency and the applicant~~  
750 ~~within 21 days after the general hospital application is deemed~~  
751 ~~complete and made available to the public.~~

752 ~~(d) In those cases where a written statement of opposition~~  
753 ~~has been timely filed regarding a certificate of need~~  
754 ~~application for a general hospital, the applicant for the~~

755 ~~general hospital may submit a written response to the agency.~~  
756 ~~Such response must be received by the agency within 10 days of~~  
757 ~~the written statement due date.~~

758 (5) ADMINISTRATIVE HEARINGS.—

759 (b) Hearings shall be held in Tallahassee unless the  
760 administrative law judge determines that changing the location  
761 will facilitate the proceedings. The agency shall assign  
762 proceedings requiring hearings to the Division of Administrative  
763 Hearings of the Department of Management Services within 10 days  
764 after the time has expired for requesting a hearing. Except upon  
765 unanimous consent of the parties or upon the granting by the  
766 administrative law judge of a motion of continuance, hearings  
767 shall commence within 60 days after the administrative law judge  
768 has been assigned. ~~For an application for a general hospital,~~  
769 ~~administrative hearings shall commence within 6 months after the~~  
770 ~~administrative law judge has been assigned, and a continuance~~  
771 ~~may not be granted absent a finding of extraordinary~~  
772 ~~circumstances by the administrative law judge.~~ All parties,  
773 except the agency, shall bear their own expense of preparing a  
774 transcript. In any application for a certificate of need which  
775 is referred to the Division of Administrative Hearings for  
776 hearing, the administrative law judge shall complete and submit  
777 to the parties a recommended order as provided in ss. 120.569  
778 and 120.57. The recommended order shall be issued within 30 days  
779 after the receipt of the proposed recommended orders or the  
780 deadline for submission of such proposed recommended orders,

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781 | whichever is earlier. The division shall adopt procedures for  
782 | administrative hearings which shall maximize the use of  
783 | stipulated facts and shall provide for the admission of prepared  
784 | testimony.

785 | (c) In administrative proceedings challenging the issuance  
786 | or denial of a certificate of need, only applicants considered  
787 | by the agency in the same batching cycle are entitled to a  
788 | comparative hearing on their applications. Existing health care  
789 | facilities may initiate or intervene in an administrative  
790 | hearing upon a showing that an established program will be  
791 | substantially affected by the issuance of any certificate of  
792 | need, whether reviewed under s. 408.036(1) or (2), to a  
793 | competing proposed facility or program within the same district.  
794 | ~~With respect to an application for a general hospital, competing~~  
795 | ~~applicants and only those existing hospitals that submitted a~~  
796 | ~~detailed written statement of opposition to an application as~~  
797 | ~~provided in this paragraph may initiate or intervene in an~~  
798 | ~~administrative hearing. Such challenges to a general hospital~~  
799 | ~~application shall be limited in scope to the issues raised in~~  
800 | ~~the detailed written statement of opposition that was provided~~  
801 | ~~to the agency. The administrative law judge may, upon a motion~~  
802 | ~~showing good cause, expand the scope of the issues to be heard~~  
803 | ~~at the hearing. Such motion shall include substantial and~~  
804 | ~~detailed facts and reasons for failure to include such issues in~~  
805 | ~~the original written statement of opposition.~~

806 | (6) JUDICIAL REVIEW.—

807 ~~(d) The party appealing a final order that grants a~~  
 808 ~~general hospital certificate of need shall pay the appellee's~~  
 809 ~~attorney's fees and costs, in an amount up to \$1 million, from~~  
 810 ~~the beginning of the original administrative action if the~~  
 811 ~~appealing party loses the appeal, subject to the following~~  
 812 ~~limitations and requirements:~~

813 ~~1. The party appealing a final order must post a bond in~~  
 814 ~~the amount of \$1 million in order to maintain the appeal.~~

815 ~~2. Except as provided under s. 120.595(5), in no event~~  
 816 ~~shall the agency be held liable for any other party's attorney's~~  
 817 ~~fees or costs.~~

818 Section 7. Subsection (1) of section 408.043, Florida  
 819 Statutes, is amended to read:

820 408.043 Special provisions.—

821 ~~(1) OSTEOPATHIC ACUTE CARE HOSPITALS. When an application~~  
 822 ~~is made for a certificate of need to construct or to expand an~~  
 823 ~~osteopathic acute care hospital, the need for such hospital~~  
 824 ~~shall be determined on the basis of the need for and~~  
 825 ~~availability of osteopathic services and osteopathic acute care~~  
 826 ~~hospitals in the district. When a prior certificate of need to~~  
 827 ~~establish an osteopathic acute care hospital has been issued in~~  
 828 ~~a district, and the facility is no longer used for that purpose,~~  
 829 ~~the agency may continue to count such facility and beds as an~~  
 830 ~~existing osteopathic facility in any subsequent application for~~  
 831 ~~construction of an osteopathic acute care hospital.~~

832 Section 8. Paragraph (f) of subsection (1) of section

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833 395.1055, Florida Statutes, is amended to read:

834 395.1055 Rules and enforcement.—

835 (1) The agency shall adopt rules pursuant to ss.  
836 120.536(1) and 120.54 to implement the provisions of this part,  
837 which shall include reasonable and fair minimum standards for  
838 ensuring that:

839 (f) All hospitals providing pediatric cardiac  
840 catheterization, pediatric open-heart surgery, organ  
841 transplantation, neonatal intensive care services, psychiatric  
842 services, or comprehensive medical rehabilitation meet the  
843 minimum licensure requirements adopted by the agency. Such  
844 licensure requirements shall include quality of care, nurse  
845 staffing, physician staffing, physical plant, equipment,  
846 emergency transportation, and data reporting standards ~~submit~~  
847 ~~such data as necessary to conduct certificate of need reviews~~  
848 ~~required under part I of chapter 408. Such data shall include,~~  
849 ~~but shall not be limited to, patient origin data, hospital~~  
850 ~~utilization data, type of service reporting, and facility~~  
851 ~~staffing data. The agency may not collect data that identifies~~  
852 ~~or could disclose the identity of individual patients. The~~  
853 ~~agency shall utilize existing uniform statewide data sources~~  
854 ~~when available and shall minimize reporting costs to hospitals.~~

855 Section 9. Section 395.6025, Florida Statutes, is  
856 repealed.

857 Section 10. Subsection (1) of section 395.603, Florida  
858 Statutes, is amended to read:

859 395.603 Deactivation of general hospital beds; rural  
 860 hospital impact statement.—

861 (1) The agency shall establish, by rule, a process by  
 862 which a rural hospital, as defined in s. 395.602, that seeks  
 863 licensure as a rural primary care hospital or as an emergency  
 864 care hospital, or becomes a certified rural health clinic as  
 865 defined in Pub. L. No. 95-210, or becomes a primary care program  
 866 such as a county health department, community health center, or  
 867 other similar outpatient program that provides preventive and  
 868 curative services, may deactivate general hospital beds. Rural  
 869 primary care hospitals and emergency care hospitals shall  
 870 maintain the number of actively licensed general hospital beds  
 871 necessary for the facility to be certified for Medicare  
 872 reimbursement. Hospitals that discontinue inpatient care to  
 873 become rural health care clinics or primary care programs shall  
 874 deactivate all licensed general hospital beds. All hospitals,  
 875 clinics, and programs with inactive beds shall provide 24-hour  
 876 emergency medical care by staffing an emergency room. Providers  
 877 with inactive beds shall be subject to the criteria in s.  
 878 395.1041. The agency shall specify in rule requirements for  
 879 making 24-hour emergency care available. ~~Inactive general~~  
 880 ~~hospital beds shall be included in the acute care bed inventory,~~  
 881 ~~maintained by the agency for certificate of need purposes, for~~  
 882 ~~10 years from the date of deactivation of the beds. After 10~~  
 883 ~~years have elapsed, inactive beds shall be excluded from the~~  
 884 ~~inventory.~~ The agency shall, at the request of the licensee,

885 | reactivate the inactive general beds upon a showing by the  
 886 | licensee that licensure requirements for the inactive general  
 887 | beds are met.

888 |       Section 11. Subsection (1) of section 395.604, Florida  
 889 | Statutes, is amended to read:

890 |       395.604 Other rural hospital programs.—

891 |       (1) The agency may license rural primary care hospitals  
 892 | subject to federal approval for participation in the Medicare  
 893 | and Medicaid programs. Rural primary care hospitals shall be  
 894 | treated in the same manner as emergency care hospitals and rural  
 895 | hospitals with respect to ss. 395.605(2)-(7)(a) ~~395.605(2)-~~  
 896 | ~~(8)(a)~~, 408.033(2)(b)3., and 408.038.

897 |       Section 12. Subsection (5) of section 395.605, Florida  
 898 | Statutes, is amended to read:

899 |       395.605 Emergency care hospitals.—

900 |       ~~(5) Rural hospitals that make application under the~~  
 901 | ~~certificate-of-need program to be licensed as emergency care~~  
 902 | ~~hospitals shall receive expedited review as defined in s.~~  
 903 | ~~408.032. Emergency care hospitals seeking relicensure as acute~~  
 904 | ~~care general hospitals shall also receive expedited review.~~

905 |       Section 13. Subsections (2) and (4) of section 408.0361,  
 906 | Florida Statutes, are amended to read:

907 |       408.0361 Cardiovascular services and burn unit licensure.—

908 |       (2) Each provider of adult cardiovascular services or  
 909 | operator of a burn unit shall comply with rules adopted by the  
 910 | agency that establish licensure standards that govern the

911 provision of adult cardiovascular services or the operation of a  
912 burn unit. Such rules shall consider, at a minimum, staffing,  
913 equipment, physical plant, operating protocols, the provision of  
914 services to Medicaid and charity care patients, accreditation,  
915 licensure period and fees, and enforcement of minimum standards.  
916 ~~The certificate of need rules for adult cardiovascular services~~  
917 ~~and burn units in effect on June 30, 2004, are authorized~~  
918 ~~pursuant to this subsection and shall remain in effect and shall~~  
919 ~~be enforceable by the agency until the licensure rules are~~  
920 ~~adopted.~~ Existing providers and any provider with a notice of  
921 intent to grant a certificate of need or a final order of the  
922 agency granting a certificate of need for adult cardiovascular  
923 services or burn units shall be considered grandfathered and  
924 receive a license for their programs effective on the effective  
925 date of this act. The grandfathered licensure shall be for at  
926 least 3 years or until July 1, 2008, whichever is longer, but  
927 shall be required to meet licensure standards applicable to  
928 existing programs for every subsequent licensure period.

929 ~~(4) In order to ensure continuity of available services,~~  
930 ~~the holder of a certificate of need for a newly licensed~~  
931 ~~hospital that meets the requirements of this subsection may~~  
932 ~~apply for and shall be granted Level I program status regardless~~  
933 ~~of whether rules relating to Level I programs have been adopted.~~  
934 ~~To qualify for a Level I program under this subsection, a~~  
935 ~~hospital seeking a Level I program must be a newly licensed~~  
936 ~~hospital established pursuant to a certificate of need in a~~

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937 ~~physical location previously licensed and operated as a~~  
938 ~~hospital, the former hospital must have provided a minimum of~~  
939 ~~300 adult inpatient and outpatient diagnostic cardiac~~  
940 ~~catheterizations for the most recent 12-month period as reported~~  
941 ~~to the agency, and the newly licensed hospital must have a~~  
942 ~~formalized, written transfer agreement with a hospital that has~~  
943 ~~a Level II program, including written transport protocols to~~  
944 ~~ensure safe and efficient transfer of a patient within 60~~  
945 ~~minutes. A hospital meeting the requirements of this subsection~~  
946 ~~may apply for certification of Level I program status before~~  
947 ~~taking possession of the physical location of the former~~  
948 ~~hospital, and the effective date of Level I program status shall~~  
949 ~~be concurrent with the effective date of the newly issued~~  
950 ~~hospital license.~~

951 Section 14. This act shall take effect July 1, 2016.