

1 A bill to be entitled
2 An act relating to the availability of health care
3 services for all Florida patients; creating s.
4 381.4066, F.S.; establishing local health councils;
5 providing for appointment of members; providing powers
6 and duties; designating health service planning
7 districts; providing for funding; requiring the Agency
8 for Health Care Administration to establish rules
9 relating to imposition of fees and financial
10 accountability; providing duties of the agency for
11 planning and data maintenance; requiring the
12 Department of Health to contract with local health
13 councils for certain services; amending s. 395.1055,
14 F.S.; requiring the agency to adopt rules establishing
15 licensure standards for adult cardiovascular services
16 providers; requiring providers to comply with certain
17 national standards; amending s. 395.602, F.S.;
18 deleting definitions; amending s. 395.603, F.S.;
19 deleting provisions relating to deactivation and
20 reactivation of general hospitals beds in certain
21 rural hospitals; repealing s. 154.245, F.S., relating
22 to issuance of certificate of need by the Agency for
23 Health Care Administration as a condition to bond
24 validation and project construction; repealing s.
25 395.6025, F.S., relating to rural hospital replacement

26 facilities; repealing s. 395.604, F.S., relating to
27 other rural hospital programs; repealing s. 395.605,
28 F.S., relating to emergency care hospitals; repealing
29 s. 408.031, F.S., relating to the Health Facility and
30 Services Development Act; repealing s. 408.032, F.S.,
31 relating to definitions; repealing s. 408.033, F.S.,
32 relating to local and state health planning; repealing
33 s. 408.034, F.S., relating to duties and
34 responsibilities of the agency; repealing s. 408.035,
35 F.S., relating to review criteria; repealing s.
36 408.036, F.S., relating to projects subject to review;
37 repealing s. 408.0361, F.S., relating to
38 cardiovascular services and burn unit licensure;
39 repealing s. 408.037, F.S., relating to application
40 content; repealing s. 408.038, F.S., relating to fees;
41 repealing s. 408.039, F.S., relating to the review
42 process for certificates of need; repealing s.
43 408.040, F.S., relating to conditions imposed on and
44 monitoring of certificates of need; repealing s.
45 408.041, F.S., relating to penalties for failure to
46 obtain certificate of need when required; repealing s.
47 408.042, F.S., relating to limitation on transfer;
48 repealing s. 408.043, F.S., relating to special
49 provisions; repealing s. 408.0436, F.S., relating to
50 limitation on nursing home certificates of need;

51 | repealing s. 408.044, F.S., relating to injunction;
 52 | repealing s. 408.045, F.S., relating to competitive
 53 | sealed certificate of need proposals; repealing s.
 54 | 408.0455, F.S., relating to rules and pending
 55 | proceedings; repealing s. 651.118, F.S., relating to
 56 | issuance of certificates of need by the Agency for
 57 | Health Care Administration for nursing home beds;
 58 | amending ss. 159.27, 186.503, 189.08, 220.1845,
 59 | 376.30781, 376.86, 383.216, 395.0191, 395.1065,
 60 | 400.071, 400.606, 400.6085, 408.07, 408.806, 408.808,
 61 | 408.810, 408.820, 409.9116, 641.60, and 1009.65, F.S.;
 62 | conforming references and cross-references; providing
 63 | an effective date.

64 |

65 | Be It Enacted by the Legislature of the State of Florida:

66 |

67 | Section 1. Section 154.245, Florida Statutes, is repealed.

68 | Section 2. Subsection (16) of section 159.27, Florida
 69 | Statutes, is amended to read:

70 | 159.27 Definitions.—The following words and terms, unless
 71 | the context clearly indicates a different meaning, shall have
 72 | the following meanings:

73 | (16) "Health care facility" means property operated in the
 74 | private sector, whether operated for profit or not, used for or
 75 | useful in connection with the diagnosis, treatment, therapy,

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76 rehabilitation, housing, or care of or for aged, sick, ill,
77 injured, infirm, impaired, disabled, or handicapped persons,
78 without discrimination among such persons due to race, religion,
79 or national origin; or for the prevention, detection, and
80 control of disease, including, without limitation thereto,
81 hospital, clinic, emergency, outpatient, and intermediate care,
82 including, but not limited to, facilities for the elderly such
83 as assisted living facilities, facilities defined in s.
84 154.205(8), day care and share-a-home facilities, nursing homes,
85 and the following related property when used for or in
86 connection with the foregoing: laboratory; research; pharmacy;
87 laundry; health personnel training and lodging; patient, guest,
88 and health personnel food service facilities; and offices and
89 office buildings for persons engaged in health care professions
90 or services; ~~provided, if required by ss. 400.601-400.611 and~~
91 ~~ss. 408.031-408.045, a certificate of need therefor is obtained~~
92 ~~prior to the issuance of the bonds.~~

93 Section 3. Subsection (7) of section 186.503, Florida
94 Statutes, is amended to read:

95 186.503 Definitions relating to Florida Regional Planning
96 Council Act.—As used in this act, the term:

97 (7) "Local health council" means an ~~a regional~~ agency
98 established pursuant to s. 381.4066 ~~408.033~~.

99 Section 4. Subsection (3) of section 189.08, Florida
100 Statutes, is amended to read:

101 189.08 Special district public facilities report.—

102 ~~(3) A special district proposing to build, improve, or~~
103 ~~expand a public facility which requires a certificate of need~~
104 ~~pursuant to chapter 408 shall elect to notify the appropriate~~
105 ~~local general-purpose government of its plans either in its 7-~~
106 ~~year plan or at the time the letter of intent is filed with the~~
107 ~~Agency for Health Care Administration pursuant to s. 408.039.~~

108 Section 5. Paragraph (k) of subsection (2) of section
109 220.1845, Florida Statutes, is amended to read:

110 220.1845 Contaminated site rehabilitation tax credit.—

111 (2) AUTHORIZATION FOR TAX CREDIT; LIMITATIONS.—

112 (k) In order to encourage the construction and operation
113 of a new health care facility as defined in ~~s. 408.032~~ or s.
114 408.07, or a health care provider as defined in s. 408.07 or s.
115 408.7056, on a brownfield site, an applicant for a tax credit
116 may claim an additional 25 percent of the total site
117 rehabilitation costs, not to exceed \$500,000, if the applicant
118 meets the requirements of this paragraph. In order to receive
119 this additional tax credit, the applicant must provide
120 documentation indicating that the construction of the health
121 care facility or health care provider by the applicant on the
122 brownfield site has received a certificate of occupancy or a
123 license or certificate has been issued for the operation of the
124 health care facility or health care provider.

125 Section 6. Paragraph (f) of subsection (3) of section

126 | 376.30781, Florida Statutes, is amended to read:

127 | 376.30781 Tax credits for rehabilitation of drycleaning-
128 | solvent-contaminated sites and brownfield sites in designated
129 | brownfield areas; application process; rulemaking authority;
130 | revocation authority.—

131 | (3)

132 | (f) In order to encourage the construction and operation
133 | of a new health care facility or a health care provider, as
134 | defined in ~~s. 408.032~~, s. 408.07~~7~~ or s. 408.7056, on a
135 | brownfield site, an applicant for a tax credit may claim an
136 | additional 25 percent of the total site rehabilitation costs,
137 | not to exceed \$500,000, if the applicant meets the requirements
138 | of this paragraph. In order to receive this additional tax
139 | credit, the applicant must provide documentation indicating that
140 | the construction of the health care facility or health care
141 | provider by the applicant on the brownfield site has received a
142 | certificate of occupancy or a license or certificate has been
143 | issued for the operation of the health care facility or health
144 | care provider.

145 | Section 7. Subsection (1) of section 376.86, Florida
146 | Statutes, is amended to read:

147 | 376.86 Brownfield Areas Loan Guarantee Program.—

148 | (1) The Brownfield Areas Loan Guarantee Council is created
149 | to review and approve or deny, by a majority vote of its
150 | membership, the situations and circumstances for participation

151 in partnerships by agreements with local governments, financial
152 institutions, and others associated with the redevelopment of
153 brownfield areas pursuant to the Brownfields Redevelopment Act
154 for a limited state guaranty of up to 5 years of loan guarantees
155 or loan loss reserves issued pursuant to law. The limited state
156 loan guaranty applies only to 50 percent of the primary lenders
157 loans for redevelopment projects in brownfield areas. If the
158 redevelopment project is for affordable housing, as defined in
159 s. 420.0004, in a brownfield area, the limited state loan
160 guaranty applies to 75 percent of the primary lender's loan. If
161 the redevelopment project includes the construction and
162 operation of a new health care facility or a health care
163 provider, as defined in ~~s. 408.032~~, s. 408.077, or s. 408.7056,
164 on a brownfield site and the applicant has obtained
165 documentation in accordance with s. 376.30781 indicating that
166 the construction of the health care facility or health care
167 provider by the applicant on the brownfield site has received a
168 certificate of occupancy or a license or certificate has been
169 issued for the operation of the health care facility or health
170 care provider, the limited state loan guaranty applies to 75
171 percent of the primary lender's loan. A limited state guaranty
172 of private loans or a loan loss reserve is authorized for
173 lenders licensed to operate in the state upon a determination by
174 the council that such an arrangement would be in the public
175 interest and the likelihood of the success of the loan is great.

176 Section 8. Section 381.4066, Florida Statutes, is created
177 to read:

178 381.4066 Local and state health planning.-

179 (1) LOCAL HEALTH COUNCILS.-

180 (a) Local health councils are hereby established as public
181 or private nonprofit agencies serving the counties of a health
182 service planning district. The members of each council shall be
183 appointed in an equitable manner by the county commissions
184 having jurisdiction in the respective district. Each council
185 shall be composed of a number of persons equal to one and one
186 half times the number of counties which compose the district or
187 12 members, whichever is greater. Each county in a district
188 shall be entitled to at least one member on the council. The
189 balance of the membership of the council shall be allocated
190 among the counties of the district on the basis of population
191 rounded to the nearest whole number, except that in a district
192 composed of only two counties, each county shall have at least
193 four members. The appointees shall be representatives of health
194 care providers, health care purchasers, and nongovernmental
195 health care consumers, not excluding elected government
196 officials. The members of the consumer group shall include a
197 representative number of persons over 60 years of age. A
198 majority of council members shall consist of health care
199 purchasers and health care consumers. The local health council
200 shall provide each county commission a schedule for appointing

201 council members to ensure that council membership complies with
202 the requirements of this paragraph. The members of the council
203 shall elect a chair. Members shall serve for terms of 2 years
204 and may be eligible for reappointment.

205 (b) Health service planning districts are composed of the
206 following counties:

207 District 1.—Escambia, Santa Rosa, Okaloosa, and Walton
208 Counties.

209 District 2.—Holmes, Washington, Bay, Jackson, Franklin,
210 Gulf, Gadsden, Liberty, Calhoun, Leon, Wakulla, Jefferson,
211 Madison, and Taylor Counties.

212 District 3.—Hamilton, Suwannee, Lafayette, Dixie, Columbia,
213 Gilchrist, Levy, Union, Bradford, Putnam, Alachua, Marion,
214 Citrus, Hernando, Sumter, and Lake Counties.

215 District 4.—Baker, Nassau, Duval, Clay, St. Johns, Flagler,
216 and Volusia Counties.

217 District 5.—Pasco and Pinellas Counties.

218 District 6.—Hillsborough, Manatee, Polk, Hardee, and
219 Highlands Counties.

220 District 7.—Seminole, Orange, Osceola, and Brevard
221 Counties.

222 District 8.—Sarasota, DeSoto, Charlotte, Lee, Glades,
223 Hendry, and Collier Counties.

224 District 9.—Indian River, Okeechobee, St. Lucie, Martin,
225 and Palm Beach Counties.

226 District 10.—Broward County.

227 District 11.—Miami-Dade and Monroe Counties.

228 (c) Each local health council may:

229 1. Develop a district area health plan that permits each
230 local health council to develop strategies and set priorities
231 for implementation based on its unique local health needs.

232 2. Advise the Agency for Health Care Administration on
233 health care issues and resource allocations.

234 3. Promote public awareness of community health needs,
235 emphasizing health promotion and cost-effective health service
236 selection.

237 4. Collect data and conduct analyses and studies related
238 to health care needs of the district, including the needs of
239 medically indigent persons, and assist the Agency for Health
240 Care Administration and other state agencies in carrying out
241 data collection activities that relate to the functions in this
242 subsection.

243 5. Advise and assist any regional planning councils within
244 each district that have elected to address health issues in
245 their strategic regional policy plans with the development of
246 the health element of the plans to address the health goals and
247 policies in the State Comprehensive Plan.

248 6. Advise and assist local governments within each
249 district on the development of an optional health plan element
250 of the comprehensive plan provided in chapter 163, to ensure

251 compatibility with the health goals and policies in the State
252 Comprehensive Plan and district health plan. To facilitate the
253 implementation of this section, the local health council shall
254 annually provide the local governments in its service area, upon
255 request, with:

256 a. A copy and appropriate updates of the district health
257 plan.

258 b. A report of hospital and nursing home utilization
259 statistics for facilities within the local government
260 jurisdiction.

261 7. Monitor and evaluate the adequacy, appropriateness, and
262 effectiveness, within the district, of local, state, federal,
263 and private funds distributed to meet the needs of the medically
264 indigent and other underserved population groups.

265 8. In conjunction with the Department of Health, plan for
266 the provision of services at the local level for persons
267 infected with the human immunodeficiency virus.

268 9. Provide technical assistance to encourage and support
269 activities by providers, purchasers, consumers, and local,
270 regional, and state agencies in meeting the health care goals,
271 objectives, and policies adopted by the local health council.

272 (d) Each local health council shall enter into a
273 memorandum of agreement with each regional planning council in
274 its district that elects to address health issues in its
275 strategic regional policy plan. In addition, each local health

276 council shall enter into a memorandum of agreement with each
277 local government that includes an optional health element in its
278 comprehensive plan. Each memorandum of agreement must specify
279 the manner in which each local government, regional planning
280 council, and local health council will coordinate its activities
281 to ensure a unified approach to health planning and
282 implementation efforts.

283 (e) Local health councils may employ personnel or contract
284 for staffing services with persons who possess appropriate
285 qualifications to carry out the councils' purposes. Such
286 personnel are not state employees.

287 (f) Personnel of the local health councils shall provide
288 an annual orientation to council members about council member
289 responsibilities.

290 (g) Each local health council may accept and receive, in
291 furtherance of its health planning functions, funds, grants, and
292 services from governmental agencies and from private or civic
293 sources to perform studies related to local health planning in
294 exchange for such funds, grants, or services. Each council
295 shall, no later than January 30 of each year, render to the
296 Department of Health an accounting of the receipt and
297 disbursement of such funds received.

298 (2) FUNDING.—

299 (a) The Legislature intends that the cost of local health
300 councils be borne by assessments on selected health care

301 facilities subject to facility licensure by the Agency for
302 Health Care Administration, including abortion clinics, assisted
303 living facilities, ambulatory surgical centers, birthing
304 centers, clinical laboratories, except community nonprofit blood
305 banks and clinical laboratories operated by practitioners for
306 exclusive use regulated under s. 483.035, home health agencies,
307 hospices, hospitals, intermediate care facilities for the
308 developmentally disabled, nursing homes, health care clinics,
309 and multiphasic testing centers and by assessments on
310 organizations subject to certification by the agency pursuant to
311 part III of chapter 641, including health maintenance
312 organizations and prepaid health clinics. Fees assessed may be
313 collected prospectively at the time of licensure renewal and
314 prorated for the licensure period.

315 (b)1. A hospital licensed under chapter 395, a nursing
316 home licensed under chapter 400, and an assisted living facility
317 licensed under chapter 429 shall be assessed an annual fee based
318 on number of beds.

319 2. All other facilities and organizations listed in
320 paragraph (a) shall each be assessed an annual fee of \$150.

321 3. Facilities operated by the Department of Children and
322 Families, the Department of Health, or the Department of
323 Corrections and any hospital that meets the definition of rural
324 hospital pursuant to s. 395.602 are exempt from the assessment
325 required in this subsection.

326 (c) The agency shall, by rule, establish:

327 1. Fees for hospitals and nursing homes based on an
328 assessment of \$2 per bed. However, no such facility shall be
329 assessed more than a total of \$500 under this subsection.

330 2. Fees for assisted living facilities based on an
331 assessment of \$1 per bed. However, no such facility shall be
332 assessed more than a total of \$150 under this subsection.

333 3. An annual fee of \$150 for all other facilities and
334 organizations listed in paragraph (a).

335 (d) The agency shall, by rule, establish a facility
336 billing and collection process for the billing and collection of
337 the health facility fees authorized by this subsection.

338 (e) A health facility which is assessed a fee under this
339 subsection is subject to a fine of \$100 per day for each day in
340 which the facility is late in submitting its annual fee up to
341 the maximum of the annual fee owed by the facility. A facility
342 that refuses to pay the fee or fine is subject to the forfeiture
343 of its license.

344 (f) The agency shall deposit all health care facility
345 assessments that are assessed under this subsection in the
346 Health Care Trust Fund and shall transfer such funds to the
347 Department of Health for funding of the local health councils.

348 (3) DUTIES AND RESPONSIBILITIES OF THE AGENCY FOR HEALTH
349 CARE ADMINISTRATION.—

350 (a) The agency is responsible for the coordinated planning
351 of health care services in the state.

352 (b) The agency shall develop and maintain a comprehensive
353 health care database. The agency or its contractor is authorized
354 to require the submission of information from health facilities,
355 health service providers, and licensed health professionals
356 which is determined by the agency, through rule, to be necessary
357 for meeting the agency's responsibilities as established in this
358 section.

359 (c) The Department of Health shall contract with the local
360 health councils for the services specified in subsection (1).
361 All contract funds shall be distributed according to an
362 allocation plan developed by the department. The department may
363 withhold funds from a local health council or cancel its
364 contract with a local health council that does not meet
365 performance standards agreed upon by the department and local
366 health councils.

367 Section 9. Subsection (1) of section 383.216, Florida
368 Statutes, is amended to read:

369 383.216 Community-based prenatal and infant health care.—

370 (1) The Department of Health shall cooperate with
371 localities which wish to establish prenatal and infant health
372 care coalitions, and shall acknowledge and incorporate, if
373 appropriate, existing community children's services
374 organizations, pursuant to this section within the resources

375 allocated. The purpose of this program is to establish a
376 partnership among the private sector, the public sector, state
377 government, local government, community alliances, and maternal
378 and child health care providers, for the provision of
379 coordinated community-based prenatal and infant health care. The
380 prenatal and infant health care coalitions must work in a
381 coordinated, nonduplicative manner with local health planning
382 councils established pursuant to s. 381.4066 ~~408.033~~.

383 Section 10. Subsection (10) of section 395.0191, Florida
384 Statutes, is amended to read:

385 395.0191 Staff membership and clinical privileges.—

386 ~~(10) Nothing herein shall be construed by the agency as~~
387 ~~requiring an applicant for a certificate of need to establish~~
388 ~~proof of discrimination in the granting of or denial of hospital~~
389 ~~staff membership or clinical privileges as a precondition to~~
390 ~~obtaining such certificate of need under the provisions of s.~~
391 ~~408.043.~~

392 Section 11. Paragraph (f) of subsection (1) of section
393 395.1055, Florida Statutes, is amended, and subsections (10)
394 through (13) are added to that section, to read:

395 395.1055 Rules and enforcement.—

396 (1) The agency shall adopt rules pursuant to ss.
397 120.536(1) and 120.54 to implement the provisions of this part,
398 which shall include reasonable and fair minimum standards for
399 ensuring that:

400 ~~(f) All hospitals submit such data as necessary to conduct~~
401 ~~certificate of need reviews required under part I of chapter~~
402 ~~408. Such data shall include, but shall not be limited to,~~
403 ~~patient origin data, hospital utilization data, type of service~~
404 ~~reporting, and facility staffing data. The agency may not~~
405 ~~collect data that identifies or could disclose the identity of~~
406 ~~individual patients. The agency shall utilize existing uniform~~
407 ~~statewide data sources when available and shall minimize~~
408 ~~reporting costs to hospitals.~~

409 (10) Each provider of adult diagnostic cardiac
410 catheterization services shall comply with most recent
411 guidelines of the American College of Cardiology and American
412 Heart Association Guidelines for Cardiac Catheterization and
413 Cardiac Catheterization Laboratories and rules adopted by the
414 agency that establish licensure standards governing the
415 operation of adult inpatient diagnostic cardiac catheterization
416 programs. The rules shall ensure that such programs:

417 (a) Perform only adult inpatient diagnostic cardiac
418 catheterization services and will not provide therapeutic
419 cardiac catheterization or any other cardiology services.

420 (b) Maintain sufficient appropriate equipment and health
421 care personnel to ensure quality and safety.

422 (c) Maintain appropriate times of operation and protocols
423 to ensure availability and appropriate referrals in the event of
424 emergencies.

425 (d) Demonstrate a plan to provide services to Medicaid and
426 charity care patients.

427 (11) Each provider of adult cardiovascular services or
428 operator of a burn unit shall comply with rules adopted by the
429 agency that establish licensure standards that govern the
430 provision of adult cardiovascular services or the operation of a
431 burn unit. Such rules shall consider, at a minimum, staffing,
432 equipment, physical plant, operating protocols, the provision of
433 services to Medicaid and charity care patients, accreditation,
434 licensure period and fees, and enforcement of minimum standards.

435 (12) In establishing rules for adult cardiovascular
436 services, the agency shall include provisions that allow for:

437 (a) Establishment of two hospital program licensure
438 levels:

439 1. A Level I program that authorizes the performance of
440 adult percutaneous cardiac intervention without onsite cardiac
441 surgery.

442 2. A Level II program that authorizes the performance of
443 percutaneous cardiac intervention with onsite cardiac surgery.

444 (b) For a hospital seeking a Level I program,
445 demonstration that, for the most recent 12-month period as
446 reported to the agency, it has provided a minimum of 300 adult
447 inpatient and outpatient diagnostic cardiac catheterizations or,
448 for the most recent 12-month period, has discharged or
449 transferred at least 300 inpatients with the principal diagnosis

450 of ischemic heart disease and that it has a formalized, written
451 transfer agreement with a hospital that has a Level II program,
452 including written transport protocols to ensure safe and
453 efficient transfer of a patient within 60 minutes. However, a
454 hospital located more than 100 road miles from the closest Level
455 II adult cardiovascular services program does not need to meet
456 the 60-minute transfer time protocol if the hospital
457 demonstrates that it has a formalized, written transfer
458 agreement with a hospital that has a Level II program. The
459 agreement must include written transport protocols to ensure the
460 safe and efficient transfer of a patient, taking into
461 consideration the patient's clinical and physical
462 characteristics, road and weather conditions, and viability of
463 ground and air ambulance service to transfer the patient.

464 (c) For a hospital seeking a Level II program,
465 demonstration that, for the most recent 12-month period as
466 reported to the agency, it has performed a minimum of 1,100
467 adult inpatient and outpatient cardiac catheterizations, of
468 which at least 400 must be therapeutic catheterizations, or, for
469 the most recent 12-month period, has discharged at least 800
470 patients with the principal diagnosis of ischemic heart disease.

471 (d) Compliance with the most recent guidelines of the
472 American College of Cardiology and American Heart Association
473 guidelines for staffing, physician training and experience,
474 operating procedures, equipment, physical plant, and patient

475 selection criteria to ensure patient quality and safety.

476 (e) Establishment of appropriate hours of operation and
477 protocols to ensure availability and timely referral in the
478 event of emergencies.

479 (f) Demonstration of a plan to provide services to
480 Medicaid and charity care patients.

481 (g) For a hospital licensed for Level I or Level II adult
482 cardiovascular services, participation in clinical outcome
483 reporting systems operated by the American College of Cardiology
484 and the Society of Thoracic Surgeons.

485 (13) Each provider of pediatric cardiac catheterization,
486 pediatric open heart surgery, neonatal intensive care,
487 comprehensive medical rehabilitation, and pediatric and adult
488 organ transplant services shall comply with rules adopted by the
489 agency that establish licensure standards governing the
490 operation of such programs. The rules shall ensure that such
491 programs:

492 (a) Comply with established applicable practice
493 guidelines.

494 (b) Maintain sufficient appropriate equipment and health
495 care personnel to ensure quality and safety.

496 (c) Maintain appropriate times of operation and protocols
497 to ensure availability and appropriate referrals in the event of
498 emergencies.

499 (d) Demonstrate a plan to provide services to Medicaid and

500 charity care patients.

501 Section 12. Subsection (5) of section 395.1065, Florida
502 Statutes, is amended to read:

503 395.1065 Criminal and administrative penalties;
504 moratorium.—

505 (5) The agency shall impose a fine of \$500 for each
506 instance of the facility's failure to provide the information
507 required by rules adopted pursuant to s. 395.1055(1)(g)
508 ~~395.1055(1)(h).~~

509 Section 13. Subsection (2) of section 395.602, Florida
510 Statutes, is amended to read:

511 395.602 Rural hospitals.—

512 (2) DEFINITIONS.—As used in this part, the term:

513 ~~(a) "Emergency care hospital" means a medical facility~~
514 ~~which provides:~~

515 ~~1. Emergency medical treatment; and~~

516 ~~2. Inpatient care to ill or injured persons prior to their~~
517 ~~transportation to another hospital or provides inpatient medical~~
518 ~~care to persons needing care for a period of up to 96 hours. The~~
519 ~~96-hour limitation on inpatient care does not apply to respite,~~
520 ~~skilled nursing, hospice, or other nonacute care patients.~~

521 ~~(b) "Essential access community hospital" means any~~
522 ~~facility which:~~

523 ~~1. Has at least 100 beds;~~

524 ~~2. Is located more than 35 miles from any other essential~~

525 ~~access community hospital, rural referral center, or urban~~
 526 ~~hospital meeting criteria for classification as a regional~~
 527 ~~referral center;~~

528 ~~3. Is part of a network that includes rural primary care~~
 529 ~~hospitals;~~

530 ~~4. Provides emergency and medical backup services to rural~~
 531 ~~primary care hospitals in its rural health network;~~

532 ~~5. Extends staff privileges to rural primary care hospital~~
 533 ~~physicians in its network; and~~

534 ~~6. Accepts patients transferred from rural primary care~~
 535 ~~hospitals in its network.~~

536 ~~(c) "Inactive rural hospital bed" means a licensed acute~~
 537 ~~care hospital bed, as defined in s. 395.002(13), that is~~
 538 ~~inactive in that it cannot be occupied by acute care inpatients.~~

539 (a)~~(d)~~ "Rural area health education center" means an area
 540 health education center (AHEC), as authorized by Pub. L. No. 94-
 541 484, which provides services in a county with a population
 542 density of no greater than 100 persons per square mile.

543 (b)~~(e)~~ "Rural hospital" means an acute care hospital
 544 licensed under this chapter, having 100 or fewer licensed beds
 545 and an emergency room, which is:

546 1. The sole provider within a county with a population
 547 density of up to 100 persons per square mile;

548 2. An acute care hospital, in a county with a population
 549 density of up to 100 persons per square mile, which is at least

550 30 minutes of travel time, on normally traveled roads under
551 normal traffic conditions, from any other acute care hospital
552 within the same county;

553 3. A hospital supported by a tax district or subdistrict
554 whose boundaries encompass a population of up to 100 persons per
555 square mile;

556 4. A hospital classified as a sole community hospital
557 under 42 C.F.R. s. 412.92 which has up to 175 licensed beds;

558 5. A hospital with a service area that has a population of
559 up to 100 persons per square mile. As used in this subparagraph,
560 the term "service area" means the fewest number of zip codes
561 that account for 75 percent of the hospital's discharges for the
562 most recent 5-year period, based on information available from
563 the hospital inpatient discharge database in the Florida Center
564 for Health Information and Transparency at the agency; or

565 6. A hospital designated as a critical access hospital, as
566 defined in s. 408.07.

567

568 Population densities used in this paragraph must be based upon
569 the most recently completed United States census. A hospital
570 that received funds under s. 409.9116 for a quarter beginning no
571 later than July 1, 2002, is deemed to have been and shall
572 continue to be a rural hospital from that date through June 30,
573 2021, if the hospital continues to have up to 100 licensed beds
574 and an emergency room. An acute care hospital that has not

575 | previously been designated as a rural hospital and that meets
576 | the criteria of this paragraph shall be granted such designation
577 | upon application, including supporting documentation, to the
578 | agency. A hospital that was licensed as a rural hospital during
579 | the 2010-2011 or 2011-2012 fiscal year shall continue to be a
580 | rural hospital from the date of designation through June 30,
581 | 2021, if the hospital continues to have up to 100 licensed beds
582 | and an emergency room.

583 | ~~(f) "Rural primary care hospital" means any facility~~
584 | ~~meeting the criteria in paragraph (c) or s. 395.605 which~~
585 | ~~provides:~~

- 586 | ~~1. Twenty-four-hour emergency medical care;~~
587 | ~~2. Temporary inpatient care for periods of 72 hours or~~
588 | ~~less to patients requiring stabilization before discharge or~~
589 | ~~transfer to another hospital. The 72-hour limitation does not~~
590 | ~~apply to respite, skilled nursing, hospice, or other nonacute~~
591 | ~~care patients; and~~
592 | ~~3. Has no more than six licensed acute care inpatient~~
593 | ~~beds.~~

594 | ~~(c)(g)~~ "Swing-bed" means a bed which can be used
595 | interchangeably as either a hospital, skilled nursing facility
596 | (SNF), or intermediate care facility (ICF) bed pursuant to 42
597 | C.F.R. parts 405, 435, 440, 442, and 447.

598 | Section 14. Section 395.6025, Florida Statutes, is
599 | repealed.

600 Section 15. Section 395.603, Florida Statutes, is amended
601 to read:

602 395.603 Deactivation of general hospital beds; rural
603 hospital impact statement.—

604 ~~(1) The agency shall establish, by rule, a process by~~
605 ~~which a rural hospital, as defined in s. 395.602, that seeks~~
606 ~~licensure as a rural primary care hospital or as an emergency~~
607 ~~care hospital, or becomes a certified rural health clinic as~~
608 ~~defined in Pub. L. No. 95-210, or becomes a primary care program~~
609 ~~such as a county health department, community health center, or~~
610 ~~other similar outpatient program that provides preventive and~~
611 ~~curative services, may deactivate general hospital beds. Rural~~
612 ~~primary care hospitals and emergency care hospitals shall~~
613 ~~maintain the number of actively licensed general hospital beds~~
614 ~~necessary for the facility to be certified for Medicare~~
615 ~~reimbursement. Hospitals that discontinue inpatient care to~~
616 ~~become rural health care clinics or primary care programs shall~~
617 ~~deactivate all licensed general hospital beds. All hospitals,~~
618 ~~clinics, and programs with inactive beds shall provide 24-hour~~
619 ~~emergency medical care by staffing an emergency room. Providers~~
620 ~~with inactive beds shall be subject to the criteria in s.~~
621 ~~395.1041. The agency shall specify in rule requirements for~~
622 ~~making 24-hour emergency care available. Inactive general~~
623 ~~hospital beds shall be included in the acute care bed inventory,~~
624 ~~maintained by the agency for certificate-of-need purposes, for~~

625 ~~10 years from the date of deactivation of the beds. After 10~~
626 ~~years have elapsed, inactive beds shall be excluded from the~~
627 ~~inventory. The agency shall, at the request of the licensee,~~
628 ~~reactivate the inactive general beds upon a showing by the~~
629 ~~licensee that licensure requirements for the inactive general~~
630 ~~beds are met.~~

631 ~~(2)~~ In formulating and implementing policies and rules
632 that may have significant impact on the ability of rural
633 hospitals to continue to provide health care services in rural
634 communities, the agency, the department, or the respective
635 regulatory board adopting policies or rules regarding the
636 licensure or certification of health care professionals shall
637 provide a rural hospital impact statement. The rural hospital
638 impact statement shall assess the proposed action in light of
639 the following questions:

640 (1) ~~(a)~~ Do the health personnel affected by the proposed
641 action currently practice in rural hospitals or are they likely
642 to in the near future?

643 (2) ~~(b)~~ What are the current numbers of the affected health
644 personnel in this state, their geographic distribution, and the
645 number practicing in rural hospitals?

646 (3) ~~(c)~~ What are the functions presently performed by the
647 affected health personnel, and are such functions presently
648 performed in rural hospitals?

649 (4) ~~(d)~~ What impact will the proposed action have on the

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650 ability of rural hospitals to recruit the affected personnel to
651 practice in their facilities?

652 (5)~~(e)~~ What impact will the proposed action have on the
653 limited financial resources of rural hospitals through increased
654 salaries and benefits necessary to recruit or retain such health
655 personnel?

656 (6)~~(f)~~ Is there a less stringent requirement which could
657 apply to practice in rural hospitals?

658 (7)~~(g)~~ Will this action create staffing shortages, which
659 could result in a loss to the public of health care services in
660 rural hospitals or result in closure of any rural hospitals?

661 Section 16. Section 395.604, Florida Statutes, is
662 repealed.

663 Section 17. Section 395.605, Florida Statutes, is
664 repealed.

665 Section 18. Subsection (3) of section 400.071, Florida
666 Statutes, is amended to read:

667 400.071 Application for license.—

668 ~~(3) It is the intent of the Legislature that, in reviewing~~
669 ~~a certificate of need application to add beds to an existing~~
670 ~~nursing home facility, preference be given to the application of~~
671 ~~a licensee who has been awarded a Gold Seal as provided for in~~
672 ~~s. 400.235, if the applicant otherwise meets the review criteria~~
673 ~~specified in s. 408.035.~~

674 Section 19. Subsections (3), (4), and (5) of section

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675 400.606, Florida Statutes, are amended to read:

676 400.606 License; application; renewal; conditional license
677 or permit; certificate of need.—

678 (3) Any hospice initially licensed on or after July 1,
679 2017, must be accredited by a national accreditation
680 organization that is recognized by the Centers for Medicare and
681 Medicaid Services and whose standards incorporate comparable
682 licensure regulations required by the state. Such accreditation
683 must be maintained as a requirement of licensure. The agency
684 shall not issue a license to a hospice that fails to receive a
685 certificate of need under the provisions of part I of chapter
686 408. A licensed hospice is a health care facility as that term
687 is used in s. 408.039(5) and is entitled to initiate or
688 intervene in an administrative hearing.

689 (4) A hospice initially licensed on or after July 1, 2017,
690 must establish and maintain a freestanding hospice facility that
691 is engaged in providing inpatient and related services and that
692 is not otherwise licensed as a health care facility shall obtain
693 a certificate of need. However, a freestanding hospice facility
694 that has six or fewer beds is not required to comply with
695 institutional standards such as, but not limited to, standards
696 requiring sprinkler systems, emergency electrical systems, or
697 special lavatory devices.

698 ~~(5) The agency may deny a license to an applicant that~~
699 ~~fails to meet any condition for the provision of hospice care or~~

700 ~~services imposed by the agency on a certificate of need by final~~
701 ~~agency action, unless the applicant can demonstrate that good~~
702 ~~cause exists for the applicant's failure to meet such condition.~~

703 Section 20. Paragraph (b) of subsection (2) of section
704 400.6085, Florida Statutes, is amended to read:

705 400.6085 Contractual services.—A hospice may contract out
706 for some elements of its services. However, the core services,
707 as set forth in s. 400.609(1), with the exception of physician
708 services, shall be provided directly by the hospice. Any
709 contract entered into between a hospice and a health care
710 facility or service provider must specify that the hospice
711 retains the responsibility for planning, coordinating, and
712 prescribing hospice care and services for the hospice patient
713 and family. A hospice that contracts for any hospice service is
714 prohibited from charging fees for services provided directly by
715 the hospice care team that duplicate contractual services
716 provided to the patient and family.

717 (2) With respect to contractual arrangements for inpatient
718 hospice care:

719 ~~(b) Hospices contracting for inpatient care beds shall not~~
720 ~~be required to obtain an additional certificate of need for the~~
721 ~~number of such designated beds. Such beds shall remain licensed~~
722 ~~to the health care facility and be subject to the appropriate~~
723 ~~inspections.~~

724 Section 21. Section 408.031, Florida Statutes, is

725 repealed.
 726 Section 22. Section 408.032, Florida Statutes, is
 727 repealed.
 728 Section 23. Section 408.033, Florida Statutes, is
 729 repealed.
 730 Section 24. Section 408.034, Florida Statutes, is
 731 repealed.
 732 Section 25. Section 408.035, Florida Statutes, is
 733 repealed.
 734 Section 26. Section 408.036, Florida Statutes, is
 735 repealed.
 736 Section 27. Section 408.0361, Florida Statutes, is
 737 repealed.
 738 Section 28. Section 408.037, Florida Statutes, is
 739 repealed.
 740 Section 29. Section 408.038, Florida Statutes, is
 741 repealed.
 742 Section 30. Section 408.039, Florida Statutes, is
 743 repealed.
 744 Section 31. Section 408.040, Florida Statutes, is
 745 repealed.
 746 Section 32. Section 408.041, Florida Statutes, is
 747 repealed.
 748 Section 33. Section 408.042, Florida Statutes, is
 749 repealed.

750 Section 34. Section 408.043, Florida Statutes, is
 751 repealed.
 752 Section 35. Section 408.0436, Florida Statutes, is
 753 repealed.
 754 Section 36. Section 408.044, Florida Statutes, is
 755 repealed.
 756 Section 37. Section 408.045, Florida Statutes, is
 757 repealed.
 758 Section 38. Section 408.0455, Florida Statutes, is
 759 repealed.

760 Section 39. Section 408.07, Florida Statutes, is amended
 761 to read:

762 408.07 Definitions.—As used in this chapter, ~~with the~~
 763 ~~exception of ss. 408.031-408.045,~~ the term:

764 (1) "Accepted" means that the agency has found that a
 765 report or data submitted by a health care facility or a health
 766 care provider contains all schedules and data required by the
 767 agency and has been prepared in the format specified by the
 768 agency, and otherwise conforms to applicable rule or Florida
 769 Hospital Uniform Reporting System manual requirements regarding
 770 reports in effect at the time such report was submitted, and the
 771 data are mathematically reasonable and accurate.

772 (2) "Adjusted admission" means the sum of acute and
 773 intensive care admissions divided by the ratio of inpatient
 774 revenues generated from acute, intensive, ambulatory, and

775 ancillary patient services to gross revenues. If a hospital
776 reports only subacute admissions, then "adjusted admission"
777 means the sum of subacute admissions divided by the ratio of
778 total inpatient revenues to gross revenues.

779 (3) "Agency" means the Agency for Health Care
780 Administration.

781 (4) "Alcohol or chemical dependency treatment center"
782 means an organization licensed under chapter 397.

783 (5) "Ambulatory care center" means an organization which
784 employs or contracts with licensed health care professionals to
785 provide diagnosis or treatment services predominantly on a walk-
786 in basis and the organization holds itself out as providing care
787 on a walk-in basis. Such an organization is not an ambulatory
788 care center if it is wholly owned and operated by five or fewer
789 health care providers.

790 (6) "Ambulatory surgical center" means a facility licensed
791 as an ambulatory surgical center under chapter 395.

792 (7) "Audited actual data" means information contained
793 within financial statements examined by an independent, Florida-
794 licensed, certified public accountant in accordance with
795 generally accepted auditing standards, but does not include data
796 within a financial statement about which the certified public
797 accountant does not express an opinion or issues a disclaimer.

798 (8) "Birth center" means an organization licensed under s.
799 383.305.

800 (9) "Cardiac catheterization laboratory" means a
801 freestanding facility that employs or contracts with licensed
802 health care professionals to provide diagnostic or therapeutic
803 services for cardiac conditions such as cardiac catheterization
804 or balloon angioplasty.

805 (10) "Case mix" means a calculated index for each health
806 care facility or health care provider, based on patient data,
807 reflecting the relative costliness of the mix of cases to that
808 facility or provider compared to a state or national mix of
809 cases.

810 (11) "Clinical laboratory" means a facility licensed under
811 s. 483.091, excluding: any hospital laboratory defined under s.
812 483.041(6); any clinical laboratory operated by the state or a
813 political subdivision of the state; any blood or tissue bank
814 where the majority of revenues are received from the sale of
815 blood or tissue and where blood, plasma, or tissue is procured
816 from volunteer donors and donated, processed, stored, or
817 distributed on a nonprofit basis; and any clinical laboratory
818 which is wholly owned and operated by physicians who are
819 licensed pursuant to chapter 458 or chapter 459 and who practice
820 in the same group practice, and at which no clinical laboratory
821 work is performed for patients referred by any health care
822 provider who is not a member of that same group practice.

823 (12) "Comprehensive rehabilitative hospital" or
824 "rehabilitative hospital" means a hospital licensed by the

825 agency as a specialty hospital as defined in s. 395.002;
826 provided that the hospital provides a program of comprehensive
827 medical rehabilitative services and is designed, equipped,
828 organized, and operated solely to deliver comprehensive medical
829 rehabilitative services, and further provided that all licensed
830 beds in the hospital are classified as "comprehensive
831 rehabilitative beds" pursuant to s. 395.003(4), and are not
832 classified as "general beds."

833 (13) "Consumer" means any person other than a person who
834 administers health activities, is a member of the governing body
835 of a health care facility, provides health services, has a
836 fiduciary interest in a health facility or other health agency
837 or its affiliated entities, or has a material financial interest
838 in the rendering of health services.

839 (14) "Continuing care facility" means a facility licensed
840 under chapter 651.

841 (15) "Critical access hospital" means a hospital that
842 meets the definition of "critical access hospital" in s.
843 1861(mm)(1) of the Social Security Act and that is certified by
844 the Secretary of Health and Human Services as a critical access
845 hospital.

846 (16) "Cross-subsidization" means that the revenues from
847 one type of hospital service are sufficiently higher than the
848 costs of providing such service as to offset some of the costs
849 of providing another type of service in the hospital. Cross-

850 subsidization results from the lack of a direct relationship
851 between charges and the costs of providing a particular hospital
852 service or type of service.

853 (17) "Deductions from gross revenue" or "deductions from
854 revenue" means reductions from gross revenue resulting from
855 inability to collect payment of charges. For hospitals, such
856 reductions include contractual adjustments; uncompensated care;
857 administrative, courtesy, and policy discounts and adjustments;
858 and other such revenue deductions, but also includes the offset
859 of restricted donations and grants for indigent care.

860 (18) "Diagnostic-imaging center" means a freestanding
861 outpatient facility that provides specialized services for the
862 diagnosis of a disease by examination and also provides
863 radiological services. Such a facility is not a diagnostic-
864 imaging center if it is wholly owned and operated by physicians
865 who are licensed pursuant to chapter 458 or chapter 459 and who
866 practice in the same group practice and no diagnostic-imaging
867 work is performed at such facility for patients referred by any
868 health care provider who is not a member of that same group
869 practice.

870 (19) "FHURS" means the Florida Hospital Uniform Reporting
871 System developed by the agency.

872 (20) "Freestanding" means that a health facility bills and
873 receives revenue which is not directly subject to the hospital
874 assessment for the Public Medical Assistance Trust Fund as

875 | described in s. 395.701.

876 | (21) "Freestanding radiation therapy center" means a
877 | facility where treatment is provided through the use of
878 | radiation therapy machines that are registered under s. 404.22
879 | and the provisions of the Florida Administrative Code
880 | implementing s. 404.22. Such a facility is not a freestanding
881 | radiation therapy center if it is wholly owned and operated by
882 | physicians licensed pursuant to chapter 458 or chapter 459 who
883 | practice within the specialty of diagnostic or therapeutic
884 | radiology.

885 | (22) "GRAA" means gross revenue per adjusted admission.

886 | (23) "Gross revenue" means the sum of daily hospital
887 | service charges, ambulatory service charges, ancillary service
888 | charges, and other operating revenue. Gross revenues do not
889 | include contributions, donations, legacies, or bequests made to
890 | a hospital without restriction by the donors.

891 | (24) "Health care facility" means an ambulatory surgical
892 | center, a hospice, a nursing home, a hospital, a diagnostic-
893 | imaging center, a freestanding or hospital-based therapy center,
894 | a clinical laboratory, a home health agency, a cardiac
895 | catheterization laboratory, a medical equipment supplier, an
896 | alcohol or chemical dependency treatment center, a physical
897 | rehabilitation center, a lithotripsy center, an ambulatory care
898 | center, a birth center, or a nursing home component licensed
899 | under chapter 400 within a continuing care facility licensed

900 | under chapter 651.

901 | (25) "Health care provider" means a health care
 902 | professional licensed under chapter 458, chapter 459, chapter
 903 | 460, chapter 461, chapter 463, chapter 464, chapter 465, chapter
 904 | 466, part I, part III, part IV, part V, or part X of chapter
 905 | 468, chapter 483, chapter 484, chapter 486, chapter 490, or
 906 | chapter 491.

907 | (26) "Health care purchaser" means an employer in the
 908 | state, other than a health care facility, health insurer, or
 909 | health care provider, who provides health care coverage for her
 910 | or his employees.

911 | (27) "Health insurer" means any insurance company
 912 | authorized to transact health insurance in the state, any
 913 | insurance company authorized to transact health insurance or
 914 | casualty insurance in the state that is offering a minimum
 915 | premium plan or stop-loss coverage for any person or entity
 916 | providing health care benefits, any self-insurance plan as
 917 | defined in s. 624.031, any health maintenance organization
 918 | authorized to transact business in the state pursuant to part I
 919 | of chapter 641, any prepaid health clinic authorized to transact
 920 | business in the state pursuant to part II of chapter 641, any
 921 | multiple-employer welfare arrangement authorized to transact
 922 | business in the state pursuant to ss. 624.436-624.45, or any
 923 | fraternal benefit society providing health benefits to its
 924 | members as authorized pursuant to chapter 632.

925 (28) "Home health agency" means an organization licensed
 926 under part III of chapter 400.

927 (29) "Hospice" means an organization licensed under part
 928 IV of chapter 400.

929 (30) "Hospital" means a health care institution licensed
 930 by the Agency for Health Care Administration as a hospital under
 931 chapter 395.

932 (31) "Lithotripsy center" means a freestanding facility
 933 that employs or contracts with licensed health care
 934 professionals to provide diagnosis or treatment services using
 935 electro-hydraulic shock waves.

936 (32) "Local health council" means the agency defined in s.
 937 381.4066 ~~408.033~~.

938 (33) "Market basket index" means the Florida hospital
 939 input price index (FHIPI), which is a statewide market basket
 940 index used to measure inflation in hospital input prices
 941 weighted for the Florida-specific experience which uses
 942 multistate regional and state-specific price measures, when
 943 available. The index shall be constructed in the same manner as
 944 the index employed by the Secretary of the United States
 945 Department of Health and Human Services for determining the
 946 inflation in hospital input prices for purposes of Medicare
 947 reimbursement.

948 (34) "Medical equipment supplier" means an organization
 949 that provides medical equipment and supplies used by health care

950 providers and health care facilities in the diagnosis or
951 treatment of disease.

952 (35) "Net revenue" means gross revenue minus deductions
953 from revenue.

954 (36) "New hospital" means a hospital in its initial year
955 of operation as a licensed hospital and does not include any
956 facility which has been in existence as a licensed hospital,
957 regardless of changes in ownership, for over 1 calendar year.

958 (37) "Nursing home" means a facility licensed under s.
959 400.062 or, for resident level and financial data collection
960 purposes only, any institution licensed under chapter 395 and
961 which has a Medicare or Medicaid certified distinct part used
962 for skilled nursing home care, but does not include a facility
963 licensed under chapter 651.

964 (38) "Operating expenses" means total expenses excluding
965 income taxes.

966 (39) "Other operating revenue" means all revenue generated
967 from hospital operations other than revenue directly associated
968 with patient care.

969 (40) "Physical rehabilitation center" means an
970 organization that employs or contracts with health care
971 professionals licensed under part I or part III of chapter 468
972 or chapter 486 to provide speech, occupational, or physical
973 therapy services on an outpatient or ambulatory basis.

974 (41) "Prospective payment arrangement" means a financial

975 agreement negotiated between a hospital and an insurer, health
976 maintenance organization, preferred provider organization, or
977 other third-party payor which contains, at a minimum, the
978 elements provided for in s. 408.50.

979 (42) "Rate of return" means the financial indicators used
980 to determine or demonstrate reasonableness of the financial
981 requirements of a hospital. Such indicators shall include, but
982 not be limited to: return on assets, return on equity, total
983 margin, and debt service coverage.

984 (43) "Rural hospital" means an acute care hospital
985 licensed under chapter 395, having 100 or fewer licensed beds
986 and an emergency room, and which is:

987 (a) The sole provider within a county with a population
988 density of no greater than 100 persons per square mile;

989 (b) An acute care hospital, in a county with a population
990 density of no greater than 100 persons per square mile, which is
991 at least 30 minutes of travel time, on normally traveled roads
992 under normal traffic conditions, from another acute care
993 hospital within the same county;

994 (c) A hospital supported by a tax district or subdistrict
995 whose boundaries encompass a population of 100 persons or fewer
996 per square mile;

997 (d) A hospital with a service area that has a population
998 of 100 persons or fewer per square mile. As used in this
999 paragraph, the term "service area" means the fewest number of

1000 zip codes that account for 75 percent of the hospital's
 1001 discharges for the most recent 5-year period, based on
 1002 information available from the hospital inpatient discharge
 1003 database in the Florida Center for Health Information and
 1004 Transparency at the Agency for Health Care Administration; or
 1005 (e) A critical access hospital.

1006
 1007 Population densities used in this subsection must be based upon
 1008 the most recently completed United States census. A hospital
 1009 that received funds under s. 409.9116 for a quarter beginning no
 1010 later than July 1, 2002, is deemed to have been and shall
 1011 continue to be a rural hospital from that date through June 30,
 1012 2015, if the hospital continues to have 100 or fewer licensed
 1013 beds and an emergency room. An acute care hospital that has not
 1014 previously been designated as a rural hospital and that meets
 1015 the criteria of this subsection shall be granted such
 1016 designation upon application, including supporting
 1017 documentation, to the Agency for Health Care Administration.

1018 (44) "Special study" means a nonrecurring data-gathering
 1019 and analysis effort designed to aid the agency in meeting its
 1020 responsibilities pursuant to this chapter.

1021 (45) "Teaching hospital" means any Florida hospital
 1022 officially affiliated with an accredited Florida medical school
 1023 which exhibits activity in the area of graduate medical
 1024 education as reflected by at least seven different graduate

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1025 | medical education programs accredited by the Accreditation
 1026 | Council for Graduate Medical Education or the Council on
 1027 | Postdoctoral Training of the American Osteopathic Association
 1028 | and the presence of 100 or more full-time equivalent resident
 1029 | physicians. The Director of the Agency for Health Care
 1030 | Administration shall be responsible for determining which
 1031 | hospitals meet this definition.

1032 | Section 40. Subsection (6) of section 408.806, Florida
 1033 | Statutes, is amended to read:

1034 | 408.806 License application process.—

1035 | (6) ~~The agency may not issue an initial license to a~~
 1036 | ~~health care provider subject to the certificate-of-need~~
 1037 | ~~provisions in part I of this chapter if the licensee has not~~
 1038 | ~~been issued a certificate of need or certificate-of-need~~
 1039 | ~~exemption, when applicable.~~ Failure to apply for the renewal of
 1040 | a license prior to the expiration date renders the license void.

1041 | Section 41. Subsection (3) of section 408.808, Florida
 1042 | Statutes, is amended to read:

1043 | 408.808 License categories.—

1044 | (3) INACTIVE LICENSE.—An inactive license may be issued to
 1045 | a hospital, nursing home, intermediate care facility for the
 1046 | developmentally disabled, or ambulatory surgical center health
 1047 | ~~care provider subject to the certificate-of-need provisions in~~
 1048 | ~~part I of this chapter~~ when the provider is currently licensed,
 1049 | does not have a provisional license, and will be temporarily

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1050 unable to provide services due to construction or renovation but
1051 is reasonably expected to resume services within 12 months.
1052 Before an inactive license will be issued, the licensee must
1053 have plans approved by the agency. Such designation may be made
1054 for a period not to exceed 12 months but may be renewed by the
1055 agency for up to 12 additional months upon demonstration by the
1056 licensee of the provider's progress toward reopening. ~~However,~~
1057 ~~if after 20 months in an inactive license status, a statutory~~
1058 ~~rural hospital, as defined in s. 395.602, has demonstrated~~
1059 ~~progress toward reopening, but may not be able to reopen prior~~
1060 ~~to the inactive license expiration date, the inactive~~
1061 ~~designation may be renewed again by the agency for up to 12~~
1062 ~~additional months.~~ For purposes of such a second renewal, ~~if~~
1063 ~~construction or renovation is required, the licensee must have~~
1064 ~~had plans approved by the agency and construction must have~~
1065 ~~already commenced and pursuant to s. 408.032(4); however, if~~
1066 ~~construction or renovation is not required, the licensee must~~
1067 ~~provide proof of having made an enforceable capital expenditure~~
1068 ~~greater than 25 percent of the total costs associated with the~~
1069 ~~construction or renovation hiring of staff and the purchase of~~
1070 ~~equipment and supplies needed to operate the facility upon~~
1071 ~~opening.~~ A request by a licensee for an inactive license or to
1072 extend the previously approved inactive period must be submitted
1073 to the agency and must include a written justification for the
1074 inactive license with the beginning and ending dates of

1075 inactivity specified, a plan for the transfer of any clients to
1076 other providers, and the appropriate licensure fees. The agency
1077 may not accept a request that is submitted after initiating
1078 closure, after any suspension of service, or after notifying
1079 clients of closure or suspension of service, unless the action
1080 is a result of a disaster at the licensed premises. For the
1081 purposes of this section, the term "disaster" means a sudden
1082 emergency occurrence beyond the control of the licensee, whether
1083 natural, technological, or manmade, which renders the provider
1084 inoperable at the premises. Upon agency approval, the provider
1085 shall notify clients of any necessary discharge or transfer as
1086 required by authorizing statutes or applicable rules. The
1087 beginning of the inactive license period is the date the
1088 provider ceases operations. The end of the inactive license
1089 period shall become the license expiration date. All licensure
1090 fees must be current, must be paid in full, and may be prorated.
1091 Reactivation of an inactive license requires the approval of a
1092 renewal application, including payment of licensure fees and
1093 agency inspections indicating compliance with all requirements
1094 of this part, authorizing statutes, and applicable rules.

1095 Section 42. Subsection (10) of section 408.810, Florida
1096 Statutes, is amended to read:

1097 408.810 Minimum licensure requirements.—In addition to the
1098 licensure requirements specified in this part, authorizing
1099 statutes, and applicable rules, each applicant and licensee must

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1100 comply with the requirements of this section in order to obtain
1101 and maintain a license.

1102 ~~(10) The agency may not issue a license to a health care~~
1103 ~~provider subject to the certificate-of-need provisions in part I~~
1104 ~~of this chapter if the health care provider has not been issued~~
1105 ~~a certificate of need or an exemption. Upon initial licensure of~~
1106 ~~any such provider, the authorization contained in the~~
1107 ~~certificate of need shall be considered fully implemented and~~
1108 ~~merged into the license and shall have no force and effect upon~~
1109 ~~termination of the license for any reason.~~

1110 Section 43. Section 408.820, Florida Statutes, is amended
1111 to read:

1112 408.820 Exemptions.—Except as prescribed in authorizing
1113 statutes, the following exemptions shall apply to specified
1114 requirements of this part:

1115 (1) Laboratories authorized to perform testing under the
1116 Drug-Free Workplace Act, as provided under ss. 112.0455 and
1117 440.102, are exempt from s. 408.810(5)-(9) ~~408.810(5)-(10)~~.

1118 (2) Birth centers, as provided under chapter 383, are
1119 exempt from s. 408.810(7)-(9) ~~408.810(7)-(10)~~.

1120 (3) Abortion clinics, as provided under chapter 390, are
1121 exempt from s. 408.810(7)-(9) ~~408.810(7)-(10)~~.

1122 (4) Crisis stabilization units, as provided under parts I
1123 and IV of chapter 394, are exempt from s. 408.810(8) and (9)
1124 ~~408.810(8)-(10)~~.

1125 (5) Short-term residential treatment facilities, as
 1126 provided under parts I and IV of chapter 394, are exempt from s.
 1127 408.810(8) and (9) ~~408.810(8)-(10)~~.

1128 (6) Residential treatment facilities, as provided under
 1129 part IV of chapter 394, are exempt from s. 408.810(8) and (9)
 1130 ~~408.810(8)-(10)~~.

1131 (7) Residential treatment centers for children and
 1132 adolescents, as provided under part IV of chapter 394, are
 1133 exempt from s. 408.810(8) and (9) ~~408.810(8)-(10)~~.

1134 (8) Hospitals, as provided under part I of chapter 395,
 1135 are exempt from s. 408.810(7)-(9).

1136 (9) Ambulatory surgical centers, as provided under part I
 1137 of chapter 395, are exempt from s. 408.810(7)-(9) ~~408.810(7)-~~
 1138 ~~(10)~~.

1139 (10) Mobile surgical facilities, as provided under part I
 1140 of chapter 395, are exempt from s. 408.810(7)-(9) ~~408.810(7)-~~
 1141 ~~(10)~~.

1142 (11) Health care risk managers, as provided under part I
 1143 of chapter 395, are exempt from ss. 408.806(7), 408.810(4)-(9)
 1144 ~~408.810(4)-(10)~~, and 408.811.

1145 (12) Nursing homes, as provided under part II of chapter
 1146 400, are exempt from ss. 408.810(7) and 408.813(2).

1147 ~~(13) Assisted living facilities, as provided under part I~~
 1148 ~~of chapter 429, are exempt from s. 408.810(10).~~

1149 ~~(14) Home health agencies, as provided under part III of~~

1150 ~~chapter 400, are exempt from s. 408.810(10).~~

1151 (13)~~(15)~~ Nurse registries, as provided under part III of

1152 chapter 400, are exempt from s. 408.810(6) ~~and (10)~~.

1153 (14)~~(16)~~ Companion services or homemaker services

1154 providers, as provided under part III of chapter 400, are exempt

1155 from s. 408.810(6)-(9) ~~408.810(6)-(10)~~.

1156 ~~(17) Adult day care centers, as provided under part III of~~

1157 ~~chapter 429, are exempt from s. 408.810(10).~~

1158 (15)~~(18)~~ Adult family-care homes, as provided under part

1159 II of chapter 429, are exempt from s. 408.810(7)-(9) ~~408.810(7)-~~

1160 ~~(10)~~.

1161 (16)~~(19)~~ Homes for special services, as provided under

1162 part V of chapter 400, are exempt from s. 408.810(7)-(9)

1163 ~~408.810(7)-(10)~~.

1164 ~~(20) Transitional living facilities, as provided under~~

1165 ~~part XI of chapter 400, are exempt from s. 408.810(10).~~

1166 ~~(21) Prescribed pediatric extended care centers, as~~

1167 ~~provided under part VI of chapter 400, are exempt from s.~~

1168 ~~408.810(10).~~

1169 ~~(22) Home medical equipment providers, as provided under~~

1170 ~~part VII of chapter 400, are exempt from s. 408.810(10).~~

1171 (17)~~(23)~~ Intermediate care facilities for persons with

1172 developmental disabilities, as provided under part VIII of

1173 chapter 400, are exempt from s. 408.810(7).

1174 (18)~~(24)~~ Health care services pools, as provided under

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1175 part IX of chapter 400, are exempt from s. 408.810(6)-(9)
 1176 ~~408.810(6)-(10)~~.

1177 (19)-(25) Health care clinics, as provided under part X of
 1178 chapter 400, are exempt from s. 408.810(6) and ~~(7)~~, ~~and (10)~~.

1179 (20)-(26) Clinical laboratories, as provided under part I
 1180 of chapter 483, are exempt from s. 408.810(5)-(9) ~~408.810(5)-~~
 1181 ~~(10)~~.

1182 (21)-(27) Multiphasic health testing centers, as provided
 1183 under part II of chapter 483, are exempt from s. 408.810(5)-(9)
 1184 ~~408.810(5)-(10)~~.

1185 (22)-(28) Organ, tissue, and eye procurement organizations,
 1186 as provided under part V of chapter 765, are exempt from s.
 1187 408.810(5)-(9) ~~408.810(5)-(10)~~.

1188 Section 44. Subsection (6) of section 409.9116, Florida
 1189 Statutes, is amended to read:

1190 409.9116 Disproportionate share/financial assistance
 1191 program for rural hospitals.—In addition to the payments made
 1192 under s. 409.911, the Agency for Health Care Administration
 1193 shall administer a federally matched disproportionate share
 1194 program and a state-funded financial assistance program for
 1195 statutory rural hospitals. The agency shall make
 1196 disproportionate share payments to statutory rural hospitals
 1197 that qualify for such payments and financial assistance payments
 1198 to statutory rural hospitals that do not qualify for
 1199 disproportionate share payments. The disproportionate share

1200 program payments shall be limited by and conform with federal
1201 requirements. Funds shall be distributed quarterly in each
1202 fiscal year for which an appropriation is made. Notwithstanding
1203 the provisions of s. 409.915, counties are exempt from
1204 contributing toward the cost of this special reimbursement for
1205 hospitals serving a disproportionate share of low-income
1206 patients.

1207 (6) This section applies only to hospitals that were
1208 defined as statutory rural hospitals, or their successor-in-
1209 interest hospital, prior to January 1, 2001. Any additional
1210 hospital that is defined as a statutory rural hospital, or its
1211 successor-in-interest hospital, on or after January 1, 2001, is
1212 not eligible for programs under this section unless additional
1213 funds are appropriated each fiscal year specifically to the
1214 rural hospital disproportionate share and financial assistance
1215 programs in an amount necessary to prevent any hospital, or its
1216 successor-in-interest hospital, eligible for the programs prior
1217 to January 1, 2001, from incurring a reduction in payments
1218 because of the eligibility of an additional hospital to
1219 participate in the programs. A hospital, or its successor-in-
1220 interest hospital, which received funds pursuant to this section
1221 before January 1, 2001, and which qualifies under s.
1222 395.602(2)(b) ~~395.602(2)(e)~~, shall be included in the programs
1223 under this section and is not required to seek additional
1224 appropriations under this subsection.

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1225 Section 45. Paragraph (c) of subsection (1) of section
 1226 641.60, Florida Statutes, is amended to read:

1227 641.60 Statewide Managed Care Ombudsman Committee.—

1228 (1) As used in ss. 641.60-641.75:

1229 (c) "District" means one of the health service planning
 1230 districts as defined in s. 381.4066 ~~408.032~~.

1231 Section 46. Section 651.118, Florida Statutes, is
 1232 repealed.

1233 Section 47. Paragraph (b) of subsection (2) of section
 1234 1009.65, Florida Statutes, is amended to read:

1235 1009.65 Medical Education Reimbursement and Loan Repayment
 1236 Program.—

1237 (2) From the funds available, the Department of Health
 1238 shall make payments to selected medical professionals as
 1239 follows:

1240 (b) All payments shall be contingent on continued proof of
 1241 primary care practice in an area defined in s. 395.602(2)(b)
 1242 ~~395.602(2)(e)~~, or an underserved area designated by the
 1243 Department of Health, provided the practitioner accepts Medicaid
 1244 reimbursement if eligible for such reimbursement. Correctional
 1245 facilities, state hospitals, and other state institutions that
 1246 employ medical personnel shall be designated by the Department
 1247 of Health as underserved locations. Locations with high
 1248 incidences of infant mortality, high morbidity, or low Medicaid
 1249 participation by health care professionals may be designated as

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1250 | underserved.

1251 | Section 48. This act shall take effect July 1, 2017.