A bill to be entitled An act relating to rural hospitals; amending ss. 395.602 and 408.07, F.S.; revising the definition of "rural hospital" to increase the allowable number of licensed beds; providing that rural hospitals designated after July 1, 1997 shall not be included in the rural hospital disproportionate share of financial assistance programs unless additional appropriations are provided; providing an effective date.

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

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Section 1. Paragraph (e) of subsection (2) of section 395.602, Florida Statutes, is amended to read:

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395.602 Rural hospitals.--

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(2) DEFINITIONS.--As used in this part:

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licensed under this chapter, with 100 85 licensed beds or less, which has an emergency room and is located in an area

defined as rural by the United States Census, and which is:

"Rural hospital" means an acute care hospital

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1. The sole provider within a county with a population density of no greater than 100 persons per square mile; or

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2. An acute care hospital, in a county with a population density of no greater than 100 persons per square mile, which is at least 30 minutes of travel time, on normally traveled roads under normal traffic conditions, from any other acute care hospital within the same county; or

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3. A hospital supported by a tax district or subdistrict whose boundaries encompass a population of 100 persons or less per square mile.

Section 2. Subsection (47) of section 408.07, Florida Statutes, is amended to read:

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

- (47) "Rural hospital" means an acute care hospital licensed under chapter 395, with 100 85 licensed beds or fewer, which has an emergency room and is located in an area defined as rural by the United States Census, and which is:
- (a) The sole provider within a county with a population density of no greater than 100 persons per square mile;
- (b) An acute care hospital, in a county with a population density of no greater than 100 persons per square mile, which is at least 30 minutes of travel time, on normally traveled roads under normal traffic conditions, from another acute care hospital within the same county; or
- (c) A hospital supported by a tax district or subdistrict whose boundaries encompass a population of 100 persons or less per square mile.

Section 3. Subsection (7) is added to S. 409.9116, Florida Statutes, 1996 Supplement, to read:

409.9116 Disproportionate share/financial assistance program for rural hospitals.—In addition to the payments made under s. 409.911, the Agency for Health Care Administration shall administer a federally matched disproportionate share program and a state-funded financial assistance program for statutory rural hospitals. The agency shall make disproportionate share payments to statutory rural hospitals

that qualify for such payments and financial assistance payments to statutory rural hospitals that do not qualify for disproportionate share payments. The disproportionate share program payments shall be limited by and conform with federal requirements. In fiscal year 1993-94, available funds shall be distributed in one payment, as soon as practicable after the effective date of this act. In subsequent fiscal years, funds shall be distributed quarterly in each fiscal year for which an appropriation is made. Notwithstanding the provisions of s. 409.915, counties are exempt from contributing toward the cost of this special reimbursement for hospitals serving a disproportionate share of low-income patients.

(7) This section only applies to hospitals that were

(7) This section only applies to hospitals that were defined as statutory rural hospitals, or their successor in interest hospitals, prior to July 1, 1997, unless additional funds are provided for such hospitals by the General Appropriation Act.

Section 4. This act shall take effect July 1, 1997.