STORAGE NAME: h1861.hcr
DATE: April 15, 1997

HOUSE OF REPRESENTATIVES
COMMITTEE ON
HEALTH CARE STANDARDS & REGULATORY REFORM
BILL RESEARCH & ECONOMIC IMPACT STATEMENT

BILL #: HB 1861

RELATING TO: Children's Medical Delivery System

SPONSOR(S): Representative Putnam

STATUTE(S) AFFECTED: Creates a new section

COMPANION BILL(S): SB 2226(s)

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:
(1) HEALTH CARE STANDARDS & REGULATORY REFORM
(2) GOVERNMENTAL RULES & REGULATIONS
(3)
(4)
(5)

I. SUMMARY:

The bill requires the Division of Children's Medical Services (CMS) of the Department of Health (department), in consultation with the Agency for Health Care Administration (agency) and other providers of health care services for children, to develop recommendations on the delivery of health care to children which would include:

A plan for the update, evaluation, and development of practice guidelines for pediatric providers; and

Standards for pediatric health care facilities.

CMS is required to submit reports to the President of the Senate, Speaker of the House, the minority leaders of the House and Senate, and the appropriate substantive and fiscal committees of both houses of the Legislature. CMS is to work through an advisory group appointed by the CMS Director to develop the recommendations and plan. The advisory group is to consist of pediatric providers, other appropriate health care providers, and educational support organizations. Members of the council will serve without compensation and are not entitled to travel expenses or per diem.

The bill's focus expands current efforts to include developing recommendations for an integrated child health delivery system and a plan and budget to continuously update guidelines and standards or develop such guidelines and standards.

The bill has no fiscal impact on state and local government, or the private sector.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

Children's Medical Services (CMS) was created by chapter 391, F.S., "to provide medical services for needy children, particularly those with chronic, crippling, or potentially crippling and physically handicapping diseases or conditions..." Agency activities related to children's health care needs are more general in nature, without any specific statutory reference, and included as an important subset of the agency's overall approach to the development of health care policy for all Floridians.

In 1995, recognizing that children have medical needs and problems requiring special expertise, the agency contracted for consulting services with Lance Wyble, M.D., MPH, a licensed, board-certified pediatrician and neonatologist with the University of South Florida School of Medicine. Dr. Wyble serves as a pediatric health policy advisor to the agency, and in this capacity has responsibility for assisting in the development of policy, practice guidelines, and standards of care related to the medical needs of children.

The agency is the single state agency responsible for the regulation of health care facilities as defined in chapter 395, F.S. (hospitals - acute and pediatric institutions, long-term care facilities, and nursing homes) in Florida. In this capacity, the agency's Division of Health Quality Assurance is responsible for setting standards for care, inspecting facilities to determine compliance with standards and sanctioning non-compliant facilities. In this role, the division must review health facility construction plans; the approval, denial, renewal, and revocation of licenses; establishment and enforcement of facility standards (including standards for pediatric facilities); monitoring of risk management programs; Medicare and Medicaid certification of participating facilities; and the certification of health maintenance organizations (HMOs).

The agency indicates that a pediatric facility standards work group was convened by the agency with several meetings held during the summer and fall months. Participants included administrative hospital personnel, pediatricians, neonatologists, family practice practitioners, managed care medical directors, and other interested parties. After much deliberation and discussion, the group recommended that a comprehensive document defining specific standards and levels of care for the delivery of inpatient pediatric medical care should be developed.

The agency presented for review the initial pediatric facility draft to work group members and other child health advocates in December. The agency indicates they have received numerous positive responses to the draft with suggestions, many of which will be incorporated into the final document. Several facilities requested additional time to allow for an in-depth review of the draft.

The agency indicates that they wish to pursue this project and would like to work through an appointed steering committee with representatives from children's hospitals, statutory teaching hospitals, community hospitals (large and small), rural hospitals, the Department of Health (including Children's Medical Services), pediatric emergency services, and the Florida Pediatric Society, to ensure that all facility types are represented in this process. They perceive the function of the steering committee to be to assist the agency in finalizing Florida's pediatric facility standards, which they would intend to then reference by rule. In addition to the steering committee, the agency would

like to establish small groups of clinical specialists to ensure that the pediatric standards of care developed are in keeping with current medical standards. They feel they could have a final document completed and ready for incorporation into rule by August, 1997.

In 1993, the Legislature authorized the agency to coordinate the development, endorsement, implementation, and evaluation of scientifically sound, clinically relevant practice guidelines. These are designed to: reduce unwarranted variation in the delivery of medical treatment; improve the quality of medical care; and promote the appropriate utilization of health care services. In accordance with this mandate, the agency has established many multi-disciplinary practice guideline advisory committees which include several work groups charged with the task of developing guidelines which address specific maternal and pediatric issues. All committees have representation by "key affected groups" including practitioners, insurers, advocacy organizations, consumers, and representatives from other state and local governmental agencies.

The agency states that they have prioritized a number of maternal, neonatal, and pediatric medical conditions and standards of practice, for which guidelines should be developed.

In 1996, the agency endorsed guidelines for the early discharge of mothers and newborns from the hospital and worked with the federal Centers for Disease Control and Prevention on a national consensus protocol for the treatment of Group B Strep infections. Currently, guideline development in the area of pediatric services includes:

- universal newborn hearing screening programs;
- neonatal sepsis;
- herpes simplex infection;
- neonatal and infant nutrition;
- management of chronic otitis media; and
- comprehensive guideline on diabetes (juvenile onset diabetes, gestational, and adult diabetes) which will include self-management training.

The neonatal sepsis guideline and standards for care of diabetes are scheduled to be formally endorsed by the agency in April of this year.

To assist in the task, the agency is working through multi-disciplinary practice guideline advisory committees. In each case, small groups of clinical specialists have been established to create working documents that will serve as a starting point for the larger multi-disciplinary groups as they complete the documents.

The agency states that future topics for pediatric practice guideline development include:

- neonatal jaundice;
- pediatric asthma;
- conscious sedation; and
- the evaluation and management of febrile illness in the child less than 2 years old.

The agency is also responsible for the dissemination of guidelines and maintains a catalogue of endorsed guidelines. In October 1996, the agency's "Catalog of Endorsed

Practice Parameters and Their Sources - 1993 - 1996" was distributed to practitioners throughout the state.

B. EFFECT OF PROPOSED CHANGES:

The bill places lead responsibility on the Children's Medical Services (CMS) Division of the Agency for Health Care Administration (agency) for developing recommendations regarding the health care delivery system for children. CMS, in consultation with the agency, is to develop a plan to update, evaluate, and develop pediatric facility standards and guidelines for practitioners providing health care services to children. CMS is directed to establish a task force on medical services for children.

The task force members are to be appointed by the director of CMS and will serve without compensation; also, they are not entitled to travel expenses or per diem.

The task force is to submit two reports of its recommendations: the first is to address the design of an integrated child health delivery system and a plan and budget for continuous update, evaluation, and development of practice guidelines for pediatric providers and standards for health care facilities and services for children; the second, an inventory of published practice guidelines for pediatric providers and an inventory of published standards for health care facilities and services. The first report is to be submitted by December 15, 1997, and the second by December 15, 1998.

C. APPLICATION OF PRINCIPLES:

1. <u>Less Government:</u>

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

No.

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

Yes. The task force is to develop recommendations on what the system of medical services should look like, training of professionals, staffing, equipment, and structure of services within facilities.

(3) any entitlement to a government service or benefit?

No.

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

Duplicative responsibilities would be shared by the agency and the department.

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

No.

b. Does the bill require or authorize an increase in any fees?

No.

c. Does the bill reduce total taxes, both rates and revenues?

No.

d. Does the bill reduce total fees, both rates and revenues?

No.

e. Does the bill authorize any fee or tax increase by any local government?

No.

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

N/A

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

N/A

4. Individual Freedom:

a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

N/A

b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

N/A

5. Family Empowerment:

a. If the bill purports to provide services to families or children:

(1) Who evaluates the family's needs?

N/A

(2) Who makes the decisions?

N/A

(3) Are private alternatives permitted?

N/A

(4) Are families required to participate in a program?

No.

(5) Are families penalized for not participating in a program?

No.

b. Does the bill directly affect the legal rights and obligations between family members?

No.

c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

The agency and the department would be required to provide staffing for meetings of the task force.

D. SECTION-BY-SECTION RESEARCH:

Section 1. Directs the Division of Children's Medical Services within the Department of Health, in consultation with the Agency for Health Care Administration and providers of health care services to children, to develop recommendations on the delivery of care for this population. Recommendations are to include: (1) a design of an integrated system; (2) a plan with budget that defines how pediatric practice guidelines and facility standards are going to be updated, evaluated, and developed; (3) an inventory of published practice guidelines for pediatric practitioners; and (4) an inventory of published standards for health care facilities and services for children.

CMS must submit a written report by December 15, 1996 that provides recommendations for the above referenced (1) and (2), and a subsequent report by December 15, 1997 which discusses (3) and (4) to the Speaker of the House, President of the Senate, and any appropriate committee chairs.

Section 2. Requires the director of Children's Medical Services to appoint a Medical Services for Children Advisory Council. The council would have representation from pediatric providers, other care providers, and representatives from an educational support organization to provide technical assistance. Council appointees will be ineligible for travel expense reimbursement.

Section 3. The effective date of the bill is upon becoming law.

III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

   None.

2. Recurring Effects:

   None.

3. Long Run Effects Other Than Normal Growth:

   None.

4. Total Revenues and Expenditures:

   None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

   None.

2. Recurring Effects:

   None.

3. Long Run Effects Other Than Normal Growth:

   None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

   None.

2. Direct Private Sector Benefits:

   None.

3. Effects on Competition, Private Enterprise and Employment Markets:

   None.

D. FISCAL COMMENTS:

None.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

The bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

The bill does not reduce the authority that municipalities or counties have to raise revenues.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

The bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

Florida Pediatric Society/Fl Chapter indicates that they support the bill.

The agency has indicated that "the bill appears to duplicate and could conflict with current statutory language in that it directs the Children's Medical Services to develop a plan for pediatric practice guidelines and standards for pediatric facilities in consultation with the agency. This is in opposition to existing language which designates AHCA as the single state agency responsible for the regulation of health care facilities. Additionally, the Health Care and Insurance Reform Act of 1993 (408.02, F.S.) requires the Agency for Health Care Administration to coordinate the development, endorsement, implementation, and evaluation of scientifically sound, clinically relevant practice guidelines."

The agency further indicates "AHA has already established many multi-disciplinary practice guideline advisory committees which include several work groups charged with the task of developing guidelines and standards of care that address specific maternal and pediatric issues. All committees have representative by "key affected groups" including practitioners, insurers, advocacy organizations, consumers and representatives form other state and local government agencies."

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None.

VII. SIGNATURES:

COMMITTEE ON HEALTH CARE STANDARDS & REGULATORY REFORM:

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