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## HOUSE OF REPRESENTATIVES AS REVISED BY THE COMMITTEE ON **HEALTH AND HUMAN SERVICES APPROPRIATIONS ANALYSIS**

BILL #: HB 1971 (Formerly PCB LT 99-01c (as amended))

**RELATING TO: Nursing Home Facilities** 

SPONSOR(S): Committee on Elder Affairs & Long Term Care, Rep. Argenziano & others

**COMPANION BILL(S):** 

## ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

Elder Affairs & Long Term Care YEAS 10 NAYS 0 (2)

HEALTH AND HUMAN SERVICES APPROPRIATIONS

(3) (4)

(5)

### I. SUMMARY:

The Office of the Long Term Care Ombudsman is directed to establish a statewide toll free number in that office to receive calls reporting concerns about nursing facilities. To protect residents from unfair or inappropriate discharge, the Ombudsman's office is directed to review every notice of discharge within 7 days for nursing home residents who request help. The PCB makes it a crime to alert a nursing home about an unannounced inspection. It increases the maximum fines for class 1,2,and 3 violations to \$25,000, \$10,000, and \$2,500, respectively.

HB 1971 revises sections of chapter 400, Part II, F.S., related to nursing home facilities. It directs the Agency for Health Care Administration (AHCA) to develop and contract for consumer satisfaction surveys and to develop and publish, electronically and on paper, a wide array of information about licensed and certified facilities that would assist consumers in evaluating and choosing a nursing facility.

The agency's authority to require additional staffing or to specify qualifications for certain staff, and to revoke a facility license is strengthened. The bill requires the agency to provide a quality of care monitoring program in all districts. It provides for repackaging of pharmaceuticals to reduce costs for residents with certain pension benefits. It repeals the Nursing Home Advisory committee and removes the nursing home rating categories. It creates the "Gold Seal Program" to recognize excellence in long-term care facilities and creates a Panel to manage the Gold Seal Program in the Executive Office of the Governor.

The bill authorizes the agency to adjust targets in the patient care component of the per diem rate to allow an additional \$41,697,600 appropriated in the bill to be used to reimburse nursing homes for hiring direct care staff. It creates a panel to study specific aspects of Medicaid reimbursement of nursing facilities and to evaluate ways to use reimbursement policies to improve the quality of patient care, including the recruitment and retention of mature persons as certified nursing assistants. The Department of Elder Affairs is directed to study and recommend to the legislature ways to improve the training, availability, and retention of qualified certified nursing assistants in the nursing home industry.

The agency is required to set up a direct access data base for screening of persons disqualified from employment in nursing homes and other programs because of a confirmed abuse report. The bill provides for a pilot teaching nursing home program for training health care professionals in geriatric care.

HB 1971 has a substantial fiscal impact for the improvement of the quality of care in nursing homes.

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## II. SUBSTANTIVE ANALYSIS:

#### A. PRESENT SITUATION:

The quality of care provided to persons who live in nursing home facilities has been a concern both at the state and national level for at least two decades. Numerous reports of studies, task forces, hearings, and other efforts have been written to explicate the factors that contribute to quality care, to creating a regulatory and reimbursement framework that enhances the likelihood of good care, and to finding sanctions that positively affect the performance of facilities that deliver poor care.

Interim Study

During the 1998-99 Legislative interim, the Committee on Elder Affairs & Long Term Care participated in a series of workshops to hear presentations from regulators, the nursing home industry, and consumer advocates and to discuss at length quality of care issues. The following recommendations were distilled from these workshops for Legislative consideration:

- Improve the amount, access to and quality of consumer information about nursing facilities;
- ii. Rate the quality of nursing facilities in a way which is useful to the public and tied to their performance over time;
- iii. Recognize and reward facilities with a history of exemplary performance;
- iv. Consider the required staffing levels and their adequacy;
- v. Improve the quality of care provided by direct care staff by developing better ways to train, recruit, compensate, and retain direct care staff;
- vi. Use reimbursement policy as a tool to promote and reward high quality care;
- vii. Establish quality assurance processes that are on-going and collaborative;
- viii. Establish and use "Practice Guidelines" for critical areas of nursing home care;
- ix. Provide enhanced regulatory enforcement;
- x. Encourage the use of volunteers and community participation.

#### Licensure, Certification, Deficiencies

All nursing homes operating in the state must be licensed by the state. Nursing home facilities may elect to participate in the Medicaid or Medicare programs. Facilities must be "certified" in addition to being licensed to participate in Medicaid or Medicare.

As required under federal regulations, AHCA inspects facilities approximately every nine to fifteen months by making unannounced survey visits. AHCA inspectors review the physical environment of the facility, the medical records of some patients, and interview patients and family members. Deficiencies in the standards being maintained in a nursing home are rated as Classes I, II, or III.

Class I deficiencies are those which the agency determines present an imminent danger to the residents or guests of the nursing home facility or a substantial probability that death or serious physical harm would result therefrom. The statute provides that the condition or practice constituting a class I violation must be abated or eliminated immediately, unless AHCA determines that some period of time is required to make the correction. A class I deficiency is subject to a civil penalty in an amount not less than \$5,000 and not exceeding \$10,000 for each and every deficiency. A fine may be levied notwithstanding the correction of the deficiency.

Class II deficiencies are those which the agency determines have a direct or immediate relationship to the health, safety, or security of the nursing home facility residents, other than class I deficiencies. A class II deficiency is subject to a civil penalty in an amount not less than \$1,000

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and not exceeding \$5,000 for each and every deficiency. If a class II deficiency is corrected within the time specified, no civil penalty shall be imposed, unless it is a repeated offense.

Class III deficiencies are those which the agency determines have an indirect or potential relationship to the health, safety, or security of the nursing home facility residents, other than class I or class II deficiencies. A class III deficiency shall be subject to a civil penalty of not less than \$500 and not exceeding \$1,000 for each and every deficiency. If a class III deficiency is corrected within the time specified, no civil penalty shall be imposed, unless it is a repeated offense.

According to data prepared by AHCA, the most common deficiencies cited are related to: food preparation; resident's comprehensive care plan; resident dignity; and, comprehensive assessments.

#### Staffing Standards

The requirements for nursing facility staffing are prescribed in the Florida Administrative Code (59A-4.108). Each facility must provide 1.7 certified nursing assistant (CNA) hours per resident per day and .6 licensed nursing hours per resident per day. There are no requirements for staffing according to shifts. The industry reports approximately 100% turnover among CNAs every year. The State Long Term Care Ombudsman reports that the most frequent complaint received by that office is the lack of adequate numbers of staff to appropriately care for nursing home residents.

#### B. EFFECT OF PROPOSED CHANGES:

The Ombudsman's office will have a statewide toll free phone number to make it easier for people to call in their concerns, complaints and questions about nursing home facilities. The local Ombudsman's office is required, on request by a resident, to review within seven days a facility's plan for transfer or discharge of the resident. The PCB makes it a crime to alert a nursing home about an unannounced inspection. It increases the maximum fines for class 1, 2, and 3 violations to \$25,000, \$10,000, and \$2,500, respectively.

The agency is authorized to adjust the targets in the patient care component of the per diem rate to allow for reimbursement of a nursing home facility for enhancing direct care staffing. The adjustment limits are linked to an increase of \$41,697,600 appropriated in the bill unless otherwise included in the General Appropriations Act to be effective on July 1, 1999.

All nursing home facilities will be required as a condition of licensure to participate in the consumer satisfaction survey process. The results of those surveys along with a comprehensive set of other information about each nursing home facility will be available electronically on the Internet and published annually in booklet form to assist consumers in evaluating and choosing a facility. A Panel on Medicaid Reimbursement will study ways to use reimbursement policies to reward facilities for the activities associated with high quality patient care. A Gold Seal program will be operated out of the Executive Office of the Governor to recognize outstanding facilities. As a reward, a Gold Seal facility may be surveyed less frequently (pending federal approval), and will be granted preference under the certificate of need program for adding beds to its facility. The current nursing home rating system is eliminated. A quality of care monitoring program is established requiring each AHCA district to provide at least one specially trained registered nurse to make regular, unannounced visits to each and all facilities in the district. The agency will also develop an early warning system to prevent the deterioration of health and safety conditions in problem facilities. The agency is given enhanced authority to require increased facility staffing under certain circumstances. A study by the Department of Elder Affairs in cooperation with AHCA, the Department of Education, the Department of Health, and the Department of Labor and Employment Security will address the training and availability of certified nursing assistants (CNAs) and recommend to the legislature policies to increase the availability and reduce the turnover of qualified CNAs within the nursing home industry.

The agency is required to set up a direct access data base for screening of persons disqualified from employment in nursing homes and other programs because of a confirmed abuse report. The Department of Elder Affairs will set up a pilot teaching nursing home program for training health care professionals in geriatric care.

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A number of consumer protections are provided or enhanced related to inappropriate transfer or discharge from a facility, protection of resident property from loss or theft, and resident use of pharmaceutical benefits covered under certain pension plans.

#### C. APPLICATION OF PRINCIPLES:

- 1. Less Government:
  - a. Does the bill create, increase or reduce, either directly or indirectly:
    - (1) any authority to make rules or adjudicate disputes?

Yes. AHCA is granted specific rule making authority related to (1) specific criteria for appointment of a nursing facility medical director; (2) minimum staffing requirements; (3) staff trained to assist nursing home residents with eating; and, (4) frequency of review for designation as a Gold Seal facility and denial of the privilege for using the designation.

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

Yes. Nursing facilities that participate in Medicaid or Medicare will be required to participate in customer satisfaction surveys as a condition of licensure. AHCA must establish a panel to study Medicaid reimbursement, establish an early warning system for problem facilities and establish a quality of care monitoring program in all districts. The agency must also set up a direct access data base for screening of persons disqualified from employment in nursing homes and other programs because of a confirmed abuse report. The Department of Elder Affairs will take the lead and participate with the Department of Education, Department of Health, and Department of Labor & Employment Security in a study of certified nursing assistant training programs and labor market conditions. The Department of Elder Affairs is also required to set up a pilot project in a teaching nursing home for training of health care professionals and research in geriatric care. The Executive Office of the Governor is given responsibility for the newly created "Panel on Excellence in Long Term Care." The Long Term Care Ombudsman must respond within seven days to a resident's request for review of a discharge or transfer. Nursing facility pharmacists will be required to repackage bulk medications under certain circumstances.

(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?

N/A

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

N/A

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

N/A

## 2. Lower Taxes:

a. Does the bill increase anyone's taxes?

The bill does not raise taxes.

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

No new fees are created and existing fees are not increased.

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?

No.

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

N/A

### 4. <u>Individual Freedom:</u>

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

No.

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

No.

### 5. Family Empowerment:

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

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(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?

N/A

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

N/A

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

N/A

- 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?

N/A

D. STATUTE(S) AFFECTED:

Amends sections 394.4625, 400.022, 400.0255, 400.063, 400.071, 400.121, 400.141, 400.162, 400.19, 400.191, 400.215, 400.23, 400.241, 408.035, 468.1755, 468.1756, F.S., creates sections 400.078, 400.0225, 400.118, 400.235, 430.80, F.S., reenacts sections 468.1695(3), 468.1735, F.S., renumbers section 400.0231 as 400.1415, F.S., and repeals section 400.29, F.S.

#### E. SECTION-BY-SECTION ANALYSIS:

- **Section 1**. The State Long Term Care Ombudsman is directed to establish a toll-free telephone number for receiving complaints about nursing facilities.
- **Section 2.** Section 400.022, Resident's Rights is amended to make technical corrections and to specify the Office of the State Attorney General as one of the state representatives that must be granted immediate access to residents.
- **Section 3.** Section 400.0225, F.S., related to consumer satisfaction surveys is created. The Agency for Health Care Administration (AHCA), or its contractor, is directed to develop an easy-to-

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use consumer satisfaction survey; ensure that all licensed nursing home facilities participate in assessing consumer satisfaction; and establish procedures to ensure that, at least annually, a representative sample of residents of each facility is selected to participate in the survey. The agency is required to report the results of those surveys in the consumer information materials it prepares and distributes. All reports shall protect the identity of individual respondents.

**Section 4.** Section 4 makes a technical change. Section 400.0231 is renumbered as 400.1415, F.S.

**Section 5.** Section 400.0255, F.S., related to transfer and discharge is amended to include definitions of "transfer", "discharge" and to affirm the nursing facility's duty to comply with the requirements specified in the Resident's Rights section when deciding to discharge or transfer a resident.

### Signed Notice

Further, the licensed nursing home administrator or his designee must sign the notice of transfer or discharge unless the facility is citing a medical reason for the transfer or discharge. In those cases, the resident's personal physician or the facility's medical director must sign the notice.

#### Physical Environment Unsafe

Each nursing facility must notify AHCA of any proposed transfer or discharge when changes in the facility's physical plant make the facility unsafe for residents. Then AHCA is directed to visit the facility and evaluate the necessity of the transfer or discharge.

#### Medicaid Beds

The facility cannot assert a lack of Medicaid-certified beds as a valid reason for a decision to transfer or discharge a resident unless AHCA has refused permission for the facility to add an existing vacant bed to the number of Medicaid-certified beds.

A facility that has received payment for a bed and for reasons other than those permitted under this section refuses to readmit a resident within the prescribed timeframe shall refund the bed reservation payment.

#### Transfer/discharge Document

The agency shall develop a standard document to be used by all facilities for notifying residents of a discharge or transfer. The form shall include pertinent information regarding the transfer or discharge and the information required for the resident to contact the district ombudsman and shall clearly describe the resident's appeal rights.

#### Ombudsman Council Review

The district ombudsman council, when requested, shall review the notice of transfer or discharge within 7 days. A district ombudsman must review an emergency discharge or transfer within 24 hours after receipt of the request and shall assist the resident with filing an appeal.

**Section 6.** Section 400.071, Application for license, is amended to require that a nursing facility, as a condition of licensure, must notify AHCA of civil verdicts and judgements relating to medical negligence, resident's rights, and wrongful death for the 10 years preceding application, and after licensure, any new judgments or verdicts within 30 days after filing with the clerk of the court. Further, the facility must agree to participate in a consumer satisfaction measurement process as prescribed by the agency. In reviewing a certificate of need application to add beds to an existing nursing home facility, preference shall be given to a licensee who has been awarded a Gold Seal, if the applicant otherwise meets the review criteria in s. 408.035.

**Section 7.** Section 400.118 is created to require that the agency establish an early warning system to detect conditions in nursing facilities that could be detrimental to the health, safety, and welfare of residents. It requires the agency to establish quality of care monitors in each AHCA district to make regular, unannounced, aperiodic visits to all nursing facilities in the district and spells out in detail the responsibilities and limitations of these positions. It requires reporting of conditions observed during a monitoring visit which threaten the health or safety of residents and provides for exclusion from discovery or introduction into evidence for legal or administrative action the written or oral records of the monitoring visit, except as related to reports of health or

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safety threats. It further requires the agency to establish rapid response teams to visit facilities identified through the early warning system.

**Section 8.** Section 400.121 is amended to authorize the agency to require enhanced staffing in a facility under administrative action because of care-related deficiencies attributable to staffing. It allows the nursing facility to request an interim rate increase and requires the agency to process the request within 10 days.

**Section 9.** Section 400.141 is amended to require that a nursing facility appoint a medical director licensed under either chapter 458 or 459. It requires a facility to provide for resident use of a community pharmacy as specified in the resident's rights section, allows for a pharmacist to repackage bulk medications for residents with certain pension benefits, and provides protection from liability of the nursing facility and the pharmacist who repackages the medications, provided that the pharmacist follows the information on the original bulk prescription label. It further requires that all facilities display prominently a poster provided by the agency which list the names, phone numbers and help to be expected from several state operated help lines. It also allows Gold Seal facilities to operate CNA training programs if approved by the agency.

**Section 10**. Section 400.162 is amended to require nursing facilities to develop policies to minimize the risk of theft or loss of residents personal property and provide a copy of the policy to all employees and to all residents at admission and post the policy in accessible places. The policy must include provisions related to reporting of loss or theft to law enforcement and any facility waiver of liability. At a resident's request the nursing facility shall mark the resident's property with identification without defacing it.

**Section 11.** Section 400.19 is amended to require the agency to complete investigations and report to the complainant within 60 days.

**Section 12.** Section 400.191 is amended to require the agency to post on the Internet an extensive array of information about each nursing facility in the state to assist consumers in evaluating and selecting a facility. A hard copy report of a less extensive array of facility specific information is to be published annually.

**Section 13.** Section 400.215 is amended to require the agency to establish a direct access database for electronic screening of persons who are disqualified from working in a nursing facility or other programs because of a confirmed report of abuse. Nursing facilities are also allowed to hire persons on a probationary status for up to 30 days, pending the results of an abuse registry screening. This section is effective upon becoming law.

**Section 14.** Section 400.23 is amended to require the agency to adopt rules related to minimum staffing standards in nursing facilities including nights, evenings and weekends. The rules must address compliance documentation, penalties for noncompliance, and the daily posting in the facility of the names of staff on duty. Provision is made for substituting licensed nurses for CNAs in certain circumstances and for the use of trained staff other than nursing staff to assist certain residents with eating. The nursing home rating system is repealed, as is the Nursing Home Advisory Committee. In lieu of the rating system, the agency shall through its survey process designate each facility as either standard or conditional. Agency authority is granted for imposing higher fines on facilities for violations. Fining authority is increased from \$10,000 to \$25,000 for class I violations, from \$5,000 to \$10,000 for class II violations and from \$1,000 to \$2,500 for class III violations.

**Section 15.** Section 400.235 is created to establish in the Executive Office of the Governor a Gold Seal program to be developed and implemented by the Governor's Panel on Excellence in Long Term Care. The Gold Seal program is an award and recognition program for nursing facilities that demonstrate excellence over a sustained period. A lengthy array of criteria and standards are established against which facilities will be evaluated. The thirteen member Panel will be made up of consumers and consumer advocates, state agency appointees including the Medicaid director, representatives of the nursing home industry, the University Consortium on Aging, and persons with special expertise in the fields of quality management, service delivery excellence and public sector accountability. Panel members are restricted from having an ownership interest in a nursing facility and Panel members employed by a nursing facility are

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restricted from participating in the review of or vote on their own employing facility. It requires the appointment of the Panel by October 1, 1999 and the organizational meeting of the Panel by December 10, 1999. It requires DOEA and AHCA to provide staff support to the Panel.

- **Section 16**. Section 400.241 is amended to make it a misdemeanor of the second degree to willfully interfere with the unannounced inspection of a nursing facility. Alerting a facility of the actual or approximate date of such inspection shall be a per se violation of this subsection.
- **Section 17.** Section 408.035 is amended to give preference to a Gold Seal facility in an application for adding beds at that facility.
- **Section 18.** Section 468.1755 is amended to add, as a grounds for disciplinary action against the license of a nursing home administrator, authorizing the discharge or transfer of a resident for reasons other than those provided in s.400.022 or s. 400.0255.
- **Section 19.** Section 394.4625 is amended to correct a cross reference.
- **Section 20.** Section 400.063 is amended to correct a cross reference.
- **Section 21.** Section 430.80 is created to direct establishment of a teaching nursing home pilot project by the agency. The teaching nursing home designated by the agency shall provide a comprehensive multidisciplinary program of geriatric education and research. Criteria for designating a teaching nursing home are established. An annual appropriation by the legislature is permissive.
- **Section 22.** Technical amendment to incorporate amendment to s. 468.1755 into s. 468.1695 and s. 468.1735.
- **Section 23.** Amends section 468.1756 to correct a cross reference.
- **Section 24.** This section creates a panel on Medicaid reimbursement to study the state's Medicaid reimbursement plan for nursing home facilities and recommend to the legislature changes to increase the rate of nursing home employee retention, create incentives for renovation versus new construction of facilities, and create incentives for facilities to provide more direct care staff and nurses. Members of the panel are specified and the timetable for meeting and for making recommendations is established.
- **Section 25.** This section directs the Department of Elder Affairs in cooperation with consumer advocates, the industry, the agency and the departments of Health, Education, and Labor and Employment Security to conduct a study of CNA training programs and to include a number of additional topics related to the availability of CNAs and the impact of turnover and shortages of CNAs. It requires an assessment of factors likely to improve the availability and retention of CNAs within the nursing facility industry. The Department of Elder Affairs is to provide a report and recommendations to the Speaker of the House and President of the Senate by January 15, 2000.
- **Section 26.** Repeals section 400.29, requiring an annual report.
- **Section 27.** This section provides for AHCA to adjust target limitations in the patient care component of the per diem rate to allow for \$41,697,600 appropriated in the bill to be used to reimburse nursing facilities for the cost of increased staffing.
- **Section 28.** This section appropriates a sum of \$100,000 from the Health Care Trust Fund to the DOEA for fiscal year 1999-2000 to fund the responsibilities of the Office of State Long Term Care Ombudsman and establish a statewide toll-free telephone number.
- **Section 29.** Provides an effective date of July 1, 1999.

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### III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

### A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

#### 1. Non-recurring Effects:

The cost of the CNA study is projected to be approximately \$50,000 based on the costs of other more extensive evaluative research projects contracted by the Department of Elder Affairs. It is possible that this contract may be eligible for Medicaid matching money and that would reduce the general revenue required by 55%.

No provision in the bill addresses travel and related expenses for the Governor's Panel on Excellence in Long Term Care, or the Medicaid Reimbursement workgroup. Therefore, no fiscal impact is projected for those projects.

# 2. Recurring Effects:

The Long Term Care Ombudsman Council estimates recurring costs of \$100,000. The bill provides an appropriation of \$100,000 for these costs.

The Agency for Health Care Administration estimates that implementing the Nurse Consultants in each district will require 13 FTEs at an annualized cost of \$925,000 for salaries and an additional approximately \$261,000 for expenses using the standard costs. Pursuant to Volume 42, Code of Federal Regulation, section 432.50, federal financial participation is available at the rate of 75% for skilled medical personnel and directly supporting staff of the Medicaid agency. The bill appropriates \$41,697,600 and authorizes the agency to revise the patient care targets in the Medicaid Nursing Home Reimbursement Plan to allow nursing facilities to be reimbursed for increased staffing, effective July 1, 1999. Making this provision effective on January 1, 2000 instead of July 1999 would reduce the cost to approximately \$18,000,000. This estimate is based on calculations that assume that all of the nearly 700 nursing homes in the state would participate effective July 1, 1999. That assumption makes these estimates quite conservative. Agency staff anticipate that the actual expenditures would be significantly less.

Item	General Revenue	Medicaid Match	Total
Long Term Care Ombudsman	\$100,000		\$100,000
RN Consultants expenses	\$130,848	\$130,848	\$261,696
RN Consultants salaries	\$231,250	\$693,750	\$925,000
CNA Study	\$25,000	\$25,000*	\$50,000
Revised patient care targets (increase staffing)	\$17,416,000 <i>43.54%</i>	\$22,584,000 55.46%	\$40,000,000
TOTAL	\$17,903,098	\$23,433,598	\$ 41,336,696

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3. Long Run Effects Other Than Normal Growth:

N/A

4. Total Revenues and Expenditures:

N/A

- B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:
  - 1. Non-recurring Effects:

N/A

2. Recurring Effects:

N/A

3. Long Run Effects Other Than Normal Growth:

N/A

- C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:
  - 1. <u>Direct Private Sector Costs</u>:

N/A

2. Direct Private Sector Benefits:

N/A

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

Nursing facilities with a high proportion of Medicaid reimbursed bed days will be more competitive because of reimbursement for hiring more direct care staff.

D. FISCAL COMMENTS:

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

A. APPLICABILITY OF THE MANDATES PROVISION:

Not applicable.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

Not applicable.

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

Not applicable.

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V.	<u>COMMENTS</u> :	
VI.	AMENDMENTS OR COMMITTEE SUBSTITUTE C	HANGES:
VII.	SIGNATURES:	
	COMMITTEE ON Elder Affairs & Long Term Care: Prepared by:	Staff Director:
	Melanie Meyer	Tom Batchelor, Ph.D.
	AS REVISED BY THE COMMITTEE ON HEALTH A Prepared by:	AND HUMAN SERVICES APPROPRIATIONS: Staff Director:
	Lynn Dixon	Lynn Dixon