

**STORAGE NAME:** h0735z.hcl

**DATE:** June 18, 1999

**\*\*FINAL ACTION\*\***

**\*\*SEE FINAL ACTION STATUS SECTION\*\***

**HOUSE OF REPRESENTATIVES  
COMMITTEE ON  
HEALTH CARE LICENSING & REGULATION  
FINAL ANALYSIS**

**BILL #:** HB 735

**RELATING TO:** Health Facilities Authorities Law/Accounts Receivable

**SPONSOR(S):** Representative Farkas and others

**COMPANION BILL(S):** SB 1108(I)

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

- (1) HEALTH CARE LICENSING & REGULATION YEAS 11 NAYS 0
- (2) FINANCE & TAXATION (W/D)
- (3) SENATE HEALTH, AGING, & LONG-TERM CARE (W/D)
- (4)
- (5)

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I. FINAL ACTION STATUS:

HB 735 was substituted by the Senate for SB 1108 and passed. It was signed by the Governor on June 18, 1999, and codified as chapter 99-387, Laws of Florida.

II. SUMMARY:

HB 735 revises the provisions related to the power of a health facility authority created under ch.154, Part III, Florida Statutes, to acquire accounts receivable from other health care facilities.

It provides that such accounts receivable program may include the financing of accounts receivable acquired by a health facility from other not-for-profit health care corporations whether or not controlled by or affiliated with such health care facility and whether or not located within or without the geographical limits of the state.

According to the Agency for Health Care Administration, this bill will not have a fiscal impact on the state, local government or the private sector in general.

III. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

Chapter 154, Part III, Florida Statutes, regulates health facilities authorities. It states that it is the purpose of this part to provide a measure of assistance and an alternate method to enable health facilities in each county and municipality of this state to provide the facilities and structures determined to be needed to provide adequate medical care and health facilities.

Section 154.205, Florida Statutes, provides the definitions for this part. "Health facility" means any private corporation organized not for profit and authorized by law to provide hospital or nursing home care services in accordance with ch. 395 or ch. 400, or life care services in accordance with ch. 651, and includes facilities licensed under chs. 393 and 394. A health facility authority is created under the provisions of s.154.207, Florida Statutes.

Section 154.209, Florida Statutes, provides the powers and duties of an authority created pursuant to s. 154.207, which includes the power to issue bonds for the purpose of providing funds to pay any and all part of the cost of a project. Section 154.209(18) provides authority to participate in and issue bonds for the purpose of establishing and maintaining an accounts receivable program on behalf of a health facility or group of facilities. It may be structured for the benefit of health facilities within or outside the geographical limits of the local authority.

Under present law, an accounts receivable program may include the financing of accounts receivable acquired by a health facility from other health facilities created and located within or without the state.

B. EFFECT OF PROPOSED CHANGES:

Revises the provisions related to the power of a health facility authority created under ch.154, to acquire accounts receivable from other health care facilities. It provides that such accounts receivable program may include the financing of accounts receivable acquired from not-for-profit health care corporations as well as from other health facilities created under ch. 154.

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?

No.

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

No.

(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

(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?

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:

Section 154.209(18), Florida Statutes.

E. SECTION-BY-SECTION ANALYSIS:

Section 1. Amends s. 154.209(18), Florida Statutes, to provide that a health facility accounts receivable program may include the financing of accounts receivable acquired from not-for-profit health care corporations as well as from other health facilities created under ch. 154.

Section 2. Provides an effective date of upon becoming a law.

IV. FISCAL ANALYSIS & 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:

According to the Agency for Health Care Administration, this bill will no fiscal impact. This bill appears to broaden the scope of the accounts receivable programs authorized under the Health Facilities Authorities Law, ch. 154, Part III, Florida Statutes.

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

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate.

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B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate.

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

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

VI. COMMENTS:

None.

VII. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None.

VIII. SIGNATURES:

COMMITTEE ON HEALTH CARE LICENSING & REGULATION:

Prepared by:

Staff Director:

Robert W. Coggins

Lucretia Shaw Collins

**FINAL ANALYSIS PREPARED BY THE COMMITTEE ON HEALTH CARE LICENSING & REGULATION:**

Prepared by:

Staff Director:

Robert W. Coggins

Lucretia Shaw Collins