

Amendment No. ____ (for drafter's use only)

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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ORIGINAL STAMP BELOW

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11 The Committee on Health Care Services offered the following:

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13 **Amendment (with title amendment)**

14 Remove from the bill: Everything after the enacting clause

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16 and insert in lieu thereof:

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Section 1. Section 395.607, Florida Statutes, is created to read:

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395.607 Statutory Rural Hospital Capital Improvement and Medical Services Technologies Grant Program.--

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(1) LEGISLATIVE FINDINGS AND INTENT.--The Legislature finds and declares that statutory rural hospitals serve a critical role in the delivery of health care services to the elderly, the poor, and those in rural communities and to citizens and visitors traveling through Florida. The Legislature finds that there exists a serious need for trained primary care physicians to serve the needs of the elderly and those residing in rural communities throughout the state. The Legislature finds that most statutory rural hospitals are in serious need of capital improvements and new technologies, such as telemedicine and distance learning, to attract primary

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1 care physicians and to improve the delivery of quality medical
2 care to the poor, elderly, and others in Florida's rural
3 communities. The Legislature finds that Florida's statutory
4 rural hospitals, citizens of rural communities, and citizens
5 traveling through rural areas would gain from improved
6 physician services, medical information, and knowledge as a
7 result of grant programs to statutory rural hospitals for
8 planning, capital improvement, and medical technology
9 advancements.

10 (2) SHORT TITLE.--This section may be cited as the
11 "Florida Statutory Rural Hospital Capital Improvement and
12 Medical Services Technology Act of 1999."

13 (3) CREATION, PURPOSE, AND PROGRAM.--

14 (a) The Statutory Rural Hospital Capital Improvement
15 and Medical Services Technologies Grant Program is hereby
16 created within the department. The purpose of this program is
17 to provide funds for acquisition, repair, renovation,
18 improvement, or construction and upgrades to system,
19 facilities, and equipment for statutory rural hospitals, and
20 the department shall ensure that the funds provided are used
21 solely for such purposes. Under this program, a rural hospital
22 provided funds under this section must reimburse the
23 department for the total amount of any funds used for a
24 purpose not authorized by this section or have such amount
25 deducted from a future distribution, and such reimbursed or
26 deducted funds shall be distributed to other rural hospitals
27 that qualify under this program.

28 (b) The department shall accept and administer moneys
29 appropriated to it for providing grants to statutory rural
30 hospitals, as defined in s. 395.602, which meet the
31 qualifications as set forth in this section.

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1 (c) Each statutory rural hospital may submit an
2 application to the department, on forms prepared by the
3 department, for grant funds appropriated under this section.
4 Such application shall be in the name of the licenseholder of
5 the facility and shall identify the statutory rural hospital
6 for which the funding is sought.

7 (4) ELIGIBILITY.--A rural hospital may apply for a
8 grant available under this section after submission of an
9 application to the department. The application shall provide
10 information that includes:

11 (a) A statement that the applicant is a statutory
12 rural hospital as defined in s. 395.602.

13 (b) A problem statement indicating the problem the
14 rural hospital proposes to solve with the grant funds.

15 (c) The goals of the proposed solution.

16 (d) The organizational structure, financial system,
17 and facilities that are essential to the proposed solution.

18 (e) The projected longevity of the proposed solution
19 after the grant funds are expended.

20 (f) Evidence of collaboration with other Florida
21 community health care providers in achieving the proposed
22 solution.

23 (g) Evidence that funds for the proposed solution are
24 not available from another source or the statutory rural
25 hospital has difficulty in obtaining funding.

26 (h) Evidence that the grant funds would assist in
27 returning the hospital to an economically stable condition or
28 that any plan for closure or realignment of services involves
29 development of innovative alternatives for the discontinued
30 services.

31 (i) Evidence of a satisfactory recordkeeping system to

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1 account for grant fund expenditures within the rural county.

2 (j) A community health survival plan describing how
3 the plan was developed, the goals of the plan, the links with
4 existing health care providers under the plan, and the
5 implementation process, including quantification of indicators
6 of the hospital's financial well-being, measurable outcome
7 targets, and the current condition of such hospital.

8 (k) The age of the existing facility or structures.

9 (l) Whether the statutory rural hospital is the sole
10 provider in the county.

11 (m) The distance of the statutory rural hospital from
12 a larger tertiary care hospital or nonstatutory rural
13 hospital.

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15 The criteria in paragraphs (a)-(m) shall be used in evaluating
16 the grant applicant's request for funding. None of the
17 individual grant criteria shall be solely determinative of
18 whether or not a grant is awarded. The grants under this
19 subsection shall be limited to \$500,000 maximum per rural
20 hospital per year.

21 (5) MEDICAL SERVICES TECHNOLOGY MATCHING GRANT
22 PROGRAM.--Notwithstanding subsection (4), each statutory rural
23 hospital may submit a separate application seeking matching
24 additional grant moneys for planning and acquisition of
25 medical services technology. The term "medical services
26 technology" means systems, technologies, equipment, computer
27 programs, diagnostic or treatment equipment, or other
28 medically acceptable device or mechanism which improves or
29 enhances existing health care delivery, treatment, or
30 diagnosis or introduces a new diagnostic or treatment
31 capability to a rural community. The department shall award

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1 annually up to five matching grants, of no more than \$100,000
2 each, to statutory rural hospitals. Each grant awarded under
3 this program must be contingent upon the statutory rural
4 hospital obtaining a matching contribution from a governmental
5 unit, county government, special district, municipality, or
6 philanthropic nonprofit organization. The matching nonstate
7 dollars shall be matched on a one-for-one basis, up to the
8 maximum grant allowed in accordance with this subsection.

9 (6) RULES.--The department is granted authority to
10 adopt rules pursuant to ss. 120.536(1) and 120.54, for the
11 specific purposes of developing grant application forms,
12 timely award selection based on the sum total of the specific
13 criteria set forth in this section, and procedures for
14 distribution of the grants, and to adopt rules for grants
15 annually awarded to the statutory rural hospitals and for
16 monitoring and evaluating these programs.

17 Section 2. Section 395.608, Florida Statutes, is
18 created to read:

19 395.608 The Florida State University Statutory Rural
20 Hospital Medical Services and Technology Development
21 Program.--

22 (1) LEGISLATIVE FINDINGS AND INTENT.--The Legislature
23 finds and declares that rural areas of this state are
24 medically underserved due to a declining number of primary
25 care physicians willing to serve in rural communities. The
26 Legislature finds that a serious shortage of primary care
27 physicians in rural areas is due in large part to a lack of
28 emphasis on medical education directed at encouraging medical
29 students to practice primary care in rural and smaller
30 communities of this state. The Legislature further finds that
31 statutory rural hospitals have suffered from a lack of

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1 statewide coordination of information, technology, and medical
2 knowledge. The Legislature intends to provide, promote, and
3 encourage programs which improve the delivery of health care
4 in rural communities through cooperative arrangements between
5 statutory rural hospitals and the Florida State University.
6 Such cooperative arrangements shall utilize grant programs and
7 other efforts to provide statutory rural hospitals with
8 improved systems of health care delivery. The Legislature
9 finds that statutory rural hospitals, citizens of rural
10 communities, and citizens traveling throughout the state would
11 gain from improved physician services, medical information,
12 and knowledge as a result of programs and research initiated
13 or administered through a partnership with the Florida State
14 University to enhance health care delivery systems.

15 (2) CREATION.--There is hereby created the Florida
16 State University Statutory Rural Hospital Medical Services and
17 Technology Development Program, with the goal of improving the
18 delivery of primary care through innovative technology,
19 improved medical services, strategic planning, recruitment of
20 allied health professionals and physicians, and to assist
21 rural hospitals in the reduction of duplicative costs.

22 (3) ADMINISTRATION.--This program shall be developed,
23 implemented, and administered by the President of the Florida
24 State University, or his or her designee, and representatives
25 of statutory rural hospitals as defined in s. 395.602.

26 (4) ADVISORY AND GRANT REVIEW BOARD.--An advisory and
27 grant review board shall be appointed for the purpose of
28 advising the Florida State University on the implementation of
29 this program, up to and including making recommendations on
30 partnerships and other opportunities to advance rural health
31 care in Florida. The board shall establish criteria and

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1 annually award grants as provided for under this section. The
2 board shall make an annual report to the President of the
3 Florida State University, the Governor, the Speaker of the
4 House of Representatives, and the President of the Senate on
5 the status of rural health care in this state. The board shall
6 consist of nine members. One member shall be appointed by the
7 Speaker of the House of Representatives; one member shall be
8 appointed by the Governor; one member shall be appointed by
9 the President of the Senate. The President of the Florida
10 State University shall appoint five members, three of which
11 shall be selected from a list of individuals submitted by the
12 Florida Hospital Association. It shall not be a conflict of
13 interest for a representative of a statutory rural hospital to
14 serve on the board or otherwise participate in this program.
15 The Secretary of Health or his or her designee shall also
16 serve on the board.

17 (5) PURPOSE.--The purpose of the program is to study,
18 develop, recommend, improve, and encourage improvements in the
19 advancement of technologies and delivery of primary care
20 medicine in rural communities in partnership with statutory
21 rural hospitals as defined in s. 395.602. The program shall
22 promote training of primary care physicians and an increased
23 primary care physician workforce in rural hospitals and in
24 rural health clinics that are affiliated with statutory rural
25 hospitals, and introduction of new medical procedures and
26 advances in medical technologies. The Florida State University
27 shall research and promote the introduction of new
28 technologies and medical procedures and develop and promote
29 partnerships and networks with the university, regional acute
30 care hospitals, and statutory rural hospitals.

31 (6) ESSENTIAL ELEMENTS.--

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1 (a) The program shall be directed to geographic areas
2 of the state where statutory rural hospitals are located and
3 where there is a demonstrated need for health manpower,
4 technology, and improvement in the health status of the
5 residents of that region.

6 (b) The program shall develop linkages between and
7 among the Florida State University, statutory rural hospitals,
8 rural health networks, and other healthcare providers, to
9 promote the delivery of health care in rural and underserved
10 regions of the state.

11 (c) The program shall develop linkages and cooperative
12 agreements with statutory rural hospitals to promote the
13 acquisition and introduction of new medical technologies in
14 statutory rural hospitals.

15 (d) The program shall provide statutory rural
16 hospitals with research, data, technical advice, and
17 information to assist each facility in strategic planning
18 aimed at improvement in the delivery of primary and rural
19 health care in each community.

20 (7) IMPLEMENTATION.--The program shall:

21 (a) Fund, evaluate, and monitor a pilot project
22 developed by the Florida State University, which creates
23 informational and technological networks and linkages between
24 the university and four or more statutory rural hospitals.
25 This pilot program shall emphasize two or more of the
26 following areas:

27 1. A program for improving the transfer of medical
28 information and research between the university and statutory
29 rural hospitals.

30 2. Providing technical assistance and funding to
31 establish telecommunication, telemedicine, and other

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1 technology linkages with regional acute care hospitals for the
2 purpose of sharing diagnostic and treatment information with
3 primary care physicians in statutory rural hospitals.

4 3. Developing and assisting primary care physicians in
5 rural areas with continuing medical education programs and
6 distance learning curriculum.

7 4. Promoting programs which encourage the recruitment
8 of primary care physicians in statutory rural hospitals.

9 5. Developing and implementing a process for
10 evaluating programs initiated under this section.

11 6. Developing programs which assist in the provision
12 of women's, children's and seniors' health.

13 (b) Establish a grant program whereby statutory rural
14 hospitals which treat a significant number of indigent
15 patients or provide uncompensated care may enter into
16 cooperative pilot programs which are community-based and
17 developed jointly with the Florida State University and each
18 participating statutory rural hospital. Such grants shall be
19 available to:

20 1. Facilities suffering from serious liquidity or
21 cash-flow problems or serious net income problems or serious
22 debt burdens;

23 2. Facilities which develop proposals for innovative
24 health care delivery in rural areas, which include, but are
25 not limited to, one or more of the following areas: elder
26 care, women's health, migrant workers' health, and children's
27 wellness; or

28 3. Facilities which submit proposals for enhanced
29 delivery of medical information between the statutory rural
30 hospital and larger tertiary care hospitals licensed under
31 this chapter.

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1 Section 3. Subsection (42) of section 408.07, Florida
2 Statutes, 1998 Supplement, is amended to read.

3 408.07 Definitions.--As used in this chapter, with the
4 exception of ss. 408.031-408.045, the term:

5 (42) "Rural hospital" means an acute care hospital
6 licensed under chapter 395, having 100 or fewer licensed beds
7 and an emergency room, located in an area defined as rural by
8 the United States Census, and which is:

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

12 (b) An acute care hospital, in a county with a
13 population density of no greater than 100 persons per square
14 mile, which is at least 30 minutes of travel time, on normally
15 traveled roads under normal traffic conditions, from another
16 acute care hospital within the same county; ~~or~~

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

20 (d) A hospital in a constitutional charter county with
21 a population of over 1 million persons that has imposed a
22 local option health service tax pursuant to law and in an area
23 that was directly impacted by a catastrophic event on August
24 24, 1992, for which the Governor of Florida declared a state
25 of emergency pursuant to chapter 125, and has 120 beds or less
26 that serves an agricultural community with an emergency room
27 utilization of no less than 20,000 visits and a Medicaid
28 in-patient utilization rate greater than 15 percent.

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30 Population densities used in this subsection must be based
31 upon the most recently completed United States census.

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1 Section 4. This act shall take effect July 1, 1999.

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4 ===== T I T L E A M E N D M E N T =====

5 And the title is amended as follows:

6 remove from the title of the bill: the entire title

7

8 and insert in lieu thereof:

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A bill to be entitled

10 An act relating to statutory rural hospitals;
 11 creating s. 395.607, F.S.; creating the
 12 Statutory Rural Hospital Capital Improvement
 13 and Medical Services Technologies Grant Program
 14 within the Department of Health; providing
 15 purpose; providing for reimbursement or
 16 deductions, and subsequent redistribution, of
 17 amounts used for unauthorized purposes;
 18 providing grant eligibility under the program;
 19 creating the Medical Services Technology
 20 Matching Grant Program; providing for annual
 21 grant awards; providing for rules; creating s.
 22 395.608, F.S.; creating the Florida State
 23 University Statutory Rural Hospital Medical
 24 Services and Technology Development Program;
 25 providing for administration by the President
 26 of Florida State University and representatives
 27 of rural hospitals; providing for an advisory
 28 and grant review board; requiring an annual
 29 report; providing program elements; providing
 30 for a pilot program; providing for a grant
 31 program; amending s. 408.07, F.S.; redefining

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the term "rural hospital" for the purpose of
state law governing health care administration
to include certain hospitals in charter
counties; providing an effective date.