

Amendment No. \_\_\_\_ (for drafter's use only)

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
1		.	
2		.	
3		.	
4		.	

ORIGINAL STAMP BELOW

1  
2  
3  
4  
5  
6  
7  
8  
9

10

Representative(s) Murman offered the following:

12

**Amendment (with title amendment)**

13

On page 26, between lines 18 and 19, of the bill

14

15

insert:

16

Section 26. Section 381.0403, Florida Statutes, is amended to read:

17

18

381.0403 The Community Hospital Education Act.--

19

(1) SHORT TITLE.--This section shall be known and cited as "The Community Hospital Education Act."

20

21

(2) LEGISLATIVE INTENT.--

22

(a) It is the intent of the Legislature that health care services for the citizens of this state be upgraded and that a program for continuing these services be maintained through a plan for community medical education. The program is intended to provide additional outpatient and inpatient services, a continuing supply of highly trained physicians, and graduate medical education.

23

24

25

26

27

28

29

(b) The Legislature further acknowledges the critical need for increased numbers of primary care ~~family~~ physicians

30

31

Amendment No. \_\_\_\_ (for drafter's use only)

1 to provide the necessary current and projected health and  
2 medical services. In order to meet both present and  
3 anticipated needs, the Legislature supports an expansion in  
4 the number of family practice residency positions. The  
5 Legislature intends that the funding for graduate education in  
6 family practice be maintained and that funding for all primary  
7 care specialties be provided at a minimum of \$10,000 per  
8 resident per year. Should funding for this act remain  
9 constant or be reduced, it is intended that all programs  
10 funded by this act be maintained or reduced proportionately.

11 (3) PROGRAM FOR COMMUNITY HOSPITAL EDUCATION; STATE  
12 AND LOCAL PLANNING.--

13 (a) There is established under the Board of Regents a  
14 program for statewide graduate medical education. It is  
15 intended that continuing graduate medical education programs  
16 for interns and residents be established on a statewide basis.  
17 The program shall provide financial support for primary care  
18 specialty interns and residents based on policies recommended  
19 and approved by the Community Hospital Education Council,  
20 herein established, and the Board of Regents. Only those  
21 programs with at least three residents or interns in each year  
22 of the training program are qualified to apply for financial  
23 support. Programs with fewer than three residents or interns  
24 per training year are qualified to apply for financial  
25 support, but only if the appropriate accrediting entity for  
26 the particular specialty has approved the program for fewer  
27 positions. Programs added after fiscal year 1997-1998 shall  
28 have 5 years to attain the requisite number of residents or  
29 interns. When feasible and to the extent allowed through the  
30 General Appropriations Act, state funds shall be used to  
31 generate federal matching funds under Medicaid, or other

Amendment No. \_\_\_\_ (for drafter's use only)

1 federal programs, and the resulting combined state and federal  
2 funds shall be allocated to participating hospitals for the  
3 support of graduate medical education, for administrative  
4 costs associated with the production of the annual report as  
5 specified in subsection (9), and for administration of the  
6 council.

7 (b) For the purposes of this section, primary care  
8 specialties include emergency medicine, family practice,  
9 internal medicine, pediatrics, psychiatry,  
10 obstetrics/gynecology, and combined pediatrics and internal  
11 medicine, and other primary care specialties as may be  
12 included by the council and Board of Regents.

13 (c)(b) Medical institutions throughout the state may  
14 apply to the Community Hospital Education Council for  
15 grants-in-aid for financial support of their approved  
16 programs. Recommendations for funding of approved programs  
17 shall be forwarded to the Board of Regents.

18 (d)(c) The program shall provide a plan for community  
19 clinical teaching and training with the cooperation of the  
20 medical profession, hospitals, and clinics. The plan shall  
21 also include formal teaching opportunities for intern and  
22 resident training. In addition, the plan shall establish an  
23 off-campus medical faculty with university faculty review to  
24 be located throughout the state in local communities.

25 (4) PROGRAM FOR GRADUATE MEDICAL EDUCATION  
26 INNOVATIONS.--

27 (a) There is established under the Board of Regents a  
28 program for fostering graduate medical education innovations.  
29 Funds appropriated annually by the Legislature for this  
30 purpose shall be distributed to participating hospitals or  
31 consortia of participating hospitals and Florida medical

Amendment No. \_\_\_\_ (for drafter's use only)

1 schools on a competitive grant or formula basis to achieve  
2 state health care workforce policy objectives, including, but  
3 not limited to:

4 1. Increasing the number of residents in primary care  
5 and other high demand specialties or fellowships;

6 2. Enhancing retention of primary care physicians in  
7 Florida practice;

8 3. Promoting practice in medically underserved areas  
9 of the state;

10 4. Encouraging racial and ethnic diversity within the  
11 state's physician workforce; and

12 5. Encouraging increased production of geriatricians.

13 (b) Participating hospitals or consortia of  
14 participating hospitals and Florida medical schools may apply  
15 to the Community Hospital Education Council for funding under  
16 this innovations program. Innovations program funding shall  
17 provide funding based on policies recommended and approved by  
18 the Community Hospital Education Council and the Board of  
19 Regents.

20 (c) Participating hospitals or consortia of  
21 participating hospitals and Florida medical schools awarded an  
22 innovations grant shall provide the Community Hospital  
23 Education Council and Board of Regents with an annual report  
24 on their project.

25 (5)(4) FAMILY PRACTICE RESIDENCIES.--In addition to  
26 the programs established in subsection (3), the Community  
27 Hospital Education Council and the Board of Regents shall  
28 establish an ongoing statewide program of family practice  
29 residencies. The administration of this program shall be in  
30 the manner described in this section.

31 (6)(5) COUNCIL AND DIRECTOR.--

Amendment No. \_\_\_\_ (for drafter's use only)

1           (a) There is established the Community Hospital  
2 Education Council, hereinafter referred to as the council,  
3 which shall consist of eleven members, as follows:  
4           1. Seven members must be program directors of  
5 accredited graduate medical education programs or practicing  
6 physicians who have faculty appointments in accredited  
7 graduate medical education programs. Six of these members  
8 must be board certified or board eligible in family practice,  
9 internal medicine, pediatrics, emergency medicine,  
10 obstetrics-gynecology, and psychiatry, respectively, and  
11 licensed pursuant to chapter 458. No more than one of these  
12 members may be appointed from any one specialty. One member  
13 must be licensed pursuant to chapter 459.  
14           2. One member must be a representative of the  
15 administration of a hospital with an approved community  
16 hospital medical education program;  
17           3. One member must be the dean of a medical school in  
18 this state; and  
19           4. Two members must be consumer representatives.  
20  
21 All of the members shall be appointed by the Governor for  
22 terms of 4 years each.  
23           (b) Council membership shall cease when a member's  
24 representative status no longer exists. Members of similar  
25 representative status shall be appointed to replace retiring  
26 or resigning members of the council.  
27           (c) The Chancellor of the State University System  
28 shall designate an administrator to serve as staff director.  
29 The council shall elect a chair from among its membership.  
30 Such other personnel as may be necessary to carry out the  
31 program shall be employed as authorized by the Board of

Amendment No. \_\_\_\_ (for drafter's use only)

1 Regents.

2 ~~(7)~~(6) BOARD OF REGENTS; STANDARDS.--

3 (a) The Board of Regents, with recommendations from  
4 the council, shall establish standards and policies for the  
5 use and expenditure of graduate medical education funds  
6 appropriated pursuant to subsection~~(8)~~(7)for a program of  
7 community hospital education. The board shall establish  
8 requirements for hospitals to be qualified for participation  
9 in the program which shall include, but not be limited to:

10 1. Submission of an educational plan and a training  
11 schedule.

12 2. A determination by the council to ascertain that  
13 each portion of the program of the hospital provides a high  
14 degree of academic excellence and is accredited by the  
15 Accreditation Council for Graduate Medical Education of the  
16 American Medical Association or is accredited by the American  
17 Osteopathic Association.

18 3. Supervision of the educational program of the  
19 hospital by a physician who is not the hospital administrator.

20 (b) The Board of Regents shall periodically review the  
21 educational program provided by a participating hospital to  
22 assure that the program includes a reasonable amount of both  
23 formal and practical training and that the formal sessions are  
24 presented as scheduled in the plan submitted by each hospital.

25 (c) In years that funds are transferred to the Agency  
26 for Health Care Administration, the Board of Regents shall  
27 certify to the Agency for Health Care Administration on a  
28 quarterly basis the number of primary care specialty residents  
29 and interns at each of the participating hospitals for which  
30 the Community Hospital Education Council and the board  
31 recommends funding.

Amendment No. \_\_\_\_ (for drafter's use only)

1           ~~(8)(7)~~ MATCHING FUNDS.--State funds shall be used to  
2 match funds from any local governmental or hospital source.  
3 The state shall provide up to 50 percent of the funds, and the  
4 community hospital medical education program shall provide the  
5 remainder. However, except for fixed capital outlay, the  
6 provisions of this subsection shall not apply to any program  
7 authorized under the provisions of subsection~~(5)(4)~~for the  
8 first 3 years after such program is in operation.

9           (9) ANNUAL REPORT ON GRADUATE MEDICAL EDUCATION;  
10 COMMITTEE.--The Board of Regents, the Executive Office of the  
11 Governor, the Department of Health, and the Agency for Health  
12 Care Administration shall collaborate to establish a committee  
13 that shall produce an annual report on graduate medical  
14 education. To the maximum extent feasible, the committee shall  
15 have the same membership as the Graduate Medical Education  
16 Study Committee, established by proviso accompanying Specific  
17 Appropriation 191 of the 1999-2000 General Appropriations Act.  
18 The report shall be provided to the Governor, the President of  
19 Senate, and the Speaker of the House of Representatives by  
20 January 15 annually. Committee members shall serve without  
21 compensation. From the funds provided pursuant to s.  
22 381.0403(3), the committee is authorized to expend a maximum  
23 of \$75,000 per year to provide for administrative costs and  
24 contractual services. The report shall address the following:

25           (a) The role of residents and medical faculty in the  
26 provision of health care.

27           (b) The relationship of graduate medical education to  
28 the state's physician workforce.

29           (c) The costs of training medical residents for  
30 hospitals, medical schools, teaching hospitals, including all  
31 hospital-medical affiliations, practice plans at all of the

Amendment No. \_\_\_\_ (for drafter's use only)

1 medical schools, and municipalities.

2 (d) The availability and adequacy of all sources of  
3 revenue to support graduate medical education and recommend  
4 alternative sources of funding for graduate medical education.

5 (e) The use of state and federal appropriated funds  
6 for graduate medical education by hospitals receiving such  
7 funds.

8 Section 27. Subsection (44) of section 408.07, Florida  
9 Statutes, is amended to read:

10 408.07 Definitions.--As used in this chapter, with the  
11 exception of ss. 408.031-408.045, the term:

12 (44) "Teaching hospital" means any Florida hospital  
13 officially ~~formally~~ affiliated with an accredited Florida  
14 medical school which exhibits activity in the area of graduate  
15 medical education as reflected by at least seven different  
16 graduate medical education programs accredited by the  
17 Accreditation Council for Graduate Medical Education or the  
18 Council on Postdoctoral Training of the American Osteopathic  
19 Association ~~resident physician specialties~~ and the presence of  
20 100 or more full-time equivalent resident physicians. The  
21 Director of the Agency for Health Care Administration shall be  
22 responsible for determining which hospitals meet this  
23 definition.

24 Section 28. Subsection (6) of section 409.905, Florida  
25 Statutes, is amended to read:

26 409.905 Mandatory Medicaid services.--The agency may  
27 make payments for the following services, which are required  
28 of the state by Title XIX of the Social Security Act,  
29 furnished by Medicaid providers to recipients who are  
30 determined to be eligible on the dates on which the services  
31 were provided. Any service under this section shall be



Amendment No. \_\_\_\_ (for drafter's use only)

1 provided only when medically necessary and in accordance with  
2 state and federal law. Nothing in this section shall be  
3 construed to prevent or limit the agency from adjusting fees,  
4 reimbursement rates, lengths of stay, number of visits, number  
5 of services, or any other adjustments necessary to comply with  
6 the availability of moneys and any limitations or directions  
7 provided for in the General Appropriations Act or chapter 216.

8 (6) HOSPITAL OUTPATIENT SERVICES.--The agency shall  
9 pay for preventive, diagnostic, therapeutic, or palliative  
10 care and other services provided to a recipient in the  
11 outpatient portion of a hospital licensed under part I of  
12 chapter 395, and provided under the direction of a licensed  
13 physician or licensed dentist, except that payment for such  
14 care and services is limited to \$1,500~~\$1,000~~ per state fiscal  
15 year per recipient, unless an exception has been made by the  
16 agency, and with the exception of a Medicaid recipient under  
17 age 21, in which case the only limitation is medical  
18 necessity.

19 Section 29. Subsection (1) of section 409.908, Florida  
20 Statutes, is amended to read:

21 409.908 Reimbursement of Medicaid providers.--Subject  
22 to specific appropriations, the agency shall reimburse  
23 Medicaid providers, in accordance with state and federal law,  
24 according to methodologies set forth in the rules of the  
25 agency and in policy manuals and handbooks incorporated by  
26 reference therein. These methodologies may include fee  
27 schedules, reimbursement methods based on cost reporting,  
28 negotiated fees, competitive bidding pursuant to s. 287.057,  
29 and other mechanisms the agency considers efficient and  
30 effective for purchasing services or goods on behalf of  
31 recipients. Payment for Medicaid compensable services made on

Amendment No. \_\_\_\_ (for drafter's use only)

1 behalf of Medicaid eligible persons is subject to the  
2 availability of moneys and any limitations or directions  
3 provided for in the General Appropriations Act or chapter 216.  
4 Further, nothing in this section shall be construed to prevent  
5 or limit the agency from adjusting fees, reimbursement rates,  
6 lengths of stay, number of visits, or number of services, or  
7 making any other adjustments necessary to comply with the  
8 availability of moneys and any limitations or directions  
9 provided for in the General Appropriations Act, provided the  
10 adjustment is consistent with legislative intent.

11 (1) Reimbursement to hospitals licensed under part I  
12 of chapter 395 must be made prospectively or on the basis of  
13 negotiation.

14 (a) Reimbursement for inpatient care is limited as  
15 provided for in s. 409.905(5), except for:-

16 1. The raising of rate reimbursement caps, excluding  
17 rural hospitals.

18 2. Recognition of the costs of graduate medical  
19 education.

20 3. Other methodologies recognized in the General  
21 Appropriations Act.

22  
23 During the years funds are transferred from the Board of  
24 Regents, any reimbursement supported by such funds shall be  
25 subject to certification by the Board of Regents that the  
26 hospital has complied with s. 381.0403. The agency is  
27 authorized to receive funds from state entities, including,  
28 but limited to, the Board of Regents, local governments, and  
29 other local political subdivisions, for the purpose of making  
30 special exception payments, including federal matching funds,  
31 through the Medicaid inpatient reimbursement methodologies.

Amendment No. \_\_\_\_ (for drafter's use only)

1 Funds received from state entities or local governments for  
2 this purpose shall be separately accounted for and shall not  
3 be commingled with other state or local funds in any manner.  
4 Notwithstanding this section and s. 409.915, counties are  
5 exempt from contributing toward the cost of the special  
6 exception reimbursement for hospitals serving a  
7 disproportionate share of low-income persons and providing  
8 graduate medical education.

9 (b) Reimbursement for hospital outpatient care is  
10 limited to \$1,500~~\$1,000~~ per state fiscal year per recipient,  
11 except for:

- 12 1. Such care provided to a Medicaid recipient under  
13 age 21, in which case the only limitation is medical  
14 necessity.~~†~~
- 15 2. Renal dialysis services.~~†~~~~and~~
- 16 3. Other exceptions made by the agency.

17  
18 The agency is authorized to receive funds from state entities,  
19 including, but not limited to, the Board of Regents, local  
20 governments, and other local political subdivisions, for the  
21 purpose of making payments, including federal matching funds,  
22 through the Medicaid outpatient reimbursement methodologies.  
23 Funds received from state entities and local governments for  
24 this purpose shall be separately accounted for and shall not  
25 be commingled with other state or local funds in any manner.

26 (c)~~(b)~~ Hospitals that provide services to a  
27 disproportionate share of low-income Medicaid recipients, or  
28 that participate in the regional perinatal intensive care  
29 center program under chapter 383, or that participate in the  
30 statutory teaching hospital disproportionate share program, ~~or~~  
31 ~~that participate in the extraordinary disproportionate share~~

Amendment No. \_\_\_\_ (for drafter's use only)

1 ~~program~~, may receive additional reimbursement. The total  
2 amount of payment for disproportionate share hospitals shall  
3 be fixed by the General Appropriations Act. The computation of  
4 these payments must be made in compliance with all federal  
5 regulations and the methodologies described in ss. 409.911,  
6 409.9112, and 409.9113.

7 (d)~~(e)~~ The agency is authorized to limit inflationary  
8 increases for outpatient hospital services as directed by the  
9 General Appropriations Act.

10 Section 30. The Board of Regents, the Executive Office  
11 of the Governor, the Department of Health, and the Agency for  
12 Health Care Administration shall collaborate to establish a  
13 committee that shall produce an annual report on graduate  
14 medical education. To the maximum extent feasible, the  
15 committee shall have the same membership as the Graduate  
16 Medical Education Study Committee, established by proviso  
17 accompanying Specific Appropriation 191 of the fiscal year  
18 1999-2000 General Appropriations Act. The report shall be  
19 provided to the Governor, the President of the Senate, and the  
20 Speaker of the House of Representatives by January 15 of each  
21 year. Committee members shall serve without compensation. From  
22 the funds provided in s. 381.0403(3), Florida Statutes, the  
23 committee is authorized to expend a maximum of \$75,000 per  
24 year to provide for administrative costs and contractual  
25 services. The report shall address the following topics:

26 (1) The role of residents and medical faculty in the  
27 provision of health care.

28 (2) The relationship of graduate medical education to  
29 the state's physician workforce.

30 (3) The costs of training medical residents for  
31 hospitals, medical schools, teaching hospitals, including all

Amendment No. \_\_\_\_ (for drafter's use only)

1 hospital-medical affiliations, practice plans at all of the  
2 medical schools, and municipalities.

3 (4) The availability and adequacy of all sources of  
4 revenue to support graduate medical education and recommend  
5 alternative sources of funding for graduate medical education.

6 (5) The use of state and federal appropriated funds  
7 for graduate medical education by hospitals receiving such  
8 funds.

9 Section 31. This act shall take effect July 1, 2000.

10

11

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

13 And the title is amended as follows:

14 On page 3, line 27,

15

16 after the semicolon, insert:

17 amending s. 381.0403, F.S.; placing an emphasis  
18 on primary care physicians rather than family  
19 physicians; modifying the provisions relating  
20 to the funding of graduate medical education;  
21 defining primary care specialties; establishing  
22 a program for graduate medical education  
23 innovations; creating a process regarding the  
24 release of funds; requiring an annual report on  
25 graduate medical education; establishing a  
26 committee for report purposes; providing  
27 requirements for the report; amending s.  
28 408.07, F.S.; modifying the definition of  
29 "teaching hospital"; amending s. 409.905, F.S.;  
30 increasing the Medicaid reimbursement  
31 limitation for certain hospital outpatient

Amendment No. \_\_\_\_ (for drafter's use only)

1 services; amending s. 409.908, F.S.; providing  
2 exceptions to Medicaid reimbursement  
3 limitations for certain hospital inpatient  
4 care; authorizing the agency to receive certain  
5 funds for such exceptional reimbursements;  
6 providing an exemption from county contribution  
7 requirements; increasing the Medicaid  
8 reimbursement limitation for certain hospital  
9 outpatient care; authorizing the agency to  
10 receive certain funds for such outpatient care;  
11 removing authority for additional reimbursement  
12 for hospitals participating in the  
13 extraordinary disproportionate share program;  
14 providing an exemption from county contribution  
15 requirements;

16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31