

**STORAGE NAME:** h1567.hr.doc  
**DATE:** April 2, 2001

**HOUSE OF REPRESENTATIVES  
COMMITTEE ON  
HEALTH REGULATION  
ANALYSIS**

**BILL #:** HB 1567  
**RELATING TO:** Medical Practice  
**SPONSOR(S):** Representative(s) Lacasa  
**TIED BILL(S):** None.

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

- (1) HEALTH REGULATION
  - (2) CRIME PREVENTION, CORRECTIONS & SAFETY
  - (3) COUNCIL FOR HEALTHY COMMUNITIES
  - (4)
  - (5)
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**I. SUMMARY:**

HB 1567 restricts licensed practitioners under Chapters 458 and 459, Florida Statutes from employing a physician or physician assistant to deliver health care services in a medical-practice setting or diagnostic facility; exempting state agencies, facilities licensed by the department or the Agency for Health Care Administration, and non-profit entities. For purposes of this bill, a medical-practice setting or diagnostic facility is considered a single structure or group of adjacent structures operating under the same business name in which medical services are provided.

A medical director must accept in writing the legal obligation and responsibility for supervising the delivery of services in a medical-practice setting or diagnostic facility, including:

- maintaining a sign in a conspicuous location in the facility which identifies the medical director, the hours when he or she is on site
- maintaining an active license in this state
- being present on site at least 20 hours each week or such other hours as are required by the board
- reviewing contracts or agreements for patient referrals
- ensuring that all health care providers at the facility have active appropriate certification or licensure for the level of care being provided
- serving as the records holder pursuant to s. 456.057, F.S.
- complying with medical record keeping, office surgery, and adverse-incident reporting requirements
- conducting systematic reviews of the facility's billing of services to ensure that they are not fraudulent
- maintaining on-site documentation of the credentials and licensure status of the facility's health care providers and making these documents available for inspection by regulators
- developing and implementing a systematic patient-safety program to identify and correct unsafe practices in accordance with acceptable risk-management standards.

The bill provides for specific rulemaking authority for the Agency to administer this section.

Any person who violates this section commits a felony of the third degree, punishable as provided in section 775.082, F.S., section 775.083, F.S., or section 775.084, F.S. Any contract that violates this section is void. This section applies to contracts entered into or renewed on or after October 1, 2001.

Provides for effective date of October 1, 2001.

The Agency for Health Care Administration has not provided the requested fiscal information.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

1. Less Government                      Yes     No     N/A

This bill requires additional rules by the Agency for Health Care Administration to be adopted.

2. Lower Taxes                              Yes     No     N/A

3. Individual Freedom                      Yes     No     N/A

4. Personal Responsibility                      Yes     No     N/A

5. Family Empowerment                      Yes     No     N/A

B. PRESENT SITUATION:

See section-by-section analysis of this bill.

C. EFFECT OF PROPOSED CHANGES:

See section-by-section analysis of this bill.

D. SECTION-BY-SECTION ANALYSIS:

**Section 1.** Creates section 458.35, Florida Statutes restricting licensed practitioners under Chapters 458 and 459, F.S. from employing a physician or physician assistant to deliver health care services in a medical-practice setting or diagnostic facility; exempting state agencies, facilities licensed by the department or the Agency for Health Care Administration, and non-profit entities.

For purposes of this bill, a medical-practice setting or diagnostic facility is considered a single structure or group of adjacent structures operating under the same business name in which medical services are provided.

Any lease, rental agreement, or other arrangement between a licensed physician or physician assistant and a nonlicensed person who provides medical equipment or materials or services to a medical-practice setting or diagnostic facility must require that the licensed physician or physician assistant maintain care, custody, and control of the equipment, materials, or services.

Medical-practice settings or diagnostic facilities that are owned by persons other than licensed physicians or physician assistants or are owned by entities other than professional corporations or limited liability companies whose shareholders are licensed physicians or physician assistants that existed before October 1, 2001, and that employed physicians or physician assistants licensed under this chapter or chapter 459 to deliver health care services may continue to operate only if they contract with a physician licensed pursuant to this chapter or chapter 459 to serve as medical director.

Medical-practice settings or diagnostic facilities must register with the Agency for Health Care

Administration. The Agency for Health Care Administration shall adopt rules to implement a registration program, including rules prescribing registration fees and establishing penalties for violations. The fees must not exceed an amount that will provide sufficient revenues to administer the registration program.

A medical director must accept in writing the legal obligation and responsibility for supervising the delivery of services in a medical-practice setting or diagnostic facility, including:

- maintaining a sign in a conspicuous location in the facility which identifies the medical director, the hours when he or she is on site
- maintaining an active license in this state
- being present on site at least 20 hours each week or such other hours as are required by the board
- reviewing contracts or agreements for patient referrals
- ensuring that all health care providers at the facility have active appropriate certification or licensure for the level of care being provided
- serving as the records holder pursuant to s. 456.057, F.S.
- complying with medical record keeping, office surgery, and adverse-incident reporting requirements
- conducting systematic reviews of the facility's billing of services to ensure that they are not fraudulent
- maintaining on-site documentation of the credentials and licensure status of the facility's health care providers and making these documents available for inspection by regulators
- developing and implementing a systematic patient-safety program to identify and correct unsafe practices in accordance with acceptable risk-management standards.

The board may adopt rules necessary to administer this section.

Any person who violates this section commits a felony of the third degree, punishable as provided in section 775.082, F.S.; section 775.083, F.S. or section 775.084, F.S. Any contract that violates this section is void. This section applies to contracts entered into or renewed on or after October 1, 2001.

**Section 2.** Provides for effective date of October 1, 2001.

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

#### A. FISCAL IMPACT ON STATE GOVERNMENT:

##### 1. Revenues:

The Agency for Health Care Administration has not provided the requested fiscal information.

##### 2. Expenditures:

The Agency for Health Care Administration has not provided the requested fiscal information.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

See section-by-section analysis of this bill.

D. FISCAL COMMENTS:

None.

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

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require a city or county to expend funds or to take any action requiring the expenditure of funds.

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.

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

Specific rulemaking authority is given to the Agency for Health Care Administration to implement a registration program, prescribing registration fees and establishing penalties for violations.

C. OTHER COMMENTS:

None.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None.

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VII. SIGNATURES:

COMMITTEE ON HEALTH REGULATION:

Prepared by:

Staff Director:

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Lisa Rawlins Maurer, Legislative Analyst

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