



HB 0441

2003

1                                   A bill to be entitled  
 2           An act relating to rural hospitals; amending ss. 395.602  
 3           and 408.07, F.S.; revising the definition of the term  
 4           "rural hospital"; providing that certain hospitals shall  
 5           be considered rural hospitals through a specified date and  
 6           that certain other hospitals may be designated rural  
 7           hospitals upon application to the Agency for Health Care  
 8           Administration; amending s. 395.6061, F.S.; providing that  
 9           rural hospitals are not required to obtain a certificate  
 10          of need for the construction of replacement facilities  
 11          under certain conditions; creating s. 395.6063, F.S.;  
 12          authorizing rural hospitals to contract with the  
 13          Department of Management Services to purchase coverage in  
 14          the state group health insurance plan for hospital  
 15          employees and qualified family members; providing for  
 16          employee and employer contributions; providing for an  
 17          annual administrative fee; providing an effective date.

18  
 19 Be It Enacted by the Legislature of the State of Florida:

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 21           Section 1. Paragraph (e) of subsection (2) of section  
 22           395.602, Florida Statutes, is amended to read:

23           395.602 Rural hospitals.--

24           (2) DEFINITIONS.--As used in this part:

25           (e) "Rural hospital" means an acute care hospital licensed  
 26           under this chapter, having 100 or fewer licensed beds and an  
 27           emergency room, which is:

28           1. The sole provider within a county with a population  
 29           density of no greater than 100 persons per square mile;



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30           2. An acute care hospital, in a county with a population  
31 density of no greater than 100 persons per square mile, which is  
32 at least 30 minutes of travel time, on normally traveled roads  
33 under normal traffic conditions, from any other acute care  
34 hospital within the same county;

35           3. A hospital supported by a tax district or subdistrict  
36 whose boundaries encompass a population of 100 persons or fewer  
37 per square mile;

38           4. A hospital in a constitutional charter county with a  
39 population of over 1 million persons that has imposed a local  
40 option health service tax pursuant to law and in an area that  
41 was directly impacted by a catastrophic event on August 24,  
42 1992, for which the Governor of Florida declared a state of  
43 emergency pursuant to chapter 125, and has 120 beds or less that  
44 serves an agricultural community with an emergency room  
45 utilization of no less than 20,000 visits and a Medicaid in-  
46 patient utilization rate greater than 15 percent;

47           5. A hospital with a service area that has a population of  
48 100 persons or fewer per square mile. As used in this  
49 subparagraph, the term "service area" means the fewest number of  
50 zip codes that account for 75 percent of the hospital's  
51 discharges for the most recent 5-year period, based on  
52 information available from the hospital inpatient discharge  
53 database in the State Center for Health Statistics at the Agency  
54 for Health Care Administration; or

55           6. A hospital designated as a Critical Access Hospital by  
56 the Department of Health in accordance with federal regulations  
57 and state requirements.

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59 Population densities used in this paragraph must be based upon  
60 the most recently completed United States census. A hospital  
61 that received funds under s. 409.9116 for a quarter beginning no  
62 later than July 1, 2002, is deemed to have been and shall  
63 continue to be a rural hospital from that date through June 30,  
64 2012, if the hospital continues to have 100 or fewer licensed  
65 beds and an emergency room, or meets the criteria of  
66 subparagraph 4. An acute care hospital that has not previously  
67 been designated as a rural hospital and that meets the criteria  
68 of this paragraph shall be granted such designation upon  
69 application, including supporting documentation, to the Medicaid  
70 program office of the Agency for Health Care Administration.

71 Section 2. Subsection (5) is added to section 395.6061,  
72 Florida Statutes, to read:

73 395.6061 Rural hospital capital improvement.--There is  
74 established a rural hospital capital improvement grant program.

75 (5) Notwithstanding the provisions of s. 408.036, a rural  
76 hospital as defined in s. 395.602(2)(e) is not required to  
77 obtain a certificate of need for the construction of a  
78 replacement facility, provided the replacement facility is  
79 located within 10 miles of the site of the currently licensed  
80 rural hospital and within the current service area. As used in  
81 this subsection, the term "service area" means the fewest number  
82 of zip codes that account for 75 percent of the hospital's  
83 discharges for the most recent 5-year period, based on  
84 information available from the hospital inpatient discharge  
85 database in the State Center for Health Statistics of the Agency  
86 for Health Care Administration.

87 Section 3. Section 395.6063, Florida Statutes, is created  
88 to read:



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89       395.6063 Rural hospital employee health insurance.--Any  
 90 rural hospital as defined in s. 395.602(2) (e) may contract with  
 91 the Department of Management Services in order to purchase  
 92 coverage in the state group health insurance plan for the  
 93 hospital's employees and qualified family members at the same  
 94 premium cost as that for retirees and surviving spouses. It  
 95 shall be the duty of the hospital to collect payroll deductions  
 96 or other remuneration from qualified employees as may be  
 97 required for the employee contribution in accordance with the  
 98 requirements of the Department of Management Services. It shall  
 99 also be the duty of the hospital to make the employer  
 100 contributions required and to pay an annual administrative fee  
 101 of not less than \$2.61 per enrollee per month.

102       Section 4. Subsection (42) of section 408.07, Florida  
 103 Statutes, is amended to read:

104       408.07 Definitions.--As used in this chapter, with the  
 105 exception of ss. 408.031-408.045, the term:

106       (42) "Rural hospital" means an acute care hospital  
 107 licensed under chapter 395, having 100 or fewer licensed beds  
 108 and an emergency room, and which is:

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

111       (b) An acute care hospital, in a county with a population  
 112 density of no greater than 100 persons per square mile, which is  
 113 at least 30 minutes of travel time, on normally traveled roads  
 114 under normal traffic conditions, from another acute care  
 115 hospital within the same county;

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



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119 (d) A hospital with a service area that has a population  
120 of 100 persons or fewer per square mile. As used in this  
121 paragraph, the term "service area" means the fewest number of  
122 zip codes that account for 75 percent of the hospital's  
123 discharges for the most recent 5-year period, based on  
124 information available from the hospital inpatient discharge  
125 database in the State Center for Health Statistics at the Agency  
126 for Health Care Administration; or

127 (e) A hospital designated as a Critical Access Hospital by  
128 the Department of Health in accordance with federal regulations  
129 and state requirements.

130

131 Population densities used in this subsection must be based upon  
132 the most recently completed United States census. A hospital  
133 that received funds under s. 409.9116 for a quarter beginning no  
134 later than July 1, 2002, is deemed to have been and shall  
135 continue to be a rural hospital from that date through June 30,  
136 2012, if the hospital continues to have 100 or fewer licensed  
137 beds and an emergency room, or meets the criteria of s.  
138 395.602(2)(e)4. An acute care hospital that has not previously  
139 been designated as a rural hospital and that meets the criteria  
140 of this subsection shall be granted such designation upon  
141 application, including supporting documentation, to the Medicaid  
142 program office of the Agency for Health Care Administration.

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Section 5. This act shall take effect July 1, 2003.