



HB 0441

2003
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CHAMBER ACTION

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The Committee on Appropriations recommends the following:

Committee Substitute

Remove the entire bill and insert:

A bill to be entitled

An act relating to hospitals; amending ss. 395.602 and 408.07, F.S.; revising the definition of the term "rural hospital"; declaring and continuing such designation for certain hospitals for a specified period; authorizing the granting of such designation for certain other hospitals upon application with supporting documentation; creating s. 395.6025, F.S.; providing exemption for a statutory rural hospital or a not-for-profit operator of rural hospitals from certificate-of-need review for the construction of a new or replacement facility; providing conditions for eligibility for the exemption; amending s. 766.314, F.S.; excluding infants born in certain family practice teaching hospitals from assessments used to fund the Florida Birth-Related Neurological Injury Compensation Plan; providing an effective date.

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



HB 0441

2003
CS

29 Section 1. Paragraph (e) of subsection (2) of section
30 395.602, Florida Statutes, is amended to read:

31 395.602 Rural hospitals.--

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

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

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

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

43 3. A hospital supported by a tax district or subdistrict
44 whose boundaries encompass a population of 100 persons or fewer
45 per square mile;

46 4. A hospital in a constitutional charter county with a
47 population of over 1 million persons that has imposed a local
48 option health service tax pursuant to law and in an area that
49 was directly impacted by a catastrophic event on August 24,
50 1992, for which the Governor of Florida declared a state of
51 emergency pursuant to chapter 125, and has 120 beds or less that
52 serves an agricultural community with an emergency room
53 utilization of no less than 20,000 visits and a Medicaid in-
54 patient utilization rate greater than 15 percent;

55 5. A hospital with a service area that has a population of
56 100 persons or fewer per square mile. As used in this



HB 0441

2003
CS

57 | subparagraph, the term "service area" means the fewest number of
58 | zip codes that account for 75 percent of the hospital's
59 | discharges for the most recent 5-year period, based on
60 | information available from the hospital inpatient discharge
61 | database in the State Center for Health Statistics at the Agency
62 | for Health Care Administration; or

63 | 6. A hospital designated as a Critical Access Hospital by
64 | the Department of Health in accordance with federal regulations
65 | and state requirements.

66 |
67 | Population densities used in this paragraph must be based upon
68 | the most recently completed United States census. A hospital
69 | that received funds under s. 409.9116 for a quarter beginning no
70 | later than July 1, 2002, is deemed to have been and shall
71 | continue to be a rural hospital from that date through June 30,
72 | 2012, if the hospital continues to have 100 or fewer licensed
73 | beds and an emergency room, or meets the criteria of
74 | subparagraph 4. An acute care hospital that has not previously
75 | been designated as a rural hospital and that meets the criteria
76 | of this paragraph shall be granted such designation upon
77 | application, including supporting documentation, to the Agency
78 | for Health Care Administration.

79 | Section 2. Subsection (42) of section 408.07, Florida
80 | Statutes, is amended to read:

81 | 408.07 Definitions.--As used in this chapter, with the
82 | exception of ss. 408.031-408.045, the term:



HB 0441

2003
CS

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

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

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

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

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

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

107
108 Population densities used in this subsection must be based upon
109 the most recently completed United States census. A hospital
110 that received funds under s. 409.9116 for a quarter beginning no



HB 0441

2003
CS

111 later than July 1, 2002, is deemed to have been and shall
112 continue to be a rural hospital from that date through June 30,
113 2012, if the hospital continues to have 100 or fewer licensed
114 beds and an emergency room, or meets the criteria of s.
115 395.602(2)(e)4. An acute care hospital that has not previously
116 been designated as a rural hospital and that meets the criteria
117 of this subsection shall be granted such designation upon
118 application, including supporting documentation, to the Agency
119 for Health Care Administration.

120 Section 3. Section 395.6025, Florida Statutes, is created
121 to read:

122 395.6025 Rural hospitals; new or replacement
123 facilities.--Notwithstanding the provisions of s. 408.036, a
124 hospital defined as a statutory rural hospital in accordance
125 with s. 395.602, or a not-for-profit operator of rural
126 hospitals, is not required to obtain a certificate of need for
127 the construction of a new facility located in a county with a
128 population of at least 15,000 but no more than 18,000 and a
129 density of less than 30 persons per square mile, or a
130 replacement facility, provided that the new or replacement
131 facility is located within 10 miles of the site of the currently
132 licensed rural hospital and within the current primary service
133 area. As used in this section, the term "service area" means the
134 fewest number of zip codes that account for 75 percent of the
135 hospital's discharges for the most recent 5-year period, based
136 on information available from the hospital inpatient discharge
137 database in the State Center for Health Statistics at the Agency
138 for Health Care Administration.



HB 0441

2003
CS

139 Section 4. Paragraph (a) of subsection (4) of section
140 766.314, Florida Statutes, is amended to read:

141 766.314 Assessments; plan of operation.--

142 (4) The following persons and entities shall pay into the
143 association an initial assessment in accordance with the plan of
144 operation:

145 (a) On or before October 1, 1988, each hospital licensed
146 under chapter 395 shall pay an initial assessment of \$50 per
147 infant delivered in the hospital during the prior calendar year,
148 as reported to the Agency for Health Care Administration;
149 provided, however, that a hospital owned or operated by the
150 state or a county, special taxing district, or other political
151 subdivision of the state shall not be required to pay the
152 initial assessment or any assessment required by subsection (5).
153 The term "infant delivered" includes live births and not
154 stillbirths, but the term does not include infants delivered by
155 employees or agents of the Board of Regents, ~~or~~ those born in a
156 teaching hospital as defined in s. 408.07, or those born in a
157 family practice teaching hospital designated pursuant to s.
158 395.806 that was exempted by the association from assessments
159 for fiscal years 1997-1998 through 2001-2002. The initial
160 assessment and any assessment imposed pursuant to subsection (5)
161 may not include any infant born to a charity patient (as defined
162 by rule of the Agency for Health Care Administration) or born to
163 a patient for whom the hospital receives Medicaid reimbursement,
164 if the sum of the annual charges for charity patients plus the
165 annual Medicaid contractals of the hospital exceeds 10 percent
166 of the total annual gross operating revenues of the hospital.



HB 0441

2003
CS

167 | The hospital is responsible for documenting, to the satisfaction
168 | of the association, the exclusion of any birth from the
169 | computation of the assessment. Upon demonstration of financial
170 | need by a hospital, the association may provide for installment
171 | payments of assessments.

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