

1 (b) Regularly makes available at least clinical
2 laboratory services, diagnostic X-ray services, and treatment
3 facilities for surgery or obstetrical care, or other
4 definitive medical treatment of similar extent, except that a
5 critical access hospital, as defined in s. 408.07, is not
6 required to make available treatment facilities for surgery,
7 obstetrical care, or similar services as long as it maintains
8 its designation as a critical access hospital, but must make
9 such facilities available if it ceases to be designated as a
10 critical access hospital.

11
12 However, the provisions of this chapter do not apply to any
13 institution conducted by or for the adherents of any
14 well-recognized church or religious denomination that depends
15 exclusively upon prayer or spiritual means to heal, care for,
16 or treat any person. For purposes of local zoning matters,
17 the term "hospital" includes a medical office building located
18 on the same premises as a hospital facility, provided the land
19 on which the medical office building is constructed is zoned
20 for use as a hospital; provided the premises were zoned for
21 hospital purposes on January 1, 1992.

22 (24) "Premises" means those buildings, beds, and
23 equipment located at the address of the licensed facility and
24 all other buildings, beds, and equipment for the provision of
25 hospital, ambulatory surgical, or mobile surgical care located
26 in such reasonable proximity to the address of the licensed
27 facility as to appear to the public to be under the dominion
28 and control of the licensee. For any licensee that is a
29 teaching hospital as defined in s. 408.07(45) ~~s. 408.07(44)~~,
30 reasonable proximity includes any buildings, beds, services,
31 programs, and equipment under the dominion and control of the

1 | licensee that are located at a site with a main address that
2 | is within 1 mile of the main address of the licensed facility;
3 | and all such buildings, beds, and equipment may, at the
4 | request of a licensee or applicant, be included on the
5 | facility license as a single premises.

6 | Section 2. Paragraph (b) of subsection (1) and
7 | paragraph (e) of subsection (2) of section 395.003, Florida
8 | Statutes, are amended to read:

9 | 395.003 Licensure; issuance, renewal, denial,
10 | modification, suspension, and revocation.--

11 | (1)

12 | (b)1. It is unlawful for a person to use or advertise
13 | to the public, in any way or by any medium whatsoever, any
14 | facility as a "hospital," "ambulatory surgical center," or
15 | "mobile surgical facility" unless such facility has first
16 | secured a license under the provisions of this part.

17 | 2. This part does not apply to veterinary hospitals or
18 | to commercial business establishments using the word
19 | "hospital," "ambulatory surgical center," or "mobile surgical
20 | facility" as a part of a trade name if no treatment of human
21 | beings is performed on the premises of such establishments.

22 | 3. ~~By December 31, 2004, the agency shall submit a~~
23 | ~~report to the President of the Senate and the Speaker of the~~
24 | ~~House of Representatives recommending whether it is in the~~
25 | ~~public interest to allow a hospital to license or operate an~~
26 | ~~emergency department located off the premises of the hospital.~~
27 | ~~If the agency finds it to be in the public interest, the~~
28 | ~~report shall also recommend licensure criteria for such~~
29 | ~~medical facilities, including criteria related to quality of~~
30 | ~~care and, if deemed necessary, the elimination of the~~
31 | ~~possibility of confusion related to the service capabilities~~

1 ~~of such facility in comparison to the service capabilities of~~
2 ~~an emergency department located on the premises of the~~
3 ~~hospital.~~ Until July 1, 2006 ~~2005~~, additional emergency
4 departments located off the premises of licensed hospitals may
5 not be authorized by the agency.

6 (2)

7 (e) The agency shall, at the request of a licensee
8 that is a teaching hospital as defined in s. 408.07(45) ~~s.~~
9 ~~408.07(44)~~, issue a single license to a licensee for
10 facilities that have been previously licensed as separate
11 premises, provided such separately licensed facilities, taken
12 together, constitute the same premises as defined in s.
13 395.002(24). Such license for the single premises shall
14 include all of the beds, services, and programs that were
15 previously included on the licenses for the separate premises.
16 The granting of a single license under this paragraph shall
17 not in any manner reduce the number of beds, services, or
18 programs operated by the licensee.

19 Section 3. Subsection (4) of section 408.061, Florida
20 Statutes, is amended to read:

21 408.061 Data collection; uniform systems of financial
22 reporting; information relating to physician charges;
23 confidential information; immunity.--

24 (4) Within 120 days after the end of its fiscal year,
25 each health care facility, excluding continuing care
26 facilities and nursing homes as defined in s. 408.07(14) and
27 (37) ~~(36)~~, shall file with the agency, on forms adopted by the
28 agency and based on the uniform system of financial reporting,
29 its actual financial experience for that fiscal year,
30 including expenditures, revenues, and statistical measures.
31 Such data may be based on internal financial reports which are

1 certified to be complete and accurate by the provider.
2 However, hospitals' actual financial experience shall be their
3 audited actual experience. Every nursing home shall submit to
4 the agency, in a format designated by the agency, a
5 statistical profile of the nursing home residents. The agency,
6 in conjunction with the Department of Elderly Affairs and the
7 Department of Health, shall review these statistical profiles
8 and develop recommendations for the types of residents who
9 might more appropriately be placed in their homes or other
10 noninstitutional settings.

11 Section 4. Section 408.07, Florida Statutes, is
12 amended to read:

13 408.07 Definitions.--As used in this chapter, with the
14 exception of ss. 408.031-408.045, the term:

15 (1) "Accepted" means that the agency has found that a
16 report or data submitted by a health care facility or a health
17 care provider contains all schedules and data required by the
18 agency and has been prepared in the format specified by the
19 agency, and otherwise conforms to applicable rule or Florida
20 Hospital Uniform Reporting System manual requirements
21 regarding reports in effect at the time such report was
22 submitted, and the data are mathematically reasonable and
23 accurate.

24 (2) "Adjusted admission" means the sum of acute and
25 intensive care admissions divided by the ratio of inpatient
26 revenues generated from acute, intensive, ambulatory, and
27 ancillary patient services to gross revenues. If a hospital
28 reports only subacute admissions, then "adjusted admission"
29 means the sum of subacute admissions divided by the ratio of
30 total inpatient revenues to gross revenues.

31

1 (3) "Agency" means the Agency for Health Care
2 Administration.

3 (4) "Alcohol or chemical dependency treatment center"
4 means an organization licensed under chapter 397.

5 (5) "Ambulatory care center" means an organization
6 which employs or contracts with licensed health care
7 professionals to provide diagnosis or treatment services
8 predominantly on a walk-in basis and the organization holds
9 itself out as providing care on a walk-in basis. Such an
10 organization is not an ambulatory care center if it is wholly
11 owned and operated by five or fewer health care providers.

12 (6) "Ambulatory surgical center" means a facility
13 licensed as an ambulatory surgical center under chapter 395.

14 (7) "Audited actual data" means information contained
15 within financial statements examined by an independent,
16 Florida-licensed, certified public accountant in accordance
17 with generally accepted auditing standards, but does not
18 include data within a financial statement about which the
19 certified public accountant does not express an opinion or
20 issues a disclaimer.

21 (8) "Birth center" means an organization licensed
22 under s. 383.305.

23 (9) "Cardiac catheterization laboratory" means a
24 freestanding facility that employs or contracts with licensed
25 health care professionals to provide diagnostic or therapeutic
26 services for cardiac conditions such as cardiac
27 catheterization or balloon angioplasty.

28 (10) "Case mix" means a calculated index for each
29 health care facility or health care provider, based on patient
30 data, reflecting the relative costliness of the mix of cases
31

1 to that facility or provider compared to a state or national
2 mix of cases.

3 (11) "Clinical laboratory" means a facility licensed
4 under s. 483.091, excluding: any hospital laboratory defined
5 under s. 483.041(6); any clinical laboratory operated by the
6 state or a political subdivision of the state; any blood or
7 tissue bank where the majority of revenues are received from
8 the sale of blood or tissue and where blood, plasma, or tissue
9 is procured from volunteer donors and donated, processed,
10 stored, or distributed on a nonprofit basis; and any clinical
11 laboratory which is wholly owned and operated by physicians
12 who are licensed pursuant to chapter 458 or chapter 459 and
13 who practice in the same group practice, and at which no
14 clinical laboratory work is performed for patients referred by
15 any health care provider who is not a member of that same
16 group practice.

17 (12) "Comprehensive rehabilitative hospital" or
18 "rehabilitative hospital" means a hospital licensed by the
19 agency as a specialty hospital as defined in s. 395.002;
20 provided that the hospital provides a program of comprehensive
21 medical rehabilitative services and is designed, equipped,
22 organized, and operated solely to deliver comprehensive
23 medical rehabilitative services, and further provided that all
24 licensed beds in the hospital are classified as "comprehensive
25 rehabilitative beds" pursuant to s. 395.003(4), and are not
26 classified as "general beds."

27 (13) "Consumer" means any person other than a person
28 who administers health activities, is a member of the
29 governing body of a health care facility, provides health
30 services, has a fiduciary interest in a health facility or
31 other health agency or its affiliated entities, or has a

1 material financial interest in the rendering of health
2 services.

3 (14) "Continuing care facility" means a facility
4 licensed under chapter 651.

5 (15) "Critical access hospital" means a hospital that
6 meets the requirements in 42 U.S.C. s. 1395i-4 under the
7 Social Security Act and is certified by the United States
8 Secretary of Health and Human Services as a critical access
9 hospital.

10 ~~(16)~~~~(15)~~ "Cross-subsidization" means that the revenues
11 from one type of hospital service are sufficiently higher than
12 the costs of providing such service as to offset some of the
13 costs of providing another type of service in the hospital.
14 Cross-subsidization results from the lack of a direct
15 relationship between charges and the costs of providing a
16 particular hospital service or type of service.

17 ~~(17)~~~~(16)~~ "Deductions from gross revenue" or
18 "deductions from revenue" means reductions from gross revenue
19 resulting from inability to collect payment of charges. For
20 hospitals, such reductions include contractual adjustments;
21 uncompensated care; administrative, courtesy, and policy
22 discounts and adjustments; and other such revenue deductions,
23 but also includes the offset of restricted donations and
24 grants for indigent care.

25 ~~(18)~~~~(17)~~ "Diagnostic-imaging center" means a
26 freestanding outpatient facility that provides specialized
27 services for the diagnosis of a disease by examination and
28 also provides radiological services. Such a facility is not a
29 diagnostic-imaging center if it is wholly owned and operated
30 by physicians who are licensed pursuant to chapter 458 or
31 chapter 459 and who practice in the same group practice and no

1 diagnostic-imaging work is performed at such facility for
2 patients referred by any health care provider who is not a
3 member of that same group practice.

4 ~~(19)~~~~(18)~~ "FHURS" means the Florida Hospital Uniform
5 Reporting System developed by the agency.

6 ~~(20)~~~~(19)~~ "Freestanding" means that a health facility
7 bills and receives revenue which is not directly subject to
8 the hospital assessment for the Public Medical Assistance
9 Trust Fund as described in s. 395.701.

10 ~~(21)~~~~(20)~~ "Freestanding radiation therapy center" means
11 a facility where treatment is provided through the use of
12 radiation therapy machines that are registered under s. 404.22
13 and the provisions of the Florida Administrative Code
14 implementing s. 404.22. Such a facility is not a freestanding
15 radiation therapy center if it is wholly owned and operated by
16 physicians licensed pursuant to chapter 458 or chapter 459 who
17 practice within the specialty of diagnostic or therapeutic
18 radiology.

19 ~~(22)~~~~(21)~~ "GRAA" means gross revenue per adjusted
20 admission.

21 ~~(23)~~~~(22)~~ "Gross revenue" means the sum of daily
22 hospital service charges, ambulatory service charges,
23 ancillary service charges, and other operating revenue. Gross
24 revenues do not include contributions, donations, legacies, or
25 bequests made to a hospital without restriction by the donors.

26 ~~(24)~~~~(23)~~ "Health care facility" means an ambulatory
27 surgical center, a hospice, a nursing home, a hospital, a
28 diagnostic-imaging center, a freestanding or hospital-based
29 therapy center, a clinical laboratory, a home health agency, a
30 cardiac catheterization laboratory, a medical equipment
31 supplier, an alcohol or chemical dependency treatment center,

1 a physical rehabilitation center, a lithotripsy center, an
2 ambulatory care center, a birth center, or a nursing home
3 component licensed under chapter 400 within a continuing care
4 facility licensed under chapter 651.

5 (25)~~(24)~~ "Health care provider" means a health care
6 professional licensed under chapter 458, chapter 459, chapter
7 460, chapter 461, chapter 463, chapter 464, chapter 465,
8 chapter 466, part I, part III, part IV, part V, or part X of
9 chapter 468, chapter 483, chapter 484, chapter 486, chapter
10 490, or chapter 491.

11 (26)~~(25)~~ "Health care purchaser" means an employer in
12 the state, other than a health care facility, health insurer,
13 or health care provider, who provides health care coverage for
14 her or his employees.

15 (27)~~(26)~~ "Health insurer" means any insurance company
16 authorized to transact health insurance in the state, any
17 insurance company authorized to transact health insurance or
18 casualty insurance in the state that is offering a minimum
19 premium plan or stop-loss coverage for any person or entity
20 providing health care benefits, any self-insurance plan as
21 defined in s. 624.031, any health maintenance organization
22 authorized to transact business in the state pursuant to part
23 I of chapter 641, any prepaid health clinic authorized to
24 transact business in the state pursuant to part II of chapter
25 641, any multiple-employer welfare arrangement authorized to
26 transact business in the state pursuant to ss. 624.436-624.45,
27 or any fraternal benefit society providing health benefits to
28 its members as authorized pursuant to chapter 632.

29 (28)~~(27)~~ "Home health agency" means an organization
30 licensed under part IV of chapter 400.

31

1 ~~(29)~~(28) "Hospice" means an organization licensed
2 under part VI of chapter 400.

3 ~~(30)~~(29) "Hospital" means a health care institution
4 licensed by the Agency for Health Care Administration as a
5 hospital under chapter 395.

6 ~~(31)~~(30) "Lithotripsy center" means a freestanding
7 facility that employs or contracts with licensed health care
8 professionals to provide diagnosis or treatment services using
9 electro-hydraulic shock waves.

10 ~~(32)~~(31) "Local health council" means the agency
11 defined in s. 408.033.

12 ~~(33)~~(32) "Market basket index" means the Florida
13 hospital input price index (FHIPI), which is a statewide
14 market basket index used to measure inflation in hospital
15 input prices weighted for the Florida-specific experience
16 which uses multistate regional and state-specific price
17 measures, when available. The index shall be constructed in
18 the same manner as the index employed by the Secretary of the
19 United States Department of Health and Human Services for
20 determining the inflation in hospital input prices for
21 purposes of Medicare reimbursement.

22 ~~(34)~~(33) "Medical equipment supplier" means an
23 organization that provides medical equipment and supplies used
24 by health care providers and health care facilities in the
25 diagnosis or treatment of disease.

26 ~~(35)~~(34) "Net revenue" means gross revenue minus
27 deductions from revenue.

28 ~~(36)~~(35) "New hospital" means a hospital in its
29 initial year of operation as a licensed hospital and does not
30 include any facility which has been in existence as a licensed
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1 hospital, regardless of changes in ownership, for over 1
2 calendar year.

3 ~~(37)~~(36) "Nursing home" means a facility licensed
4 under s. 400.062 or, for resident level and financial data
5 collection purposes only, any institution licensed under
6 chapter 395 and which has a Medicare or Medicaid certified
7 distinct part used for skilled nursing home care, but does not
8 include a facility licensed under chapter 651.

9 ~~(38)~~(37) "Operating expenses" means total expenses
10 excluding income taxes.

11 ~~(39)~~(38) "Other operating revenue" means all revenue
12 generated from hospital operations other than revenue directly
13 associated with patient care.

14 ~~(40)~~(39) "Physical rehabilitation center" means an
15 organization that employs or contracts with health care
16 professionals licensed under part I or part III of chapter 468
17 or chapter 486 to provide speech, occupational, or physical
18 therapy services on an outpatient or ambulatory basis.

19 ~~(41)~~(40) "Prospective payment arrangement" means a
20 financial agreement negotiated between a hospital and an
21 insurer, health maintenance organization, preferred provider
22 organization, or other third-party payor which contains, at a
23 minimum, the elements provided for in s. 408.50.

24 ~~(42)~~(41) "Rate of return" means the financial
25 indicators used to determine or demonstrate reasonableness of
26 the financial requirements of a hospital. Such indicators
27 shall include, but not be limited to: return on assets,
28 return on equity, total margin, and debt service coverage.

29 ~~(43)~~(42) "Rural hospital" means an acute care hospital
30 licensed under chapter 395, having 100 or fewer licensed beds
31 and an emergency room, and which is:

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

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

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

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

20 (e) ~~A hospital designated as~~ A critical access
21 hospital ~~by the Department of Health in accordance with~~
22 ~~federal regulations and state requirements.~~

23
24 Population densities used in this subsection must be based
25 upon the most recently completed United States census. A
26 hospital that received funds under s. 409.9116 for a quarter
27 beginning no later than July 1, 2002, is deemed to have been
28 and shall continue to be a rural hospital from that date
29 through June 30, 2012, if the hospital continues to have 100
30 or fewer licensed beds and an emergency room, or meets the
31 criteria of s. 395.602(2)(e)4. An acute care hospital that has

1 not previously been designated as a rural hospital and that
2 meets the criteria of this subsection shall be granted such
3 designation upon application, including supporting
4 documentation, to the Agency for Health Care Administration.

5 ~~(44)~~~~(43)~~ "Special study" means a nonrecurring
6 data-gathering and analysis effort designed to aid the agency
7 in meeting its responsibilities pursuant to this chapter.

8 ~~(45)~~~~(44)~~ "Teaching hospital" means any Florida
9 hospital officially affiliated with an accredited Florida
10 medical school which exhibits activity in the area of graduate
11 medical education as reflected by at least seven different
12 graduate medical education programs accredited by the
13 Accreditation Council for Graduate Medical Education or the
14 Council on Postdoctoral Training of the American Osteopathic
15 Association and the presence of 100 or more full-time
16 equivalent resident physicians. The Director of the Agency for
17 Health Care Administration shall be responsible for
18 determining which hospitals meet this definition.

19 Section 5. Subsection (1) of section 458.345, Florida
20 Statutes, is amended to read:

21 458.345 Registration of resident physicians, interns,
22 and fellows; list of hospital employees; prescribing of
23 medicinal drugs; penalty.--

24 (1) Any person desiring to practice as a resident
25 physician, assistant resident physician, house physician,
26 intern, or fellow in fellowship training which leads to
27 subspecialty board certification in this state, or any person
28 desiring to practice as a resident physician, assistant
29 resident physician, house physician, intern, or fellow in
30 fellowship training in a teaching hospital in this state as
31 defined in s. 408.07(45) ~~s. 408.07(44)~~ or s. 395.805(2), who

1 | does not hold a valid, active license issued under this
2 | chapter shall apply to the department to be registered and
3 | shall remit a fee not to exceed \$300 as set by the board. The
4 | department shall register any applicant the board certifies
5 | has met the following requirements:

6 | (a) Is at least 21 years of age.

7 | (b) Has not committed any act or offense within or
8 | without the state which would constitute the basis for refusal
9 | to certify an application for licensure pursuant to s.

10 | 458.331.

11 | (c) Is a graduate of a medical school or college as
12 | specified in s. 458.311(1)(f).

13 | Section 6. Subsection (1) of section 459.021, Florida
14 | Statutes, is amended to read:

15 | 459.021 Registration of resident physicians, interns,
16 | and fellows; list of hospital employees; penalty.--

17 | (1) Any person who holds a degree of Doctor of
18 | Osteopathic Medicine from a college of osteopathic medicine
19 | recognized and approved by the American Osteopathic
20 | Association who desires to practice as a resident physician,
21 | assistant resident physician, house physician, intern, or
22 | fellow in fellowship training which leads to subspecialty
23 | board certification in this state, or any person desiring to
24 | practice as a resident physician, assistant resident
25 | physician, house physician, intern, or fellow in fellowship
26 | training in a teaching hospital in this state as defined in s.
27 | 408.07(45) ~~s. 408.07(44)~~ or s. 395.805(2), who does not hold
28 | an active license issued under this chapter shall apply to the
29 | department to be registered, on an application provided by the
30 | department, within 30 days of commencing such a training

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1 program and shall remit a fee not to exceed \$300 as set by the
2 board.

3 Section 7. This act shall take effect upon becoming a
4 law.

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6 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
7 COMMITTEE SUBSTITUTE FOR
8 Senate Bill 1472

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9 The Committee Substitute differs from SB 1472 in the following
10 ways:

11 The moratorium on the approval of freestanding emergency
12 departments is extended until July 1, 2006.

13 The citation of the federal law governing critical access
14 hospitals is changed to 42 U.S.C. 1395i-4.

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