

1 illness, injury, deformity, infirmity, abnormality, disease,
2 or pregnancy; and

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

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

24 (16) "Intensive residential treatment programs for
25 children and adolescents" means a specialty hospital
26 accredited by an accrediting organization ~~the Joint Commission~~
27 ~~on Accreditation of Healthcare Organizations~~ which provides
28 24-hour care and which has the primary functions of diagnosis
29 and treatment of patients under the age of 18 having
30 psychiatric disorders in order to restore such patients to an
31 optimal level of functioning.

1 (24) "Premises" means those buildings, beds, and
2 equipment located at the address of the licensed facility and
3 all other buildings, beds, and equipment for the provision of
4 hospital, ambulatory surgical, or mobile surgical care located
5 in such reasonable proximity to the address of the licensed
6 facility as to appear to the public to be under the dominion
7 and control of the licensee. For any licensee that is a
8 teaching hospital as defined in s. 408.07(45) ~~s. 408.07(44)~~,
9 reasonable proximity includes any buildings, beds, services,
10 programs, and equipment under the dominion and control of the
11 licensee that are located at a site with a main address that
12 is within 1 mile of the main address of the licensed facility;
13 and all such buildings, beds, and equipment may, at the
14 request of a licensee or applicant, be included on the
15 facility license as a single premises.

16 Section 2. Paragraph (b) of subsection (1) and
17 paragraphs (e) and (f) of subsection (2) of section 395.003,
18 Florida Statutes, are amended to read:

19 395.003 Licensure; issuance, renewal, denial,
20 modification, suspension, and revocation.--

21 (1)

22 (b)1. It is unlawful for a person to use or advertise
23 to the public, in any way or by any medium whatsoever, any
24 facility as a "hospital," "ambulatory surgical center," or
25 "mobile surgical facility" unless such facility has first
26 secured a license under the provisions of this part.

27 2. This part does not apply to veterinary hospitals or
28 to commercial business establishments using the word
29 "hospital," "ambulatory surgical center," or "mobile surgical
30 facility" as a part of a trade name if no treatment of human
31 beings is performed on the premises of such establishments.

1 3. ~~By December 31, 2004, the agency shall submit a~~
2 ~~report to the President of the Senate and the Speaker of the~~
3 ~~House of Representatives recommending whether it is in the~~
4 ~~public interest to allow a hospital to license or operate an~~
5 ~~emergency department located off the premises of the hospital.~~
6 ~~If the agency finds it to be in the public interest, the~~
7 ~~report shall also recommend licensure criteria for such~~
8 ~~medical facilities, including criteria related to quality of~~
9 ~~care and, if deemed necessary, the elimination of the~~
10 ~~possibility of confusion related to the service capabilities~~
11 ~~of such facility in comparison to the service capabilities of~~
12 ~~an emergency department located on the premises of the~~
13 ~~hospital.~~ Until July 1, 2006 ~~2005~~, additional emergency
14 departments located off the premises of licensed hospitals may
15 not be authorized by the agency.

16 (2)

17 (e) The agency shall, at the request of a licensee
18 that is a teaching hospital as defined in s. 408.07(45) ~~s.~~
19 ~~408.07(44)~~, issue a single license to a licensee for
20 facilities that have been previously licensed as separate
21 premises, provided such separately licensed facilities, taken
22 together, constitute the same premises as defined in s.
23 395.002(24). Such license for the single premises shall
24 include all of the beds, services, and programs that were
25 previously included on the licenses for the separate premises.
26 The granting of a single license under this paragraph shall
27 not in any manner reduce the number of beds, services, or
28 programs operated by the licensee.

29 (f) Intensive residential treatment programs for
30 children and adolescents which have received accreditation
31 from an accrediting organization ~~the Joint Commission on~~

1 ~~Accreditation of Healthcare Organizations~~ and which meet the
2 minimum standards developed by rule of the agency for such
3 programs shall be licensed by the agency under this part.

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

6 408.061 Data collection; uniform systems of financial
7 reporting; information relating to physician charges;
8 confidential information; immunity.--

9 (4) Within 120 days after the end of its fiscal year,
10 each health care facility, excluding continuing care
11 facilities and nursing homes as defined in s. 408.07(14) and
12 ~~(37)~~~~(36)~~, shall file with the agency, on forms adopted by the
13 agency and based on the uniform system of financial reporting,
14 its actual financial experience for that fiscal year,
15 including expenditures, revenues, and statistical measures.
16 Such data may be based on internal financial reports which are
17 certified to be complete and accurate by the provider.
18 However, hospitals' actual financial experience shall be their
19 audited actual experience. Every nursing home shall submit to
20 the agency, in a format designated by the agency, a
21 statistical profile of the nursing home residents. The agency,
22 in conjunction with the Department of Elderly Affairs and the
23 Department of Health, shall review these statistical profiles
24 and develop recommendations for the types of residents who
25 might more appropriately be placed in their homes or other
26 noninstitutional settings.

27 Section 4. Section 408.07, Florida Statutes, is
28 amended to read:

29 408.07 Definitions.--As used in this chapter, with the
30 exception of ss. 408.031-408.045, the term:

31

1 (1) "Accepted" means that the agency has found that a
2 report or data submitted by a health care facility or a health
3 care provider contains all schedules and data required by the
4 agency and has been prepared in the format specified by the
5 agency, and otherwise conforms to applicable rule or Florida
6 Hospital Uniform Reporting System manual requirements
7 regarding reports in effect at the time such report was
8 submitted, and the data are mathematically reasonable and
9 accurate.

10 (2) "Adjusted admission" means the sum of acute and
11 intensive care admissions divided by the ratio of inpatient
12 revenues generated from acute, intensive, ambulatory, and
13 ancillary patient services to gross revenues. If a hospital
14 reports only subacute admissions, then "adjusted admission"
15 means the sum of subacute admissions divided by the ratio of
16 total inpatient revenues to gross revenues.

17 (3) "Agency" means the Agency for Health Care
18 Administration.

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

21 (5) "Ambulatory care center" means an organization
22 which employs or contracts with licensed health care
23 professionals to provide diagnosis or treatment services
24 predominantly on a walk-in basis and the organization holds
25 itself out as providing care on a walk-in basis. Such an
26 organization is not an ambulatory care center if it is wholly
27 owned and operated by five or fewer health care providers.

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

30 (7) "Audited actual data" means information contained
31 within financial statements examined by an independent,

1 Florida-licensed, certified public accountant in accordance
2 with generally accepted auditing standards, but does not
3 include data within a financial statement about which the
4 certified public accountant does not express an opinion or
5 issues a disclaimer.

6 (8) "Birth center" means an organization licensed
7 under s. 383.305.

8 (9) "Cardiac catheterization laboratory" means a
9 freestanding facility that employs or contracts with licensed
10 health care professionals to provide diagnostic or therapeutic
11 services for cardiac conditions such as cardiac
12 catheterization or balloon angioplasty.

13 (10) "Case mix" means a calculated index for each
14 health care facility or health care provider, based on patient
15 data, reflecting the relative costliness of the mix of cases
16 to that facility or provider compared to a state or national
17 mix of cases.

18 (11) "Clinical laboratory" means a facility licensed
19 under s. 483.091, excluding: any hospital laboratory defined
20 under s. 483.041(6); any clinical laboratory operated by the
21 state or a political subdivision of the state; any blood or
22 tissue bank where the majority of revenues are received from
23 the sale of blood or tissue and where blood, plasma, or tissue
24 is procured from volunteer donors and donated, processed,
25 stored, or distributed on a nonprofit basis; and any clinical
26 laboratory which is wholly owned and operated by physicians
27 who are licensed pursuant to chapter 458 or chapter 459 and
28 who practice in the same group practice, and at which no
29 clinical laboratory work is performed for patients referred by
30 any health care provider who is not a member of that same
31 group practice.

1 (12) "Comprehensive rehabilitative hospital" or
2 "rehabilitative hospital" means a hospital licensed by the
3 agency as a specialty hospital as defined in s. 395.002;
4 provided that the hospital provides a program of comprehensive
5 medical rehabilitative services and is designed, equipped,
6 organized, and operated solely to deliver comprehensive
7 medical rehabilitative services, and further provided that all
8 licensed beds in the hospital are classified as "comprehensive
9 rehabilitative beds" pursuant to s. 395.003(4), and are not
10 classified as "general beds."

11 (13) "Consumer" means any person other than a person
12 who administers health activities, is a member of the
13 governing body of a health care facility, provides health
14 services, has a fiduciary interest in a health facility or
15 other health agency or its affiliated entities, or has a
16 material financial interest in the rendering of health
17 services.

18 (14) "Continuing care facility" means a facility
19 licensed under chapter 651.

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

25 ~~(16)~~~~(15)~~ "Cross-subsidization" means that the revenues
26 from one type of hospital service are sufficiently higher than
27 the costs of providing such service as to offset some of the
28 costs of providing another type of service in the hospital.
29 Cross-subsidization results from the lack of a direct
30 relationship between charges and the costs of providing a
31 particular hospital service or type of service.

1 ~~(17)~~(16) "Deductions from gross revenue" or
2 "deductions from revenue" means reductions from gross revenue
3 resulting from inability to collect payment of charges. For
4 hospitals, such reductions include contractual adjustments;
5 uncompensated care; administrative, courtesy, and policy
6 discounts and adjustments; and other such revenue deductions,
7 but also includes the offset of restricted donations and
8 grants for indigent care.

9 ~~(18)~~(17) "Diagnostic-imaging center" means a
10 freestanding outpatient facility that provides specialized
11 services for the diagnosis of a disease by examination and
12 also provides radiological services. Such a facility is not a
13 diagnostic-imaging center if it is wholly owned and operated
14 by physicians who are licensed pursuant to chapter 458 or
15 chapter 459 and who practice in the same group practice and no
16 diagnostic-imaging work is performed at such facility for
17 patients referred by any health care provider who is not a
18 member of that same group practice.

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

21 ~~(20)~~(19) "Freestanding" means that a health facility
22 bills and receives revenue which is not directly subject to
23 the hospital assessment for the Public Medical Assistance
24 Trust Fund as described in s. 395.701.

25 ~~(21)~~(20) "Freestanding radiation therapy center" means
26 a facility where treatment is provided through the use of
27 radiation therapy machines that are registered under s. 404.22
28 and the provisions of the Florida Administrative Code
29 implementing s. 404.22. Such a facility is not a freestanding
30 radiation therapy center if it is wholly owned and operated by
31 physicians licensed pursuant to chapter 458 or chapter 459 who

1 practice within the specialty of diagnostic or therapeutic
2 radiology.

3 ~~(22)~~~~(21)~~ "GRAA" means gross revenue per adjusted
4 admission.

5 ~~(23)~~~~(22)~~ "Gross revenue" means the sum of daily
6 hospital service charges, ambulatory service charges,
7 ancillary service charges, and other operating revenue. Gross
8 revenues do not include contributions, donations, legacies, or
9 bequests made to a hospital without restriction by the donors.

10 ~~(24)~~~~(23)~~ "Health care facility" means an ambulatory
11 surgical center, a hospice, a nursing home, a hospital, a
12 diagnostic-imaging center, a freestanding or hospital-based
13 therapy center, a clinical laboratory, a home health agency, a
14 cardiac catheterization laboratory, a medical equipment
15 supplier, an alcohol or chemical dependency treatment center,
16 a physical rehabilitation center, a lithotripsy center, an
17 ambulatory care center, a birth center, or a nursing home
18 component licensed under chapter 400 within a continuing care
19 facility licensed under chapter 651.

20 ~~(25)~~~~(24)~~ "Health care provider" means a health care
21 professional licensed under chapter 458, chapter 459, chapter
22 460, chapter 461, chapter 463, chapter 464, chapter 465,
23 chapter 466, part I, part III, part IV, part V, or part X of
24 chapter 468, chapter 483, chapter 484, chapter 486, chapter
25 490, or chapter 491.

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

30 ~~(27)~~~~(26)~~ "Health insurer" means any insurance company
31 authorized to transact health insurance in the state, any

1 | insurance company authorized to transact health insurance or
2 | casualty insurance in the state that is offering a minimum
3 | premium plan or stop-loss coverage for any person or entity
4 | providing health care benefits, any self-insurance plan as
5 | defined in s. 624.031, any health maintenance organization
6 | authorized to transact business in the state pursuant to part
7 | I of chapter 641, any prepaid health clinic authorized to
8 | transact business in the state pursuant to part II of chapter
9 | 641, any multiple-employer welfare arrangement authorized to
10 | transact business in the state pursuant to ss. 624.436-624.45,
11 | or any fraternal benefit society providing health benefits to
12 | its members as authorized pursuant to chapter 632.

13 | ~~(28)~~~~(27)~~ "Home health agency" means an organization
14 | licensed under part IV of chapter 400.

15 | ~~(29)~~~~(28)~~ "Hospice" means an organization licensed
16 | under part VI of chapter 400.

17 | ~~(30)~~~~(29)~~ "Hospital" means a health care institution
18 | licensed by the Agency for Health Care Administration as a
19 | hospital under chapter 395.

20 | ~~(31)~~~~(30)~~ "Lithotripsy center" means a freestanding
21 | facility that employs or contracts with licensed health care
22 | professionals to provide diagnosis or treatment services using
23 | electro-hydraulic shock waves.

24 | ~~(32)~~~~(31)~~ "Local health council" means the agency
25 | defined in s. 408.033.

26 | ~~(33)~~~~(32)~~ "Market basket index" means the Florida
27 | hospital input price index (FHIPI), which is a statewide
28 | market basket index used to measure inflation in hospital
29 | input prices weighted for the Florida-specific experience
30 | which uses multistate regional and state-specific price
31 | measures, when available. The index shall be constructed in

1 | the same manner as the index employed by the Secretary of the
2 | United States Department of Health and Human Services for
3 | determining the inflation in hospital input prices for
4 | purposes of Medicare reimbursement.

5 | ~~(34)~~~~(33)~~ "Medical equipment supplier" means an
6 | organization that provides medical equipment and supplies used
7 | by health care providers and health care facilities in the
8 | diagnosis or treatment of disease.

9 | ~~(35)~~~~(34)~~ "Net revenue" means gross revenue minus
10 | deductions from revenue.

11 | ~~(36)~~~~(35)~~ "New hospital" means a hospital in its
12 | initial year of operation as a licensed hospital and does not
13 | include any facility which has been in existence as a licensed
14 | hospital, regardless of changes in ownership, for over 1
15 | calendar year.

16 | ~~(37)~~~~(36)~~ "Nursing home" means a facility licensed
17 | under s. 400.062 or, for resident level and financial data
18 | collection purposes only, any institution licensed under
19 | chapter 395 and which has a Medicare or Medicaid certified
20 | distinct part used for skilled nursing home care, but does not
21 | include a facility licensed under chapter 651.

22 | ~~(38)~~~~(37)~~ "Operating expenses" means total expenses
23 | excluding income taxes.

24 | ~~(39)~~~~(38)~~ "Other operating revenue" means all revenue
25 | generated from hospital operations other than revenue directly
26 | associated with patient care.

27 | ~~(40)~~~~(39)~~ "Physical rehabilitation center" means an
28 | organization that employs or contracts with health care
29 | professionals licensed under part I or part III of chapter 468
30 | or chapter 486 to provide speech, occupational, or physical
31 | therapy services on an outpatient or ambulatory basis.

1 ~~(41)~~(40) "Prospective payment arrangement" means a
2 financial agreement negotiated between a hospital and an
3 insurer, health maintenance organization, preferred provider
4 organization, or other third-party payor which contains, at a
5 minimum, the elements provided for in s. 408.50.

6 ~~(42)~~(41) "Rate of return" means the financial
7 indicators used to determine or demonstrate reasonableness of
8 the financial requirements of a hospital. Such indicators
9 shall include, but not be limited to: return on assets,
10 return on equity, total margin, and debt service coverage.

11 ~~(43)~~(42) "Rural hospital" means an acute care hospital
12 licensed under chapter 395, having 100 or fewer licensed beds
13 and an emergency room, and which is:

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

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

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

25 (d) A hospital with a service area that has a
26 population of 100 persons or fewer per square mile. As used
27 in this paragraph, the term "service area" means the fewest
28 number of zip codes that account for 75 percent of the
29 hospital's discharges for the most recent 5-year period, based
30 on information available from the hospital inpatient discharge
31

1 database in the State Center for Health Statistics at the
2 Agency for Health Care Administration; or

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

6
7 Population densities used in this subsection must be based
8 upon the most recently completed United States census. A
9 hospital that received funds under s. 409.9116 for a quarter
10 beginning no later than July 1, 2002, is deemed to have been
11 and shall continue to be a rural hospital from that date
12 through June 30, 2012, if the hospital continues to have 100
13 or fewer licensed beds and an emergency room, or meets the
14 criteria of s. 395.602(2)(e)4. An acute care hospital that has
15 not previously been designated as a rural hospital and that
16 meets the criteria of this subsection shall be granted such
17 designation upon application, including supporting
18 documentation, to the Agency for Health Care Administration.

19 ~~(44)(43)~~ "Special study" means a nonrecurring
20 data-gathering and analysis effort designed to aid the agency
21 in meeting its responsibilities pursuant to this chapter.

22 ~~(45)(44)~~ "Teaching hospital" means any Florida
23 hospital officially affiliated with an accredited Florida
24 medical school which exhibits activity in the area of graduate
25 medical education as reflected by at least seven different
26 graduate medical education programs accredited by the
27 Accreditation Council for Graduate Medical Education or the
28 Council on Postdoctoral Training of the American Osteopathic
29 Association and the presence of 100 or more full-time
30 equivalent resident physicians. The Director of the Agency for

31

1 Health Care Administration shall be responsible for
2 determining which hospitals meet this definition.

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

5 458.345 Registration of resident physicians, interns,
6 and fellows; list of hospital employees; prescribing of
7 medicinal drugs; penalty.--

8 (1) Any person desiring to practice as a resident
9 physician, assistant resident physician, house physician,
10 intern, or fellow in fellowship training which leads to
11 subspecialty board certification in this state, or any person
12 desiring to practice as a resident physician, assistant
13 resident physician, house physician, intern, or fellow in
14 fellowship training in a teaching hospital in this state as
15 defined in s. 408.07(45) ~~s. 408.07(44)~~ or s. 395.805(2), who
16 does not hold a valid, active license issued under this
17 chapter shall apply to the department to be registered and
18 shall remit a fee not to exceed \$300 as set by the board. The
19 department shall register any applicant the board certifies
20 has met the following requirements:

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

22 (b) Has not committed any act or offense within or
23 without the state which would constitute the basis for refusal
24 to certify an application for licensure pursuant to s.
25 458.331.

26 (c) Is a graduate of a medical school or college as
27 specified in s. 458.311(1)(f).

28 Section 6. Subsection (1) of section 459.021, Florida
29 Statutes, is amended to read:

30 459.021 Registration of resident physicians, interns,
31 and fellows; list of hospital employees; penalty.--

1 (1) Any person who holds a degree of Doctor of
2 Osteopathic Medicine from a college of osteopathic medicine
3 recognized and approved by the American Osteopathic
4 Association who desires to practice as a resident physician,
5 assistant resident physician, house physician, intern, or
6 fellow in fellowship training which leads to subspecialty
7 board certification in this state, or any person desiring to
8 practice as a resident physician, assistant resident
9 physician, house physician, intern, or fellow in fellowship
10 training in a teaching hospital in this state as defined in s.
11 408.07(45) ~~s. 408.07(44)~~ or s. 395.805(2), who does not hold
12 an active license issued under this chapter shall apply to the
13 department to be registered, on an application provided by the
14 department, within 30 days of commencing such a training
15 program and shall remit a fee not to exceed \$300 as set by the
16 board.

17 Section 7. This act shall take effect upon becoming a
18 law.

19
20 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
21 COMMITTEE SUBSTITUTE FOR
22 CS for SB 1472

23 The committee substitute changes the accreditation
24 requirements from the Joint Commission on Accreditation of
25 Healthcare Organizations to any accrediting organization.
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