Florida Senate - 2005

 $\ensuremath{\textbf{By}}$ the Committee on Health Care; and Senators Jones and Bennett

587-2175-05

1	A bill to be entitled
2	An act relating to home medical equipment
3	providers; amending s. 400.925, F.S.; revising
4	and providing definitions; amending s. 400.931,
5	F.S.; including additional categories of
6	equipment in a report required by applicants
7	for licensure; increasing the amount of
8	liability insurance required of home medical
9	equipment providers; amending s. 400.933, F.S.;
10	revising requirements for licensure and
11	assessment of fees; amending s. 400.934, F.S.;
12	revising minimum standards required for
13	licensure; amending s. 400.935, F.S.; requiring
14	the Agency for Health Care Administration to
15	provide additional regulatory standards by
16	rule; creating s. 400.936, F.S.; requiring
17	proof of accreditation as a prerequisite for
18	licensure or license renewal; providing for
19	temporary licensure; providing for rules
20	relating to designation of accrediting
21	organizations; amending s. 400.95, F.S.;
22	providing for notice of a toll-free telephone
23	number to report fraud and abuse by providers;
24	providing an effective date.
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26	Be It Enacted by the Legislature of the State of Florida:
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28	Section 1. Subsection (1) of section 400.925, Florida
29	Statutes, is amended, and subsections (17), (18), (19), and
30	(20) are added to that section, to read:
31	400.925 DefinitionsAs used in this part, the term:
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1 (1)"Accrediting organizations" means the Joint 2 Commission on Accreditation of Healthcare Organizations, the Community Health Accreditation Program (CHAP), the 3 4 Accreditation Commission for Health Care, Inc. (ACHC), or other national accreditation agencies whose standards for 5 6 accreditation are comparable to those required by this part 7 for licensure. (17) "High-tech medical equipment provider" means any 8 home medical equipment company that provides life-sustaining 9 10 equipment, technologically advanced equipment, or any other similar equipment or product to any patient. 11 12 (18) "Life-sustaining equipment" means mechanical 13 ventilators or other equipment that is essential to the restoration or continuation of a bodily function important to 14 the continuation of human life. 15 (19) "Technologically advanced equipment" means 16 17 equipment of such complexity that a licensed respiratory 18 therapist or registered nurse must set it up and train the patient in its use. 19 20 (20) "From its own inventory" means to provide the 21 items or service directly to the patient. 22 Section 2. Paragraph (a) of subsection (2) and 23 subsections (6) and (7) of section 400.931, Florida Statutes, are amended to read: 2.4 400.931 Application for license; fee; provisional 25 license; temporary permit. --26 27 (2) The applicant must file with the application 2.8 satisfactory proof that the home medical equipment provider is 29 in compliance with this part and applicable rules, including: 30 (a) A report, by category, of the equipment to be provided, indicating those offered either directly by the 31 2

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1 applicant or through contractual arrangements with existing 2 providers. Categories of equipment include: 1. Respiratory modalities. 3 4 2. Ambulation aids. 3. Mobility aids. 5 б 4. Sickroom setup. 7 5. Disposables. 8 6. Life-sustaining equipment. 9 7. Technologically advanced equipment. 10 (6) The home medical equipment provider must also obtain and maintain professional and commercial liability 11 12 insurance. Proof of liability insurance, as defined in s. 13 624.605, must be submitted with the application. The agency shall set the required amounts of liability insurance by rule, 14 but the required amount must not be less than \$300,000 15 16 \$250,000 per claim. In the case of contracted services, it is 17 required that the contractor have liability insurance not less 18 than<u>\$300,000</u>\$250,000 per claim. 19 (7) A provisional license shall be issued to an approved applicant for initial licensure for a period of 90 20 21 days, during which time a survey must be conducted 22 demonstrating substantial compliance with this section. A 23 temporary provisional license shall also be issued pending the results of an applicant's Federal Bureau of Investigation 2.4 report of background screening confirming that all standards 25 have been met. If substantial compliance is demonstrated, a 26 27 standard license shall be issued to expire 2 years after the 2.8 effective date of the provisional license. Section 3. Subsection (2) of section 400.933, Florida 29 30 Statutes, is amended, and subsection (3) is added to that section, to read: 31

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1 400.933 Licensure inspections and investigations.--2 (2) The agency shall accept, in lieu of its own periodic inspections for licensure, submission of the 3 4 following: 5 (a) the survey or inspection of an accrediting б organization, provided the accreditation of the licensed home 7 medical equipment provider is not provisional and provided the 8 licensed home medical equipment provider authorizes release 9 of, and the agency receives the report of, the accrediting 10 organization.; or 11 (b) A copy of a valid medical oxygen retail 12 establishment permit issued by the Department of Health, 13 pursuant to chapter 499. (3) In addition to any administrative fines imposed, 14 the agency may assess a survey fee of \$500 to cover the cost 15 of conducting complaint investigations that result in the 16 17 finding of a violation that was the subject of the compliant 18 and any followup visits conducted to verify the correction of the violations found in complaints. 19 Section 4. Subsections (3), (4), and (18) of section 20 21 400.934, Florida Statutes, are amended, and subsection (20) is 22 added to that section, to read: 23 400.934 Minimum standards.--As a requirement of licensure, home medical equipment providers shall: 24 (3) Respond to orders received for other equipment by 25 filling those orders from its own inventory or inventory from 26 27 other companies with which it has contracted to fill such 2.8 orders + or by customizing or fitting items for sale from 29 supplies purchased under contract, except that high-tech medical equipment providers shall fill all orders for 30 technologically advanced equipment directly from their own 31

1	inventory and shall not contract with any entity for the
2	delivery of such orders unless such entity is also licensed
3	and accredited pursuant to this subsection.
4	(4) Maintain trained personnel to coordinate order
5	fulfillment and schedule timely equipment and service
б	delivery. <u>High-tech medical equipment providers shall have on</u>
7	staff, at a minimum, one licensed respiratory therapist, who
8	is either a certified respiratory therapist (CRT), a
9	registered respiratory therapist (RRT), or a registered nurse.
10	(18) Maintain safe premises that are fully accessible
11	to all patients between the hours of 9 a.m. and 5 p.m.
12	(20) Provide consumers with after-hours emergency
13	service appropriately staffed by personnel equipped to offer
14	necessary services to the public. High-tech medical equipment
15	providers shall have on call, at a minimum, one licensed
16	respiratory therapist who is either a certified respiratory
17	therapist (CRT), a registered respiratory therapist (RRT), or
18	<u>a registered nurse.</u>
19	Section 5. Subsections (11) and (12) are added to
20	section 400.935, Florida Statutes, to read:
21	400.935 Rules establishing minimum standardsThe
22	agency shall adopt, publish, and enforce rules to implement
23	this part, which must provide reasonable and fair minimum
24	standards relating to:
25	(11) The designation of equipment as life sustaining
26	or technologically advanced.
27	(12) The designation of appropriate accrediting
28	organizations.
29	Section 6. Section 400.936, Florida Statutes, is
30	created to read:
31	400.936 Mandatory accreditation
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1	(1) Effective January 1, 2006, all home medical
2	equipment providers licensed under this part shall submit to
3	the agency proof of accreditation as a prerequisite for
4	licensure or license renewal. Any provider that does not
5	submit proof of accreditation shall be issued a temporary
б	license and shall have 60 days to submit proof of application
7	to an accrediting organization. Such provider shall submit
8	proof of accreditation within 180 days after submitting an
9	application in order to receive a permanent license. Any home
10	medical equipment provider licenses as of January 1, 2006,
11	shall have a reasonable period of time, not to exceed its next
12	licensure renewal date, to comply with the accreditation
13	requirement. Applicants that submit proof of accreditation, a
14	completed licensure application, and the required fee may
15	receive a temporary license until completion of the review of
16	accreditation.
17	(2) The agency shall adopt rules designating
18	appropriate accrediting organizations whose standards for
19	accreditation are comparable to those required by this part
20	for licensure.
21	Section 7. Section 400.95, Florida Statutes, is
22	amended to read:
23	400.95 Notice of toll-free telephone number for
24	central <u>fraud and</u> abuse hotlineOn or before the first day
25	home medical equipment is delivered to the patient's home, any
26	home medical equipment provider licensed under this part must
27	inform the consumer and his or her immediate family, if
28	appropriate, of the right to report <u>fraudulent,</u> abusive,
29	neglectful, or exploitative practices. The statewide toll-free
30	telephone number for the central <u>fraud and</u> abuse hotline must
31	be provided to consumers in a manner that is clearly legible

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1 and must include the words: "To report fraud, abuse, neglect, 2 or exploitation, please call toll-free 1-800-962-2873." Home medical equipment providers shall establish appropriate 3 policies and procedures for providing such notice to 4 5 consumers. 6 Section 8. This act shall take effect July 1, 2005. 7 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN 8 COMMITTEE SUBSTITUTE FOR 9 <u>SB 2570</u> 10 The Committee Substitute differs from SB 2570 in the following 11 ways: 12 A high-tech medical equipment provider will provide equipment 13 for all patients, not just pediatric patients. A high-tech medical equipment provider will not provide 14 ventilator care or tracheotomy care. 15 The bill does not define pediatric patient. 16 The bill revises the definition of "from its own inventory" to 17 delete the prohibition against using inventory personnel from other companies or subcontractors, and to permit a high-tech 18 medical equipment provider to contract with a licensed and accredited entity. 19 A survey fee of \$500 is authorized to cover the cost of 20 conducting complaint investigations that result in the finding of a violation that was the subject of a complaint and any 21 follow-up visits. 22 23 2.4 25 26 27 28 29 30 31