

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HB 33 Administration and Management of Nursing Home Facilities  
**SPONSOR(S):** Gibson and others  
**TIED BILLS:** **IDEN./SIM. BILLS:** SB 266

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| REFERENCE                           | ACTION | ANALYST | STAFF DIRECTOR |
|-------------------------------------|--------|---------|----------------|
| 1) Elder & Long-Term Care Committee |        | Walsh   | Liem           |
| 2) Insurance Committee              |        |         |                |
| 3) Health & Families Council        |        |         |                |
| 4) _____                            |        |         |                |
| 5) _____                            |        |         |                |

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### SUMMARY ANALYSIS

HB 33 makes permanent the exception to maintenance of liability insurance coverage for teaching nursing homes.

There is no fiscal impact associated with this bill.

**This document does not reflect the intent or official position of the bill sponsor or House of Representatives.**

**STORAGE NAME:** h0033.ELT.doc  
**DATE:** 1/11/2005

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. HOUSE PRINCIPLES ANALYSIS:

This bill does not appear to implicate any of the House principles.

#### B. EFFECT OF PROPOSED CHANGES:

##### Background

In 1999, the Legislature enacted a "Teaching Nursing Home Pilot Project"<sup>1</sup> to implement a comprehensive multidisciplinary program of geriatric education and research in a nursing home facility designated by the Agency for Health Care Administration (AHCA) as a teaching nursing home. The Miami Jewish Home and Hospital for the Aged at Douglas Gardens ("MJHHA") was licensed in July 2000 as a teaching nursing home<sup>2</sup>, and it remains the only nursing home so designated.

As part of its mission as a teaching nursing home, MJHHA has developed programs intended to promote and enhance research and training of health care professionals who treat Florida's frail elders in an institutionalized setting. Under its contracts with AHCA since 2000, MJHHA has undertaken many research and training projects, including:

- Development of "Geri-U," an Online Geriatric University, an information and decision-sharing program to support physician and nursing education and research in long-term care
- Development of a 4-year medical student curriculum, including a statewide collaboration on physician education in geriatrics involving all of Florida's medical schools.
- Conducting nursing education activities, including establishment of formal training programs for LPNs and CNAs in long-term care facilities
- Collaborating with other major residential care facilities with academic affiliations, such as Jacksonville's River Garden facility
- Development of training tools for staff involved in the direct care of persons with dementia, including creation of a CD-ROM for use in LPN training.

In 2002, the Legislature amended<sup>3</sup> both the nursing home licensing statute and the teaching nursing home pilot statute to provide an exception to the licensure requirement that nursing homes maintain liability insurance coverage. Specifically, s. 400.141(20), F.S., was amended to allow teaching nursing homes to demonstrate proof of financial responsibility by the alternative means enumerated in s. 430.80(3)(h), F.S. Under the newly-amended statute, a teaching nursing home may either maintain insurance coverage or provide proof of financial responsibility in a minimum amount of \$750,000 by:

- Maintenance of an escrow account consisting of cash or assets, or
- Maintenance of an unexpired, irrevocable, nontransferable and nonassignable letter of credit which shall be used to satisfy final judgments or settlements of liability claims.<sup>4</sup>

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<sup>1</sup> Chapter 99-394, L.O.F., creating s. 430.80, F.S.

<sup>2</sup> Pursuant to s. 430.80(1), a teaching nursing home is a nursing home facility licensed under chapter 400 which contains a minimum of 400 licensed nursing home beds; has access to a resident senior population of sufficient size to support education, training, and research relating to geriatric care; and has a contractual relationship with a federally funded accredited geriatric research center in this state.

<sup>3</sup> Sections 29 and 30, Chapter 2002-223, L.O.F.

<sup>4</sup> MJHHA maintains a \$750,000 letter of credit to meet its nursing home licensure requirement, in addition to a \$250,000 escrow account.

The exception provided in s. 400.141(20), F.S., expires on July 1, 2005.

### Effect of Proposed Changes

The bill deletes the expiration of the exception to maintenance of liability coverage for teaching nursing homes, and makes permanent the provision allowing demonstration of alternative financial responsibility.

#### C. SECTION DIRECTORY:

Section 1: Amends s. 400.141(20), F.S.; deletes the expiration of the exception to maintenance of liability coverage for teaching nursing homes.

Section 2: Provides that the act is effective upon becoming law.

## **II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

#### A. FISCAL IMPACT ON STATE GOVERNMENT:

There is no fiscal impact associated with this bill.

#### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

There is no fiscal impact associated with this bill.

#### C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

#### D. FISCAL COMMENTS:

None.

## **III. COMMENTS**

#### A. CONSTITUTIONAL ISSUES:

##### 1. Applicability of Municipality/County Mandates Provision:

The mandates provision is not implicated by this bill.

##### 2. Other:

None.

#### B. RULE-MAKING AUTHORITY:

None.

#### C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

#### IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES