

By Senator Bennett

21-1130-06

1                                   A bill to be entitled  
2           An act relating to health care administration;  
3           amending s. 408.036, F.S., relating to  
4           health-care-related projects subject to review  
5           for a certificate of need; exempting class II  
6           specialty hospitals specializing in the  
7           delivery of health services to pediatric  
8           patients from the requirement to obtain a  
9           certificate of need from the Agency for Health  
10          Care Administration; providing criteria for  
11          such exemption; providing an effective date.

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13           WHEREAS, access to specialized pediatric care is an  
14          issue of critical state importance, and

15           WHEREAS, Florida has experienced a significant increase  
16          in its pediatric population of individuals under the age of 18  
17          over the past 20 years, and

18           WHEREAS, the pediatric population is projected to  
19          increase by another 50 percent over the next 30 years,  
20          reaching 5,366,076 residents by 2030, resulting in this state  
21          having the fourth largest population of children among all  
22          states, and

23           WHEREAS, the expansion of this population will result  
24          in a dramatic increase in the need for health care services  
25          for pediatric patients, and

26           WHEREAS, the number of freestanding children's  
27          hospitals in this state has not kept pace with the dramatic  
28          increase in the pediatric population, and

29           WHEREAS, there have been numerous technological  
30          advances in the area of pediatric services, and

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1           WHEREAS, Florida will need to expand opportunities to  
2 attract medical professionals who have specialized training  
3 and experience in pediatric health care, and

4           WHEREAS, Florida must encourage organizations that have  
5 demonstrated experience in the treatment of pediatric patients  
6 elsewhere to bring their specialized resources and services to  
7 this state, and

8           WHEREAS, Florida should encourage organizations to  
9 specialize in the care of pediatric patients by investing in  
10 clinical research and education directed toward improving the  
11 delivery of health services to pediatric patients, and

12           WHEREAS, the development of highly specialized  
13 pediatric hospitals that have a commitment to medical  
14 education and clinical research will augment the services  
15 currently provided, and

16           WHEREAS, the existing regulatory process for obtaining  
17 a certificate of need imposes substantial costs and delays for  
18 organizations seeking to develop specialized pediatric  
19 hospitals in this state, NOW, THEREFORE,

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

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23           Section 1. Paragraph (t) is added to subsection (3) of  
24 section 408.036, Florida Statutes, to read:

25           408.036 Projects subject to review; exemptions.--

26           (3) EXEMPTIONS.--Upon request, the following projects  
27 are subject to exemption from the provisions of subsection  
28 (1):

29           (t) For the establishment of a pediatric hospital that  
30 would be licensed as a class II specialty hospital restricted  
31 to the sole treatment of pediatric patients. This exemption is

1 not applicable to a class I or general hospital seeking to  
2 designate a portion of its bed allocation to the treatment of  
3 pediatric patients.

4 1. Any class II specialty hospital established under  
5 this exemption may offer general inpatient pediatric care,  
6 outpatient care, and the following tertiary health services:  
7 pediatric cardiac catheterization, pediatric open heart  
8 surgery, Level II or Level III neonatal intensive care, solid  
9 organ transplants, and bone marrow transplants without  
10 additional certificate-of-need review.

11 2. To be entitled to an exemption under this  
12 paragraph, the entity seeking the exemption must be the  
13 applicant for the license and must:

14 a. Have prior experience, within or outside the state,  
15 in owning and operating a pediatric hospital that engages in  
16 clinical research and medical education that is directed  
17 toward improving the delivery of health services to pediatric  
18 patients.

19 b. Demonstrate the financial capability to incur the  
20 necessary capital and operating costs required to develop a  
21 pediatric hospital consistent with the provisions of this  
22 paragraph.

23 c. Commit to a construction schedule that would result  
24 in the opening of one hospital no sooner than October, 2006.  
25 Thereafter, the applicant shall formally assess the  
26 feasibility of opening additional hospitals. If the  
27 feasibility exists for establishing additional hospitals, the  
28 applicant shall identify the most appropriate market and  
29 timeframe for the opening of these additional hospital using  
30 the following factors:

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1           (I) Population demographics and dynamics, including,  
2 but not limited to, the area's current and projected pediatric  
3 population and the area's current and projected population of  
4 special needs children;

5           (II) The availability, use, and quality of pediatric  
6 services in the area;

7           (III) The availability, use, and quality of medical  
8 education and clinical research opportunities for pediatric  
9 residents and fellows in the area;

10           (IV) National medical-treatment trends in pediatric  
11 care;

12           (V) Market conditions; and

13           (VI) Any other relevant planning factors related to  
14 the delivery of state-of-the-art pediatric services.

15           d. Certify that it will engage in clinical research  
16 directed toward improving the delivery of health services to  
17 pediatric patients in each of its hospitals.

18           e. Certify that it will fund graduate programs in  
19 medical education which are directed toward improving the  
20 delivery of health services to pediatric patients in each of  
21 its hospitals authorized under this paragraph.

22           f. Commit to providing inpatient services to Medicaid  
23 and charity care patients in each hospital authorized under  
24 this paragraph at a level equal to or greater than the  
25 health-service-planning average for pediatric patients in the  
26 district.

27           g. Certify that during the first 5 years of operating  
28 a hospital authorized under this paragraph, it will not seek  
29 to license or operate more than 120 inpatient pediatric beds  
30 and that no more than 15 of those 120 beds will be used for  
31 Level II or Level III neonatal intensive care services.

1           Section 2. This act shall take effect upon becoming a  
2 law.

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5                                   SENATE SUMMARY

6           Relates to health-care-related projects subject to review  
7           for a certificate of need. Exempts certain projects  
8           involving hospitals specializing in the delivery of  
9           health services to pediatric patients.  
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