

Bill No. CS for CS for SB 2176

Barcode 023940

CHAMBER ACTION

Senate

House

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31

Comm: RCS
04/24/2006 01:40 PM

.
. .
. .
. .
. .
. .

The Committee on Ways and Means (Villalobos) recommended the following amendment:

Senate Amendment (with title amendment)

On page 7, line 1, through
page 21, line 25, delete those lines

and insert:

Section 2. Section 381.0406, Florida Statutes, is amended to read:

381.0406 Rural health networks.--

(1) LEGISLATIVE FINDINGS AND INTENT.--

(a) The Legislature finds that, in rural areas, access to health care is limited and the quality of health care is negatively affected by inadequate financing, difficulty in recruiting and retaining skilled health professionals, and the ~~because of a~~ migration of patients to urban areas for general acute care and specialty services.

(b) The Legislature further finds that the efficient and effective delivery of health care services in rural areas requires:

Bill No. CS for CS for SB 2176

Barcode 023940

1 1. The integration of public and private resources;
2 2. The introduction of innovative outreach methods;
3 3. The adoption of quality improvement and
4 cost-effectiveness measures;
5 4. The organization of health care providers into
6 joint contracting entities;
7 5. Establishing referral linkages;
8 6. The analysis of costs and services in order to
9 prepare health care providers for prepaid and at-risk
10 financing; and
11 7. The coordination of health care providers.
12 (c) The Legislature further finds that the
13 availability of a continuum of quality health care services,
14 including preventive, primary, secondary, tertiary, and
15 long-term care, is essential to the economic and social
16 vitality of rural communities.
17 (d) The Legislature further finds that health care
18 providers in rural areas are not prepared for market changes
19 such as the introduction of managed care and
20 capitation-reimbursement methodologies into health care
21 services.
22 (e)(d) The Legislature further finds that the creation
23 of rural health networks can help to alleviate these problems.
24 Rural health networks shall act in the broad public interest
25 and, to the extent possible, seek to improve the
26 accessibility, quality, and cost-effectiveness of rural health
27 care by planning, developing, coordinating, and providing ~~be~~
28 structured to provide a continuum of quality health care
29 services for rural residents through the cooperative efforts
30 of rural health network members and other health care
31 providers.

Bill No. CS for CS for SB 2176

Barcode 023940

1 ~~(f)(e)~~ The Legislature further finds that rural health
 2 networks shall have the goal of increasing the financial
 3 stability of statutory rural hospitals by linking rural
 4 hospital services to other services in a continuum of health
 5 care services and by increasing the utilization of statutory
 6 rural hospitals whenever for appropriate ~~health care services~~
 7 ~~whenever feasible, which shall help to ensure their survival~~
 8 ~~and thereby~~ support the economy and protect the health and
 9 safety of rural residents.

10 ~~(g)(f)~~ Finally, the Legislature finds that rural
 11 health networks may serve as "laboratories" to determine the
 12 best way of organizing rural health services and linking to
 13 out-of-area services that are not available locally in order
 14 to move the state closer to ensuring that everyone has access
 15 to health care, and to promote cost containment efforts. The
 16 ultimate goal of rural health networks shall be to ensure that
 17 quality health care is available and efficiently delivered to
 18 all persons in rural areas.

19 (2) DEFINITIONS.--

20 (a) "Rural" means an area having ~~with~~ a population
 21 density of fewer ~~less~~ than 100 individuals per square mile or
 22 an area defined by the most recent United States Census as
 23 rural.

24 (b) "Health care provider" means any individual,
 25 group, or entity, public or private, which ~~that~~ provides
 26 health care, including+ preventive health care, primary health
 27 care, secondary and tertiary health care, hospital ~~in-hospital~~
 28 health care, public health care, and health promotion and
 29 education.

30 (c) "Rural health network" or "network" means a
 31 nonprofit legal entity whose principal place of business is in

Bill No. CS for CS for SB 2176

Barcode 023940

1 a rural county, whose members consist ~~consisting~~ of rural and
 2 urban health care providers and others, and which ~~that~~ is
 3 established ~~organized~~ to plan, develop, organize, and deliver
 4 health care services on a cooperative basis in a rural area,
 5 ~~except for some secondary and tertiary care services.~~

6 (3) NETWORK MEMBERSHIP.--

7 (a) Because each rural area is unique, with a
 8 different health care provider mix, health care provider
 9 membership may vary, but all networks shall include members
 10 that provide health promotion and disease-prevention services,
 11 public health services, comprehensive primary care, emergency
 12 medical care, and acute inpatient care.

13 (b) Each county health department shall be a member of
 14 the rural health network whose service area includes the
 15 county in which the county health department is located.
 16 Federally qualified health centers and emergency medical
 17 services providers are encouraged to become members of the
 18 rural health networks in the areas in which their patients
 19 reside or receive services.

20 (c)~~(4)~~ Network membership shall be available to all
 21 health care providers in the network service area if, ~~provided~~
 22 ~~that~~ they render care to all patients referred to them from
 23 other network members;; ~~and,~~ comply with network quality assurance,
 24 quality improvement, and utilization-management ~~and risk~~
 25 ~~management~~ requirements; and, abide by the terms and
 26 conditions of network provider agreements ~~in paragraph~~
 27 ~~(11)(c), and provide services at a rate or price equal to the~~
 28 ~~rate or price negotiated by the network.~~

29 (4)~~(5)~~ NETWORK SERVICE AREAS.--Network service areas
 30 are ~~do not~~ required ~~need~~ to conform to local political
 31 boundaries or state administrative district boundaries. The

Bill No. CS for CS for SB 2176

Barcode 023940

1 geographic area of one rural health network, however, may not
2 overlap the territory of any other rural health network.

3 ~~(5)(6)~~ NETWORK FUNCTIONS.-- Networks shall:

4 (a) Seek to develop linkages with provisions for
5 ~~referral to tertiary inpatient care, specialty physician care,~~
6 and ~~to~~ other services that are not available in rural service
7 areas.

8 ~~(b)(7)~~ ~~Networks shall~~ Make available health promotion,
9 disease prevention, and primary care services, in order to
10 improve the health status of rural residents and to contain
11 health care costs.

12 ~~(8)~~ ~~Networks may have multiple points of entry, such~~
13 ~~as through private physicians, community health centers,~~
14 ~~county health departments, certified rural health clinics,~~
15 ~~hospitals, or other providers; or they may have a single point~~
16 ~~of entry.~~

17 ~~(c)(9)~~ Encourage members through training and
18 educational programs to adopt standards of care, and promote
19 the evidence-based practice of medicine. Networks shall
20 establish standard protocols, coordinate and share patient
21 records, and develop patient information exchange systems in
22 order to improve quality and access to services.

23 (d) Develop quality-improvement programs and train
24 network members and other health care providers in the use of
25 such programs.

26 (e) Develop disease-management systems and train
27 network members and other health care providers in the use of
28 such systems.

29 (f) Promote outreach to areas with a high need for
30 services.

31 (g) Seek to develop community care alternatives for

Bill No. CS for CS for SB 2176

Barcode 023940

1 elders who would otherwise be placed in nursing homes.

2 (h) Emphasize community care alternatives for persons
3 with mental health and substance abuse disorders who are at
4 risk of being admitted to an institution.

5 (i) Develop and implement a long-range development
6 plan for an integrated system of care that is responsive to
7 the unique local health needs and the area health care
8 services market. Each rural health network long-range
9 development plan must address strategies to improve access to
10 specialty care, train health care providers to use standards
11 of care for chronic illness, develop disease-management
12 capacity, and link to state and national quality-improvement
13 initiatives. The initial long-range development plan must be
14 submitted to the Office of Rural Health for review and
15 approval no later than July 1, 2007, and thereafter the plans
16 must be updated and submitted to the Office of Rural Health
17 every 3 years.

18 ~~(10) Networks shall develop risk management and~~
19 ~~quality assurance programs for network providers.~~

20 ~~(6)(11) NETWORK GOVERNANCE AND ORGANIZATION.--~~

21 (a) Networks shall be incorporated as not-for-profit
22 corporations under chapter 617, with articles of incorporation
23 that set forth purposes consistent with this section ~~the laws~~
24 ~~of the state.~~

25 (b) Each network ~~Networks~~ shall have an independent ~~a~~
26 board of directors that derives membership from local
27 government, health care providers, businesses, consumers,
28 advocacy groups, and others. Boards of other community health
29 care entities may not serve in whole as the board of a rural
30 health network; however, some overlap of board membership with
31 other community organizations is encouraged. Network staff

Bill No. CS for CS for SB 2176

Barcode 023940

1 must provide an annual orientation and strategic planning
2 activity for board members.

3 (c) Network boards of directors shall have the
4 responsibility of determining the content of health care
5 provider agreements that link network members. The written
6 agreements between the network and its health care provider
7 members must specify participation in the essential functions
8 of the network and shall specify:

- 9 1. Who provides what services.
- 10 2. The extent to which the health care provider
11 provides care to persons who lack health insurance or are
12 otherwise unable to pay for care.
- 13 3. The procedures for transfer of medical records.
- 14 4. The method used for the transportation of patients
15 between providers.
- 16 5. Referral and patient flow including appointments
17 and scheduling.
- 18 6. Payment arrangements for the transfer or referral
19 of patients.

20 (d) There shall be no liability on the part of, and no
21 cause of action of any nature shall arise against, any member
22 of a network board of directors, or its employees or agents,
23 for any lawful action taken by them in the performance of
24 their administrative powers and duties under this subsection.

25 ~~(7)(12)~~ NETWORK PROVIDER MEMBER SERVICES.--

26 (a) Networks, to the extent feasible, shall seek to
27 develop services that provide for a continuum of care for all
28 residents ~~patients~~ served by the network. Each network shall
29 recruit members that can provide ~~include~~ the following core
30 services: disease prevention, health promotion, comprehensive
31 primary care, emergency medical care, and acute inpatient

Bill No. CS for CS for SB 2176

Barcode 023940

1 care. Each network shall seek to ensure the availability of
2 comprehensive maternity care, including prenatal, delivery,
3 and postpartum care for uncomplicated pregnancies, either
4 directly, by contract, or through referral agreements.

5 Networks shall, to the extent feasible, develop local services
6 and linkages among health care providers to also ensure the
7 availability of the following services: ~~within the specified~~
8 ~~timeframes, either directly, by contract, or through referral~~
9 ~~agreements:~~

10 ~~1. Services available in the home.~~

11 ~~1.a.~~ Home health care.

12 ~~2.b.~~ Hospice care.

13 ~~2. Services accessible within 30 minutes travel time~~
14 ~~or less.~~

15 ~~3.a.~~ Emergency medical services, including advanced
16 life support, ambulance, and basic emergency room services.

17 ~~4.b.~~ Primary care, including

18 ~~c.~~ prenatal and postpartum care for uncomplicated
19 pregnancies.

20 ~~5.d.~~ Community-based services for elders, such as
21 adult day care and assistance with activities of daily living.

22 ~~6.e.~~ Public health services, including communicable
23 disease control, disease prevention, health education, and
24 health promotion.

25 ~~7.f.~~ Outpatient mental health ~~psychiatric~~ and
26 substance abuse services.

27 ~~3. Services accessible within 45 minutes travel time~~
28 ~~or less.~~

29 ~~8.a.~~ Hospital acute inpatient care for persons whose
30 illnesses or medical problems are not severe.

31 ~~9.b.~~ ~~Level I obstetrical care, which is~~ Labor and

Bill No. CS for CS for SB 2176

Barcode 023940

1 delivery for low-risk patients.

2 ~~10.c.~~ Skilled nursing services and long-term care,
3 including nursing home care.

4 (b) Networks shall seek to foster linkages with
5 out-of-area services to the extent feasible to ensure the
6 availability of:

7 ~~1.d.~~ Dialysis.

8 ~~2.e.~~ Osteopathic and chiropractic manipulative
9 therapy.

10 ~~4. Services accessible within 2 hours travel time or~~
11 ~~less.~~

12 ~~3.a.~~ Specialist physician care.

13 ~~4.b.~~ Hospital acute inpatient care for severe
14 illnesses and medical problems.

15 ~~5.c. Level II and III obstetrical care, which is Labor~~
16 ~~and delivery care for high-risk patients and neonatal~~
17 ~~intensive care.~~

18 ~~6.d.~~ Comprehensive medical rehabilitation.

19 ~~7.e.~~ Inpatient mental health ~~psychiatric~~ and substance
20 abuse services.

21 ~~8.f.~~ Magnetic resonance imaging, lithotripter
22 treatment, oncology, advanced radiology, and other
23 technologically advanced services.

24 ~~9.g.~~ Subacute care.

25 (8) COORDINATION WITH OTHER ENTITIES.--

26 (a) Area health education centers, health planning
27 councils, and regional education consortia shall participate
28 in the rural health networks' preparation of long-range
29 development plans. The Department of Health may require
30 written memoranda of agreement between a network and an area
31 health education center or health planning council.

Bill No. CS for CS for SB 2176

Barcode 023940

1 (b) Rural health networks shall initiate activities,
2 in coordination with area health education centers, to carry
3 out the objectives of the adopted long-range development plan,
4 including continuing education for health care practitioners
5 performing functions such as disease management, continuous
6 quality improvement, telemedicine, long-distance learning, and
7 the treatment of chronic illness using standards of care. As
8 used in this section, the term "telemedicine" means the use of
9 telecommunications to deliver or expedite the delivery of
10 health care services.

11 (c) Health planning councils shall support the
12 preparation of network long-range development plans through
13 data collection and analysis in order to assess the health
14 status of area residents and the capacity of local health
15 services.

16 (d) Regional education consortia that have the
17 technology available to assist rural health networks in
18 establishing systems for exchange of patient information and
19 for long-distance learning shall provide technical assistance
20 upon the request of a rural health network.

21 (e)(b) Networks shall actively participate with area
22 health education center programs, whenever feasible, in
23 developing and implementing recruitment, training, and
24 retention programs directed at positively influencing the
25 supply and distribution of health care professionals serving
26 in, or receiving training in, network areas.

27 ~~(c) As funds become available, networks shall~~
28 ~~emphasize community care alternatives for elders who would~~
29 ~~otherwise be placed in nursing homes.~~

30 ~~(d) To promote the most efficient use of resources,~~
31 ~~networks shall emphasize disease prevention, early diagnosis~~

Bill No. CS for CS for SB 2176

Barcode 023940

1 ~~and treatment of medical problems, and community care~~
2 ~~alternatives for persons with mental health and substance~~
3 ~~abuse disorders who are at risk to be institutionalized.~~

4 (f)(13) TRAUMA SERVICES.--In those network areas
5 having ~~which have~~ an established trauma agency approved by the
6 Department of Health, the network shall seek the participation
7 of that trauma agency ~~must be a participant in the network.~~
8 Trauma services provided within the network area must comply
9 with s. 395.405.

10 (9)(14) NETWORK FINANCING.--

11 (a) Networks may use all sources of public and private
12 funds to support network activities. Nothing in this section
13 prohibits networks from becoming managed care providers.

14 (b) The Department of Health shall establish grant
15 programs to provide funding to support the administrative
16 costs of developing and operating rural health networks.

17 (10) NETWORK PERFORMANCE STANDARDS.--The Department of
18 Health shall develop and enforce performance standards for
19 rural health network operations grants and rural health
20 infrastructure development grants.

21 (a) Operations grant performance standards must
22 include, but are not limited to, standards that require the
23 rural health network to:

24 1. Have a qualified board of directors that meets at
25 least quarterly.

26 2. Have sufficient staff who have the qualifications
27 and experience to perform the requirements of this section, as
28 assessed by the Office of Rural Health, or a written plan to
29 obtain such staff.

30 3. Comply with the department's grant-management
31 standards in a timely and responsive manner.

Bill No. CS for CS for SB 2176

Barcode 023940

1 4. Comply with the department's standards for the
2 administration of federal grant funding, including assistance
3 to rural hospitals.

4 5. Demonstrate a commitment to network activities from
5 area health care providers and other stakeholders, as
6 described in letters of support.

7 (b) Rural health infrastructure development grant
8 performance standards must include, but are not limited to,
9 standards that require the rural health network to:

10 1. During the 2006-2007 fiscal year develop a
11 long-range development plan and, after July 1, 2007, have a
12 long-range development plan that has been reviewed and
13 approved by the Office of Rural Health.

14 2. Have two or more successful network-development
15 activities, such as:

16 a. Management of a network-development or outreach
17 grant from the federal Office of Rural Health Policy;

18 b. Implementation of outreach programs to address
19 chronic disease, infant mortality, or assistance with
20 prescription medication;

21 c. Development of partnerships with community and
22 faith-based organizations to address area health problems;

23 d. Provision of direct services, such as clinics or
24 mobile units;

25 e. Operation of credentialing services for health care
26 providers or quality-assurance and quality-improvement
27 initiatives that, whenever possible, are consistent with state
28 or federal quality initiatives;

29 f. Support for the development of community health
30 centers, local community health councils, federal designation
31 as a rural critical access hospital, or comprehensive

Bill No. CS for CS for SB 2176

Barcode 023940

1 community health planning initiatives; and

2 g. Development of the capacity to obtain federal,
3 state, and foundation grants.

4 ~~(11)(15)~~ NETWORK IMPLEMENTATION.--As funds become
5 available, networks shall be developed and implemented in two
6 phases.

7 (a) Phase I shall consist of a network planning and
8 development grant program. Planning grants shall be used to
9 organize networks, incorporate network boards, and develop
10 formal provider agreements as provided for in this section.
11 The Department of Health shall develop a request-for-proposal
12 process to solicit grant applications.

13 (b) Phase II shall consist of a network operations
14 grant program. As funds become available, certified networks
15 that meet performance standards shall be eligible to receive
16 grant funds to be used to help defray the costs of rural
17 health network infrastructure development, patient care, and
18 network administration. Rural health network infrastructure
19 development includes, but is not limited to: recruitment and
20 retention of primary care practitioners; enhancements of
21 primary care services through the use of mobile clinics;
22 development of preventive health care programs; linkage of
23 urban and rural health care systems; design and implementation
24 of automated patient records, outcome measurement, quality
25 assurance, and risk management systems; establishment of
26 one-stop service delivery sites; upgrading of medical
27 technology available to network providers; enhancement of
28 emergency medical systems; enhancement of medical
29 transportation; formation of joint contracting entities
30 composed of rural physicians, rural hospitals, and other rural
31 health care providers; establishment of comprehensive

Bill No. CS for CS for SB 2176

Barcode 023940

1 disease-management programs that meet Medicaid requirements;
 2 establishment of regional quality-improvement programs
 3 involving physicians and hospitals consistent with state and
 4 national initiatives; establishment of speciality networks
 5 connecting rural primary care physicians and urban
 6 specialists; development of regional broadband
 7 telecommunications systems that have the capacity to share
 8 patient information in a secure network, telemedicine, and
 9 long-distance learning capacity; and linkage between training
 10 programs for health care practitioners and the delivery of
 11 health care services in rural areas ~~and development of~~
 12 ~~telecommunication capabilities.~~ A Phase II award may occur in
 13 the same fiscal year as a Phase I award.

14 (12)(16) CERTIFICATION.--For the purpose of certifying
 15 networks that are eligible for Phase II funding, the
 16 Department of Health shall certify networks that meet the
 17 criteria delineated in this section and the rules governing
 18 rural health networks. The Office of Rural Health in the
 19 Department of Health shall monitor rural health networks in
 20 order to ensure continued compliance with established
 21 certification and performance standards.

22 (13)(17) RULES.--The Department of Health shall
 23 establish rules that govern the creation and certification of
 24 networks, the provision of grant funds under Phase I and Phase
 25 II, and the establishment of performance standards ~~including~~
 26 ~~establishing outcome measures~~ for networks.

29 ===== T I T L E A M E N D M E N T =====

30 And the title is amended as follows:

31 On page 1, line 30, through

Bill No. CS for CS for SB 2176

Barcode 023940

1 page 2, line 2, delete those lines

2

3 and insert:

4 standards for rural health networks;

5 establishing requirements for the receipt of

6 grant funding; requiring the Office

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31