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4 5 CHAMBER ACTION

The Health & Families Council recommends the following:

Council/Committee Substitute

Remove the entire bill and insert:

A bill to be entitled

6 An act relating to hospital licensing and regulation; amending s. 395.003, F.S.; prohibiting authorization of 7 additional emergency departments located off the premises 8 of licensed hospitals until the Agency for Health Care 9 10 Administration adopts rules; amending s. 395.1055, F.S.; requiring the agency to adopt rules by a specified date to 11 establish licensure standards for emergency departments 12 located off the premises of licensed hospitals; requiring 13 14 the rules to address certain topics; amending s. 395.4001, F.S.; providing definitions; repealing s. 395.4035, F.S., 15 to terminate the Trauma Services Trust Fund; amending s. 16 17 395.4036, F.S.; revising provisions relating to distribution of funds to trauma centers and use thereof; 18 19 creating s. 395.41, F.S.; establishing a trauma center startup grant program; providing conditions for the 20 21 receipt of a startup grant; providing limitations; making the trauma center startup grant program subject to an 22

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HB 715 CS 2006 CS appropriation in the General Appropriations Act; providing 23 24 a contingent effective date. 25 26 Be It Enacted by the Legislature of the State of Florida: 27 28 Section 1. Paragraph (b) of subsection (1) of section 395.003, Florida Statutes, is amended to read: 29 30 395.003 Licensure; issuance, renewal, denial, modification, suspension, and revocation .--31 (1)32 (b)1. It is unlawful for a person to use or advertise to 33 34 the public, in any way or by any medium whatsoever, any facility 35 as a "hospital," "ambulatory surgical center," or "mobile surgical facility" unless such facility has first secured a 36 license under the provisions of this part. 37 This part does not apply to veterinary hospitals or to 38 2. 39 commercial business establishments using the word "hospital," "ambulatory surgical center," or "mobile surgical facility" as a 40 41 part of a trade name if no treatment of human beings is performed on the premises of such establishments. 42 Until July 1, 2006, Additional emergency departments 3. 43 44 located off the premises of licensed hospitals may not be authorized by the agency until the agency has adopted rules 45 required under s. 395.1055(9). 46 Section 2. Subsection (9) is added to section 395.1055, 47 48 Florida Statutes, to read: 395.1055 Rules and enforcement.--49

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50 The agency shall adopt rules pursuant to ss. (9) 51 120.536(1) and 120.54 no later than January 1, 2007, that establish licensure standards for emergency departments located 52 53 off the premises of licensed hospitals. The rules must: Include minimum criteria for patient care and safety, 54 (a) quality improvement, infection control, building design and 55 construction, location, and appropriate transport of patients 56 57 from the emergency department located off the premises consistent with chapter 401. 58 59 Require the hospital to maintain an emergency (b) 60 department on its premises that is licensed and operated in 61 accordance with agency rules. 62 (c) Specify that an emergency department located off the premises of a licensed hospital that was authorized prior to the 63 adoption of rules shall continue to operate in accordance with 64 the licensure criteria under which it was originally authorized. 65 Section 3. Section 395.4001, Florida Statutes, is amended 66 67 to read: 68 395.4001 Definitions.--As used in this part, the term: "Agency" means the Agency for Health Care 69 (1)Administration. 70 71 (2)"Charity care" or "uncompensated trauma care" means 72 that portion of hospital charges reported to the agency for 73 which there is no compensation, other than restricted or 74 unrestricted revenues provided to a hospital by local governments or tax districts regardless of method of payment, 75 76 for care provided to a patient whose family income for the 12 77 months preceding the determination is less than or equal to 200 Page 3 of 10

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78 percent of the federal poverty level, unless the amount of 79 hospital charges due from the patient exceeds 25 percent of the 80 annual family income. However, in no case shall the hospital 81 charges for a patient whose family income exceeds four times the 82 federal poverty level for a family of four be considered 83 charity.

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(3) "Department" means the Department of Health.

(4) "Interfacility trauma transfer" means the transfer of
a trauma victim between two facilities licensed under this
chapter, pursuant to this part.

88 (5) "International Classification Injury Severity Score" 89 means the statistical method for computing the severity of 90 injuries sustained by trauma patients. The International 91 Classification Injury Severity Score shall be the methodology 92 used by the department and trauma centers to report the severity 93 of an injury.

94 <u>(6)(5)</u> "Level I trauma center" means a trauma center that: 95 (a) Has formal research and education programs for the 96 enhancement of trauma care; is verified by the department to be 97 in substantial compliance with Level I trauma center and 98 pediatric trauma center standards; and has been approved by the 99 department to operate as a Level I trauma center.

(b) Serves as a resource facility to Level II trauma
centers, pediatric trauma centers, and general hospitals through
shared outreach, education, and quality improvement activities.

(c) Participates in an inclusive system of trauma care,
 including providing leadership, system evaluation, and quality
 improvement activities.

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106 <u>(7)(6)</u> "Level II trauma center" means a trauma center 107 that:

(a) Is verified by the department to be in substantial
compliance with Level II trauma center standards and has been
approved by the department to operate as a Level II trauma
center.

(b) Serves as a resource facility to general hospitals
through shared outreach, education, and quality improvement
activities.

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(c) Participates in an inclusive system of trauma care.

116 <u>(8)</u> "Local funding contribution" means local municipal, 117 <u>county</u>, or tax district funding exclusive of any patient-118 <u>specific funds received pursuant to ss. 154.301-154.316</u>, private 119 <u>foundation funding</u>, or public or private grant funding of at 120 <u>least \$150,000 received by a hospital or health care system that</u> 121 operates a trauma center.

122 <u>(9)(7)</u> "Pediatric trauma center" means a hospital that is 123 verified by the department to be in substantial compliance with 124 pediatric trauma center standards as established by rule of the 125 department and has been approved by the department to operate as 126 a pediatric trauma center.

127 <u>(10)(8)</u> "Provisional trauma center" means a hospital that 128 has been verified by the department to be in substantial 129 compliance with the requirements in s. 395.4025 and has been 130 approved by the department to operate as a provisional Level I 131 trauma center, Level II trauma center, or pediatric trauma 132 center.

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133 <u>(11) (9)</u> "Trauma agency" means a department-approved agency 134 established and operated by one or more counties, or a 135 department-approved entity with which one or more counties 136 contract, for the purpose of administering an inclusive regional 137 trauma system.

138 <u>(12)(10)</u> "Trauma alert victim" means a person who has 139 incurred a single or multisystem injury due to blunt or 140 penetrating means or burns, who requires immediate medical 141 intervention or treatment, and who meets one or more of the 142 adult or pediatric scorecard criteria established by the 143 department by rule.

144 <u>(13) "Trauma caseload volume" means the number of trauma</u> 145 <u>patients reported by individual trauma centers to the Trauma</u> 146 <u>Registry and validated by the department.</u>

147 <u>(14) (11)</u> "Trauma center" means a hospital that has been 148 verified by the department to be in substantial compliance with 149 the requirements in s. 395.4025 and has been approved by the 150 department to operate as a Level I trauma center, Level II 151 trauma center, or pediatric trauma center.

152 <u>(15) "Trauma patient" means a person who has incurred a</u> 153 <u>physical injury or wound caused by trauma and has accessed a</u> 154 <u>trauma center.</u>

155 <u>(16) (12)</u> "Trauma scorecard" means a statewide methodology 156 adopted by the department by rule under which a person who has 157 incurred a traumatic injury is graded as to the severity of his 158 or her injuries or illness and which methodology is used as the 159 basis for making destination decisions.

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160 <u>(17)(13)</u> "Trauma transport protocol" means a document 161 which describes the policies, processes, and procedures 162 governing the dispatch of vehicles, the triage, prehospital 163 transport, and interfacility trauma transfer of trauma victims.

164 <u>(18)(14)</u> "Trauma victim" means any person who has incurred 165 a single or multisystem injury due to blunt or penetrating means 166 or burns and who requires immediate medical intervention or 167 treatment.

168Section 4.Section 395.4035, Florida Statutes, is169repealed.

Section 5. Subsection (1) of section 395.4036, FloridaStatutes, is amended to read:

172

395.4036 Trauma payments.--

173 Recognizing the Legislature's stated intent to provide (1)financial support to the current verified trauma centers and to 174 provide incentives for the establishment of additional trauma 175 176 centers as part of a system of state-sponsored trauma centers, 177 the department shall utilize funds collected under s. 178 318.18(15)(14) and deposited into the Administrative Trust Fund of the department to ensure the availability and accessibility 179 of trauma services throughout the state as provided in this 180 subsection. 181

(a) Twenty percent of the total funds collected under this
subsection <u>during the state fiscal year</u> shall be distributed to
verified trauma centers located in a region that <u>have</u> has a
local funding contribution as of December 31. Distribution of
funds under this paragraph shall be based on trauma caseload
volume <u>for the most recent calendar year available</u>.

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(b) Forty percent of the total funds collected under this
subsection shall be distributed to verified trauma centers based
on trauma caseload volume <u>for of</u> the <u>most recent</u> previous
calendar year <u>available</u>. The determination of caseload volume
for distribution of funds under this paragraph shall be based on
the department's Trauma Registry data.

Forty percent of the total funds collected under this 194 (C) 195 subsection shall be distributed to verified trauma centers based on severity of trauma patients for the most recent calendar year 196 197 available. The determination of severity for distribution of 198 funds under this paragraph shall be based on the department's 199 International Classification Injury Severity Scores or another 200 statistically valid and scientifically accepted method of 201 stratifying a trauma patient's severity of injury, risk of mortality, and resource consumption as adopted by the department 202 by rule, weighted based on the costs associated with and 203 204 incurred by the trauma center in treating trauma patients. The 205 weighting of scores shall be established by the department by 206 rule scores of 1-14 and 15 plus.

Funds deposited in the department's Administrative Trust Fund 208 209 for verified trauma centers may be used to maximize the receipt 210 of federal funds that may be available for such trauma centers. Notwithstanding this section and s. 318.14, distributions to 211 212 trauma centers may be adjusted in a manner to ensure that total 213 payments to trauma centers represent the same proportional allocation as set forth in this section and s. 318.14. For 214 215 purposes of this section and s. 318.14, total funds distributed Page 8 of 10

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216 to trauma centers may include revenue from the Administrative 217 Trust Fund and federal funds for which revenue from the 218 Administrative Trust Fund is used to meet state or local 219 matching requirements. Funds collected under ss. 318.14 and 220 318.18(15) and deposited in the Administrative Trust Fund of the 221 department shall be distributed to trauma centers on a quarterly 222 basis using the most recent calendar year data available. Such 223 data shall not be used for more than four quarterly 224 distributions unless there are extenuating circumstances as 225 determined by the department, in which case the most recent 226 calendar year data available shall continue to be used and appropriate adjustments shall be made as soon as the more recent 227 228 data becomes available. Trauma centers may request that their 229 distributions from the Administrative Trust Fund be used as 230 intergovernmental transfer funds in the Medicaid program. Section 6. Section 395.41, Florida Statutes, is created to 231 232 read: 395.41 Trauma center startup grant program.--There is 233 234 established a trauma center startup grant program. 235 The Legislature recognizes the need for a statewide, (1) cohesive, uniform, and integrated trauma system, and the 236 237 Legislature acknowledges that the state has been divided into 238 trauma service areas. Each of the trauma service areas should have at least one trauma center; however, some trauma service 239 240 areas do not have a trauma center because of the significant up-241 front investment of capital required for hospitals to develop the physical space, equipment, and qualified personnel necessary 242 243 to provide quality trauma services.

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CS 244 (2) An acute care general hospital that has submitted a 245 letter of intent and an application to become a trauma center pursuant to s. 395.4025 may apply to the department for a 246 247 startup grant. The grant applicant must demonstrate that: 248 There are currently no other trauma centers in the (a) 249 hospital's trauma service area as established under s. 395.402. 250 There is not a trauma center within a 100-mile radius (b) 251 of the proposed trauma center. (c) The hospital has received a local funding contribution 252 253 as defined under s. 395.4001. 254 The hospital has incurred startup costs in excess of (d) 255 the amount of grant funding requested. 256 The hospital is pursuing the establishment of a (e) 257 residency program in internal medicine or emergency medicine. (3) A hospital receiving startup grant funding that does 258 259 not become a provisional trauma center within 24 months after 260 submitting an application to become a trauma center must forfeit 261 any state grant funds received pursuant to this section. 262 (4) A hospital that receives startup grant funding may not 263 receive more than \$500,000, must ensure that the startup grant funding is matched on a dollar-for-dollar basis with a local 264 265 funding contribution, and shall receive startup grant funding 266 only one time. 267 Section 7. This act shall take effect July 1, 2006, except 268 that section 395.41, Florida Statutes, as created by this act, 269 shall take effect subject to an appropriation for the trauma 270 center startup grant program in the 2006-2007 General 271 Appropriations Act.

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