A bill to be entitled
An act relating to hospital licensing a

An act relating to hospital licensing and regulation; amending s. 395.003, F.S.; prohibiting authorization of additional emergency departments located off the premises of licensed hospitals until the Agency for Health Care Administration adopts rules; amending s. 395.1055, F.S.; requiring the agency to adopt rules to establish licensure standards for emergency departments located off the premises of licensed hospitals; requiring the rules to address certain topics; amending s. 395.4001, F.S.; providing definitions; repealing s. 395.4035, F.S., to terminate the Trauma Services Trust Fund; amending s. 395.4036, F.S.; revising provisions relating to distribution of funds to trauma centers and use thereof; creating s. 395.41, F.S.; establishing a trauma center startup grant program; providing conditions for the receipt of a startup grant; providing limitations; making the trauma center startup grant program subject to an appropriation in the General Appropriations Act; providing a contingent effective date.

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

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Section 1. Paragraph (b) of subsection (1) of section 395.003, Florida Statutes, is amended to read:

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395.003 Licensure; issuance, renewal, denial,

modification, suspension, and revocation.--

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28 (1)

(b)1. It is unlawful for a person to use or advertise to the public, in any way or by any medium whatsoever, any facility as a "hospital," "ambulatory surgical center," or "mobile surgical facility" unless such facility has first secured a license under the provisions of this part.

- 2. This part does not apply to veterinary hospitals or to commercial business establishments using the word "hospital," "ambulatory surgical center," or "mobile surgical facility" as a part of a trade name if no treatment of human beings is performed on the premises of such establishments.
- 3. Until July 1, 2006, Additional emergency departments located off the premises of licensed hospitals may not be authorized by the agency until the agency has adopted rules required under s. 395.1055(9).
- Section 2. Subsection (9) is added to section 395.1055, Florida Statutes, to read:
  - 395.1055 Rules and enforcement. --
- (9) The agency shall adopt rules pursuant to ss.

  120.536(1) and 120.54 that establish licensure standards for emergency departments located off the premises of licensed hospitals. The rules must:
- (a) Include minimum criteria for patient care and safety, quality improvement, infection control, building design and construction, location, and appropriate transport of patients from the emergency department located off the premises consistent with chapter 401.

(b) Require the hospital to maintain an emergency department on its premises that is licensed and operated in accordance with agency rules.

- (c) Specify that an emergency department located off the premises of a licensed hospital that was authorized prior to the adoption of rules shall continue to operate in accordance with the licensure criteria under which it was originally authorized.
- Section 3. Section 395.4001, Florida Statutes, is amended to read:
  - 395.4001 Definitions.--As used in this part, the term:
- (1) "Agency" means the Agency for Health Care Administration.
- (2) "Charity care" or "uncompensated trauma care" means that portion of hospital charges reported to the agency for which there is no compensation, other than restricted or unrestricted revenues provided to a hospital by local governments or tax districts regardless of method of payment, for care provided to a patient whose family income for the 12 months preceding the determination is less than or equal to 200 percent of the federal poverty level, unless the amount of hospital charges due from the patient exceeds 25 percent of the annual family income. However, in no case shall the hospital charges for a patient whose family income exceeds four times the federal poverty level for a family of four be considered charity.
  - (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.

- (5) "International Classification Injury Severity Score"
  means the statistical method for computing the severity of
  injuries sustained by trauma patients. The International
  Classification Injury Severity Score shall be the methodology
  used by the department and trauma centers to report the severity
  of an injury.
  - (6) (5) "Level I trauma center" means a trauma center that:
- (a) Has formal research and education programs for the enhancement of trauma care; is verified by the department to be in substantial compliance with Level I trauma center and pediatric trauma center standards; and has been approved by the 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.
- (7) (6) "Level II trauma center" means a trauma center 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.

- (c) Participates in an inclusive system of trauma care.
- (8) "Local funding contribution" means local municipal, county, or tax district funding exclusive of any patient-specific funds received pursuant to ss. 154.301-154.316, private foundation funding, or public or private grant funding of at least \$150,000 received by a hospital or health care system that operates a trauma center.
- (9)(7) "Pediatric trauma center" means a hospital that is verified by the department to be in substantial compliance with pediatric trauma center standards as established by rule of the department and has been approved by the department to operate as a pediatric trauma center.
- (10) (8) "Provisional trauma center" means a hospital that has been verified by the department to be in substantial compliance with the requirements in s. 395.4025 and has been approved by the department to operate as a provisional Level I trauma center, Level II trauma center, or pediatric trauma center.
- (11) (9) "Trauma agency" means a department-approved agency established and operated by one or more counties, or a department-approved entity with which one or more counties contract, for the purpose of administering an inclusive regional trauma system.

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

- (13) "Trauma caseload volume" means the number of trauma patients reported by individual trauma centers to the Trauma Registry and validated by the department.
- (14) (11) "Trauma center" means a hospital that has been verified by the department to be in substantial compliance with the requirements in s. 395.4025 and has been approved by the department to operate as a Level I trauma center, Level II trauma center, or pediatric trauma center.
- (15) "Trauma patient" means a person who has incurred a physical injury or wound caused by trauma and has accessed a trauma center.
- (16)(12) "Trauma scorecard" means a statewide methodology adopted by the department by rule under which a person who has incurred a traumatic injury is graded as to the severity of his or her injuries or illness and which methodology is used as the basis for making destination decisions.
- (17) (13) "Trauma transport protocol" means a document which describes the policies, processes, and procedures governing the dispatch of vehicles, the triage, prehospital transport, and interfacility trauma transfer of trauma victims.

 $\underline{\text{(18)}}$  "Trauma victim" means any person who has incurred a single or multisystem injury due to blunt or penetrating means or burns and who requires immediate medical intervention or treatment.

Section 4. <u>Section 395.4035</u>, Florida Statutes, is repealed.

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

395.4036 Trauma payments.--

- (1) Recognizing the Legislature's stated intent to provide financial support to the current verified trauma centers and to provide incentives for the establishment of additional trauma centers as part of a system of state-sponsored trauma centers, the department shall utilize funds collected under s.

  318.18(15)(14) and deposited into the Administrative Trust Fund of the department to ensure the availability and accessibility of trauma services throughout the state as provided in this subsection.
- (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 <del>located in a region</del> 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 for the most recent calendar year available.
- (b) Forty percent of the total funds collected under this subsection shall be distributed to verified trauma centers based on trauma caseload volume for of the most recent 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.

- (c) Forty percent of the total funds collected under this subsection shall be distributed to verified trauma centers based on severity of trauma patients for the most recent calendar year available. The determination of severity for distribution of funds under this paragraph shall be based on the department's International Classification Injury Severity Scores or another statistically valid and scientifically accepted method of stratifying a trauma patient's severity of injury, risk of mortality, and resource consumption as adopted by the department by rule, weighted based on the costs associated with and incurred by the trauma center in treating trauma patients. The weighting of scores shall be established by the department by rule scores of 1 14 and 15 plus.
- Funds deposited in the department's Administrative Trust Fund for verified trauma centers may be used to maximize the receipt of federal funds that may be available for such trauma centers. Notwithstanding this section and s. 318.14, distributions to trauma centers may be adjusted in a manner to ensure that total payments to trauma centers represent the same proportional allocation as set forth in this section and s. 318.14. For purposes of this section and s. 318.14, total funds distributed to trauma centers may include revenue from the Administrative Trust Fund and federal funds for which revenue from the

Administrative Trust Fund is used to meet state or local
matching requirements. Funds collected under ss. 318.14 and
318.18(15) and deposited in the Administrative Trust Fund of the
department shall be distributed to trauma centers on a quarterly
basis using the most recent calendar year data available. Such
data shall not be used for more than four quarterly
distributions unless there are extenuating circumstances as
determined by the department, in which case the most recent
calendar year data available shall continue to be used and
appropriate adjustments shall be made as soon as the more recent
data becomes available. Trauma centers may request that their
distributions from the Administrative Trust Fund be used as
intergovernmental transfer funds in the Medicaid program.
Section 6. Section 395.41, Florida Statutes, is created to

- read:
- 395.41 Trauma center startup grant program.--There is established a trauma center startup grant program.
- (1) The Legislature recognizes the need for a statewide, cohesive, uniform, and integrated trauma system, and the Legislature acknowledges that the state has been divided into trauma service areas. Each of the trauma service areas should have at least one trauma center; however, some trauma service areas do not have a trauma center because of the significant upfront investment of capital required for hospitals to develop the physical space, equipment, and qualified personnel necessary to provide quality trauma services.

(2) An acute care general hospital that has submitted a letter of intent and an application to become a trauma center pursuant to s. 395.4025 may apply to the department for a startup grant. The grant applicant must demonstrate that:

- (a) There are currently no other trauma centers in the hospital's trauma service area as established under s. 395.402.
- (b) There is not a trauma center within a 100-mile radius of the proposed trauma center.
- (c) The hospital has received a local funding contribution as defined under s. 395.4001.
- (d) The hospital has incurred startup costs in excess of the amount of grant funding requested.
- (e) The hospital is pursuing the establishment of a residency program in internal medicine or emergency medicine.
- (3) A hospital receiving startup grant funding that does not become a provisional trauma center within 24 months after submitting an application to become a trauma center must forfeit any state grant funds received pursuant to this section.
- (4) A hospital that receives startup grant funding may not receive more than \$500,000, must ensure that the startup grant funding is matched on a dollar-for-dollar basis with a local funding contribution, and shall receive startup grant funding only one time.
- Section 7. This act shall take effect July 1, 2006, except that section 395.41, Florida Statutes, as created by this act, shall take effect subject to an appropriation for the trauma

center startup grant program in the 2006-2007 General
Appropriations Act.

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