

**HOUSE OF REPRESENTATIVES STAFF ANALYSIS**

**BILL #:** HB 7139 PCB HCC 07-15 Hospice Facilities

**SPONSOR(S):** Healthcare Council and Rep. Garcia

**TIED BILLS:** IDEN./SIM. BILLS:

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
Orig. Comm.: Healthcare Council	14 Y, 0 N	Cicccone	Gormley
1) _____	_____	_____	_____
2) _____	_____	_____	_____
3) _____	_____	_____	_____
4) _____	_____	_____	_____
5) _____	_____	_____	_____

**SUMMARY ANALYSIS**

The bill provides that the Agency for Health Care Administration may conduct an informal construction plan review of a facility upon the request of a prospective licensee of an inpatient hospice facility to assist the facility in complying with Florida Building Code requirements. The bill provides that the agency may charge a fee commensurate with the cost of providing consultation, and that no part of the fee is refundable.

The fiscal impact of the bill appears to be insignificant (see Section II.D. Fiscal Comments).

The bill provides an effective date of July 1, 2007.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. HOUSE PRINCIPLES ANALYSIS:

Provide limited government – The bill provides that the Agency for Health Care Administration may conduct an informal construction plan review of a hospice facility upon the request of a prospective licensee to assist the facility in complying with Florida Building Code requirements. The bill provides that the agency may charge a fee commensurate with the cost of providing consultation, and that no part of the fee is refundable. Providing facilities with an opportunity to have construction plans reviewed prior to the facility being built should reduce costly post-construction repairs, delayed facility licensure, and services to citizens.

#### B. EFFECT OF PROPOSED CHANGES:

##### Background

##### Hospice Care for Terminally ill Patients

Hospice care is an alternative approach to the traditional medical model for end-of-life care. Hospice programs specialize in providing basic medical care, palliation and pain management, and social, psychological, and spiritual support to terminally-ill<sup>1</sup> individuals and their families. In Fiscal Year 2004-2005, Florida hospice programs provided care to more than 98,000 individuals with terminal illnesses.<sup>2</sup> Nationally, the number of individuals receiving hospice care has increased 300 percent in the last decade, from 340,000 hospice patients in 1994 to 1,060,000 patients in 2004.<sup>3</sup>

##### Building Code and Construction Review:

Part IV of Chapter 553, F.S., sets forth the requirements for the Florida Building Code. The intent of the law is to create a “mechanism for the uniform adoption, updating, amendment, interpretation, and enforcement of a single, unified state building code.” The Florida Building Code consists of a single set of documents that contain or incorporate by reference all laws and rules which pertain to and govern the design, construction, erection, alteration, modification, repair, and demolition of public and private buildings, structures, and facilities and enforcement of such laws and rules.<sup>4</sup>

During the 2005 Legislative Session, the Legislature added hospice residential and inpatient facilities and units to the provisions and requirements that the Florida Building Code must contain. The expressed intent of the legislation<sup>5</sup> specified that hospice residential facilities and inpatient facilities or units should be considered another type of “health care facility” and as such, should be included in the code.

Currently, the agency has no authority to review a hospice facility’s construction and renovation plans prior to the facility being constructed, to determine compliance with those building requirements in the Florida Building Code. Once the facility has been constructed, the agency is required to conduct a facility inspection prior to issuing the facility a license.

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<sup>1</sup> To be eligible for hospice services in Florida, patients must receive a referral from their attending or primary physician for hospice care based on a diagnosis of a terminal illness with a life expectancy of one year or less, per s. 400.601(10), F.S.

<sup>2</sup> *Florida's Certificate of Need Process Ensures Qualified Hospice Programs; Performance Reporting Is Important to Assess Hospice Quality*, Report 06-29, March 2006, Office of Program Policy Analysis and Government Accountability.

<sup>3</sup> *3 NHPCO's 2004 Facts and Figures*, accessed March 23, 2006, National Hospice and Palliative Care Organization, available at: [http://www.nhpc.org/files/public/Facts\\_Figures\\_for2004data.pdf](http://www.nhpc.org/files/public/Facts_Figures_for2004data.pdf).

<sup>4</sup> See Sec. 553.73(1), F.S.

<sup>5</sup> HB 189, Ch. 2005-191, LOF

Effect of Proposed Changes:

The bill provides authority for the Agency for Health Care Administration, at the request of the inpatient hospice provider, to provide an informal review of an inpatient hospice facility prior to construction in order to assist the facility in complying with agency rules and construction standards of the Florida Building Code which govern hospice facilities. The agency may charge the provider for this consultation service at a fee commensurate to cost of this service. By reviewing the construction documents before construction is undertaken, code deficiencies can be identified and corrected without the cost of renovating the built facility and without the operational cost associated with lost income due to licensing delays.

C. SECTION DIRECTORY:

Section 1. Amends s. 400.6051, F.S., relating to hospice construction and renovation; relating to requirements.

Section 2. Provides an effective date of July 1, 2007.

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

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None. Refer to Fiscal Comment Section.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The private sector should experience a positive economic impact as a result of a facility requesting the Agency for Health Care Administration's pre-construction compliance review rather than an after construction compliance review.

D. FISCAL COMMENTS:

The Agency for Health Care Administration anticipates no fiscal impact.<sup>6</sup> The agency anticipates that few hospice facilities will use this option and related costs will not be material. Existing staff will absorb any increase in the workload.

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<sup>6</sup> Agency for Health Care Administration staff analysis, on file with the Council.

### **III. COMMENTS**

#### **A. CONSTITUTIONAL ISSUES:**

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

Counties and municipalities are unaffected by this legislation.

##### **2. Other:**

None.

#### **B. RULE-MAKING AUTHORITY:**

None.

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

None.

#### **D. STATEMENT OF THE SPONSOR**

### **IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES**