A bill to be entitled

An act relating to electronic health records; amending s.

395.3025, F.S.; expanding access to a patient's medical

records to facilitate electronic exchange of data between

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records to facilitate electronic exchange of data between certain health care facilities, practitioners, and providers and attending physicians; revising terminology regarding disclosure of patient records to conform to changes made by the act; amending s. 408.05, F.S.; removing responsibility of the Agency for Health Care Administration for monitoring certain grants and health care data; creating s. 408.051, F.S.; creating the "Florida eHealth Initiative Act"; providing legislative intent; providing definitions; requiring the agency to award and monitor grants to certain health information organizations; providing rulemaking authority regarding establishment of eligibility criteria; authorizing the agency to operate an Electronic Medical Records System Adoption Loan Program, subject to a specific appropriation; providing eligibility criteria; providing rulemaking authority regarding terms and conditions for the granting of loans; creating the Florida Health Information Exchange Advisory Council; providing for purpose, membership, terms of office, and duties of the council; requiring the council to consult with certain experts regarding the use of health information in medical research to conform with provisions in the Health

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the Florida Center for Health Information and Policy

Insurance Portability and Accountability Act; requiring

Analysis to provide staff support; requiring reports to the Governor and Legislature; providing for future abolition of the council; providing duties of the agency with regard to availability of specified information on the agency's Internet website; requiring the agency to develop and implement a plan to promote participation in regional and statewide health information exchanges; requiring the Office of Program Policy Analysis and Government Accountability to complete an independent evaluation of the grants program administered by the agency and submit the report to the Governor and Legislature; amending s. 408.062, F.S.; removing responsibility of the agency for developing an electronic health information network; amending s. 483.181, F.S.; expanding access to laboratory reports to facilitate exchange of data between certain health care practitioners and providers; providing an effective date.

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

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Section 1. Subsection (4) of section 395.3025, Florida Statutes, is amended to read:

395.3025 Patient and personnel records; copies; examination.--

(4) Patient records are confidential and must not be disclosed without the consent of the patient or his or her legal representative person to whom they pertain, but appropriate disclosure may be made without such consent to:

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(a) Licensed facility personnel, and attending physicians, or other health care practitioners and providers currently involved in the care or treatment of the patient for use only in connection with the treatment of the patient.

- (b) Licensed facility personnel only for administrative purposes or risk management and quality assurance functions.
- (c) The agency, for purposes of health care cost containment.

- (d) In any civil or criminal action, unless otherwise prohibited by law, upon the issuance of a subpoena from a court of competent jurisdiction and proper notice by the party seeking such records to the patient or his or her legal representative.
- (e) The <u>department</u> agency upon subpoena issued pursuant to s. 456.071, but the records obtained thereby must be used solely for the purpose of the <u>department</u> agency and the appropriate professional board in its investigation, prosecution, and appeal of disciplinary proceedings. If the <u>department</u> agency requests copies of the records, the facility shall charge no more than its actual copying costs, including reasonable staff time. The records must be sealed and must not be available to the public pursuant to s. 119.07(1) or any other statute providing access to records, nor may they be available to the public as part of the record of investigation for and prosecution in disciplinary proceedings made available to the public by the <u>department</u> agency or the appropriate regulatory board. However, the <u>department</u> agency must make available, upon written request by a practitioner against whom probable cause has been found, any

such records that form the basis of the determination of probable cause.

- (f) The department of Health or its agent, for the purpose of establishing and maintaining a trauma registry and for the purpose of ensuring that hospitals and trauma centers are in compliance with the standards and rules established under ss. 395.401, 395.4015, 395.4025, 395.404, 395.4045, and 395.405, and for the purpose of monitoring patient outcome at hospitals and trauma centers that provide trauma care services.
- (g) The Department of Children and Family Services or its agent, for the purpose of investigations of cases of abuse, neglect, or exploitation of children or vulnerable adults.
- (h) The State Long-Term Care Ombudsman Council and the local long-term care ombudsman councils, with respect to the records of a patient who has been admitted from a nursing home or long-term care facility, when the councils are conducting an investigation involving the patient as authorized under part II of chapter 400, upon presentation of identification as a council member by the person making the request. Disclosure under this paragraph shall only be made after a competent patient or the patient's representative has been advised that disclosure may be made and the patient has not objected.
- (i) A local trauma agency or a regional trauma agency that performs quality assurance activities, or a panel or committee assembled to assist a local trauma agency or a regional trauma agency in performing quality assurance activities. Patient records obtained under this paragraph are confidential and

exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

- (j) Organ procurement organizations, tissue banks, and eye banks required to conduct death records reviews pursuant to s. 395.2050.
- (k) The Medicaid Fraud Control Unit in the Department of Legal Affairs pursuant to s. 409.920.
- (1) The Department of Financial Services, or an agent, employee, or independent contractor of the department who is auditing for unclaimed property pursuant to chapter 717.
- (m) A regional poison control center for purposes of treating a poison episode under evaluation, case management of poison cases, or compliance with data collection and reporting requirements of s. 395.1027 and the professional organization that certifies poison control centers in accordance with federal law.
- Section 2. Subsection (4) of section 408.05, Florida Statutes, is amended to read:
- 408.05 Florida Center for Health Information and Policy Analysis.--
  - (4) TECHNICAL ASSISTANCE. --
- (a) The center shall provide technical assistance to persons or organizations engaged in health planning activities in the effective use of statistics collected and compiled by the center. The center shall also provide the following additional technical assistance services:
- 1. Establish procedures identifying the circumstances under which, the places at which, the persons from whom, and the

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methods by which a person may secure data from the center, including procedures governing requests, the ordering of requests, timeframes for handling requests, and other procedures necessary to facilitate the use of the center's data. To the extent possible, the center should provide current data timely in response to requests from public or private agencies.

- 2. Provide assistance to data sources and users in the areas of database design, survey design, sampling procedures, statistical interpretation, and data access to promote improved health-care-related data sets.
- 3. Identify health care data gaps and provide technical assistance to other public or private organizations for meeting documented health care data needs.
- 4. Assist other organizations in developing statistical abstracts of their data sets that could be used by the center.
- 5. Provide statistical support to state agencies with regard to the use of databases maintained by the center.
- 6. To the extent possible, respond to multiple requests for information not currently collected by the center or available from other sources by initiating data collection.
- 7. Maintain detailed information on data maintained by other local, state, federal, and private agencies in order to advise those who use the center of potential sources of data which are requested but which are not available from the center.
- 8. Respond to requests for data which are not available in published form by initiating special computer runs on data sets available to the center.

9. Monitor innovations in health information technology, informatics, and the exchange of health information and maintain a repository of technical resources to support the development of a statewide health information exchange network.

- (b) The agency shall administer, manage, and monitor grants to not-for-profit organizations, regional health information organizations, public health departments, or state agencies that submit proposals for planning, implementation, or training projects to advance the development of a health information network. Any grant contract shall be evaluated to ensure the effective outcome of the health information project.
- (b)(c) The agency shall initiate, oversee, manage, and evaluate the integration of health care data from each state agency that collects, stores, and reports on health care issues and make that data available to any health care practitioner through a statewide state health information exchange network.
- Section 3. Section 408.051, Florida Statutes, is created to read:
  - 408.051 Florida eHealth Initiative Act.--
- (1) SHORT TITLE.--This section may be cited as the "Florida eHealth Initiative Act."
- (2) LEGISLATIVE INTENT.--The Legislature recognizes that the exchange of electronic medical records will benefit consumers by increasing the quality and efficiency of health care throughout the state. It is the intent of the Legislature that the state promote and coordinate the establishment of a secure, privacy-protected, and interconnected statewide health information exchange.

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(3) DEFINITIONS.--As used in this section, the term:

- (a) "Electronic medical record" means a record of a person's medical treatment created by a licensed health care provider and stored in an interoperable and accessible digital format.
- application environment composed of at least two of the following systems: a clinical data repository; clinical decision support; controlled medical vocabulary; computerized provider order entry; pharmacy; or clinical documentation. The application must be used by health care practitioners to document, monitor, and manage health care delivery within a health care delivery system and must be capable of interoperability within a health information exchange.
- (c) "Health information exchange" means an electronic system used to acquire, process, and transmit electronic medical records that can be shared in real time among authorized health care providers, health care facilities, health insurers, and other recipients, as authorized by law, to facilitate the provision of health care services.
- (d) "Health information organization" means an entity with a formal structure and established policies and procedures that serves as a neutral convener of local stakeholders to enable the secure and reliable exchange of electronic medical records among authorized health care stakeholders within a defined geographic region to facilitate improvements in health care quality, safety, and coordination of care.
  - (4) MATCHING GRANTS.--

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(a) Subject to a specific appropriation, the agency shall award and monitor matching grants to health information organizations that submit proposals that advance the development of a statewide health information exchange. Funds awarded under this subsection shall be awarded on the basis of matching each \$1 of state funds with \$1 of local or private funds. Local or private funds may be provided in the form of cash or in-kind support or services. Grants may be awarded within the following categories: development, operation, and collaboration.

- (b) The agency shall, by rule, establish specific eligibility criteria for a health information organization to qualify for a grant under this subsection. These criteria shall include, at a minimum, documentation of the following:
- 1. For development grants, the proposed organizational structure, the level of community support, including a list of key participants, a demonstration of available local or private matching funds, a timeline for development of the health information exchange, and proposed goals and metrics.
- 2. For operation grants, a demonstration of available local or private matching funds and a detailed business plan, which shall include a timeline for implementation of the health information exchange, policies and procedures to protect the privacy and security of electronic medical records, and proposed goals and metrics.
- 3. For collaboration grants, a demonstration of available local or private matching funds, memoranda of understanding between at least two health information organizations for the exchange of electronic medical records, a demonstration of

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consistent utilization of the health information exchange by members within each participating health information organization, and a detailed business plan, which shall include a timeline for the implementation of the exchange of electronic medical records between participating health information organizations, policies and procedures to protect the privacy and security of electronic medical records, and proposed goals and metrics.

- (c) Beginning July 1, 2008, the agency shall not award a health information organization more than 6 aggregate years of funding.
- (d) The agency shall award grants in consultation with the Florida Health Information Exchange Advisory Council.
- (5) ELECTRONIC MEDICAL RECORDS SYSTEM ADOPTION LOAN PROGRAM. --
- (a) Subject to a specific appropriation, the agency shall operate an Electronic Medical Records System Adoption Loan Program for the purpose of providing a one-time, no-interest loan to eligible physicians licensed under chapter 458 or chapter 459 or to an eligible business entity whose shareholders are licensed under chapter 458 or chapter 459 for the initial costs of implementing an electronic medical records system.
- (b) In order to be eligible for a loan under this subsection, each physician must demonstrate that he or she has practiced continuously within the state for the previous 3 years.
- (c) The agency shall not provide a loan to a physician who has or a business entity whose physician has:

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1. Been found guilty of violating s. 456.072(1) or been disciplined under the applicable licensing chapter in the previous 5 years.

- 2. Been found guilty of or entered a plea of guilty or nolo contendere to a violation of s. 409.920 or s. 409.9201.
- 3. Been sanctioned pursuant to s. 409.913 for fraud or abuse.
- (d) A loan may be provided to an eligible physician or business entity in a lump-sum amount to pay for the costs of purchasing hardware and software, subscription services, professional consultation, and staff training. The agency shall provide guidance to loan recipients by providing, at a minimum, a list of electronic medical records systems recognized or certified by national standards-setting entities as capable of being used to communicate with a health information exchange.
- (e) The agency shall distribute a minimum of 25 percent of funds appropriated to this program to physicians or business entities operating within a rural county as defined in s. 288.106(1)(r).
- (f) The agency shall, by rule, develop standard terms and conditions for use in this program. At a minimum, these terms and conditions shall require:
- 1. Loan repayment by the physician or business entity
  within a reasonable period of time, which may not be longer than
  72 months after the funding of the loan.
- 2. Equal periodic payments that commence within 3 months after the funding of the loan.
  - 3. The eligible physician or business entity to execute a

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promissory note and a security agreement in favor of the state.

The security agreement shall be a purchase-money security interest pledging as collateral for the loan the specific hardware and software purchased with the loan proceeds. The agency shall prepare and record a financing statement under chapter 679. The physician or business entity shall be responsible for paying the cost of recording the financing statement. The security agreement shall further require that the physician or business entity pay all collection costs, including attorney's fees.

- (g) The agency shall further require the physician or business entity to provide additional security under one of the following subparagraphs:
- An irrevocable letter of credit, as defined in chapter
   in an amount equal to the amount of the loan.
- 2. An escrow account consisting of cash or assets eligible for deposit in accordance with s. 625.52 in an amount equal to the amount of the loan. If the escrow agent is responsible for making the periodic payments on the loan, the required escrow balance may be diminished as payments are made.
- 3. A pledge of the accounts receivables of the physician or business entity. This pledge shall be reflected on the financing statement.
- (h) All payments received from or on behalf of a physician or business entity under this program shall be deposited into the agency's Administrative Trust Fund to be used to fund new loans.

(i) If a physician or business entity that has received a loan under this section ceases to provide care or services to patients, or if the physician or business entity defaults in any payment and the default continues for 30 days, the entire loan balance shall be immediately due and payable and shall bear interest from that point forward at the rate of 18 percent annually. Upon default, the agency may offset any moneys owed to the physician or business entity from the state and apply the offset against the outstanding balance.

- (j) If a physician defaults in any payment and if the default continues for 30 days, the default shall constitute grounds for disciplinary action under chapter 458 or chapter 459 and s. 456.072(1)(k).
- (6) FLORIDA HEALTH INFORMATION EXCHANGE ADVISORY
  COUNCIL.--
- (a) The Florida Health Information Exchange Advisory

  Council is created as an adjunct to the agency. The council is subject to the requirements of s. 20.052, except that only state officers and employees shall be reimbursed for per diem and travel expenses pursuant to s. 112.061.
  - (b) The purpose of the council is to:
- 1. Promote participation in regional and statewide health information exchanges and adoption of health information technology to support the infrastructure capacity for regional and statewide health information exchanges.
- 2. Conduct outreach and convene forums to educate stakeholders regarding the benefits of utilizing a health information exchange.

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3. Provide guidance to stakeholders regarding the effective use of health information exchanges and standards for protecting the privacy and security of electronic medical records.

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- (c) The council shall consist of the following members:
- 1. The Secretary of Health Care Administration, or his or her designee.
  - 2. The State Surgeon General, or his or her designee.
- 3. Two members appointed by and serving at the pleasure of the Governor, of which:
  - a. One member must be from the health insurance industry.
- b. One member must be a consumer who is a resident of the state.
- 4. Four members appointed by and serving at the pleasure of the President of the Senate, of which:
- a. One member must be from a hospital utilizing an electronic medical records system.
- b. One member must be a physician utilizing an electronic medical records system in his or her practice.
- <u>c.</u> One member must be a representative of an operating health information organization in the state.
- d. One member must be from a federally qualified health center or other rural health organization utilizing an electronic medical records system.
- 5. Four members appointed by and serving at the pleasure of the Speaker of the House of Representatives, of which:
- a. One member must be from a hospital utilizing an electronic medical records system.

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b. One member must be a physician utilizing an electronic medical records system in his or her practice.

c. One member must be a representative of an operating health information organization in the state.

- d. One member must be from a federally qualified health center or other rural health organization utilizing an electronic medical records system.
- (d) A member who is a representative of an operating health information organization in the state must recuse himself or herself during discussion, evaluation, or recommendation of a grant application.
- (e) Each member of the council subject to appointment shall be appointed to serve for a term of 4 years following the date of appointment. A vacancy shall be filled by appointment for the remainder of the term. Appointments shall be made within 45 days after the effective date of this section.
- (f) The council may meet at the call of the chair or at the request of a majority of its membership, but the council must meet at least quarterly. Meetings of the council may be held via teleconference or other electronic means.
  - (g) Members shall elect a chair and vice chair annually.
- (h) A majority of the members constitutes a quorum and the affirmative vote of a majority of a quorum is necessary to take action.
- (i) The council's duties and responsibilities include, but are not limited to, developing recommendations to:
- 1. Establish standards for all state-funded health information exchange efforts. Such standards shall include, but

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are not limited to, policies and procedures to protect the privacy and security of electronic medical records.

- 2. Remove barriers, including, but not limited to, technological, regulatory, and financial barriers, that limit participation by health care providers, health care facilities, and health insurers in a health information exchange.
- 3. Remove barriers that prevent consumers from having access to their electronic medical records.
- 4. Provide incentives to promote participation by health care providers, health care facilities, and health insurers in health information exchanges.
- 5. Identify health care data held by state agencies and remove barriers to making that data available to authorized recipients through health information exchanges in a private and secure manner.
- 6. Increase state agency participation in health information exchanges.
- 7. Partner with other state, regional, and federal entities to promote and coordinate health information exchange efforts.
- 8. Create a long-term plan for an interoperable statewide network of health information organizations.

The council shall establish ad hoc issue-oriented technical workgroups on an as-needed basis to make recommendations to the council. The council shall consult with experts in the use of health information in medical research to ensure that all recommendations are consistent with the Health Insurance

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Portability and Accountability Act of 1996, Pub. L. No. 104-199, 42 U.S.C. ss. 1301 et seq., and take into account the legitimate uses of health information for medical research, drug development, clinical trials, postapproval surveillance, and public health and public agency reporting requirements.

- (j) The Florida Center for Health Information and Policy Analysis within the agency shall provide, within existing resources, staff support to enable the council to carry out its responsibilities under this section.
- (k) Beginning July 1, 2009, the council shall annually provide a report to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the chairs of the appropriate substantive committees of the Senate and the House of Representatives that includes, but is not limited to, the recommendations regarding the council's duties and responsibilities. In addition, by July 1, 2010, the council shall recommend a long-term plan to create an interoperable statewide network of health information organizations to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the chairs of the appropriate substantive committees of the Senate and the House of Representatives.
- (1) This subsection is repealed and the council shall stand abolished July 1, 2012, unless reviewed and saved from repeal through reenactment by the Legislature.
  - (7) AGENCY FOR HEALTH CARE ADMINISTRATION; DUTIES. --
- (a) The agency shall develop and maintain on its Internet website the following information:

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1. Federal and private sector health information exchange funding programs, including analyses of successful local and state recipients of the programs, as well as unsuccessful local and state applicants of the programs.

- 2. A clearinghouse of state and national legislative, regulatory, and public awareness activities related to health information exchanges.
- (b) The agency shall develop and implement a plan that promotes, at a minimum, participation in regional and statewide health information exchanges and the adoption of electronic medical records systems by physicians through the Electronic Medical Records System Adoption Loan Program, in consultation with the Florida Health Information Exchange Advisory Council, organizations representing allopathic and osteopathic practicing physicians, the Board of Medicine, and the Board of Osteopathic Medicine.
- (8) PROGRAM EVALUATION; REPORT.--The Office of Program
  Policy Analysis and Government Accountability shall complete an
  independent evaluation of the grants program administered by the
  agency. The evaluation must include, at a minimum, assessments
  of the grant evaluation and distribution process; the way in
  which grant dollars are spent; the level of participation by
  entities within each grantee's project; the extent of clinical
  data exchange among entities within each grantee's project; the
  sources of funding for each grantee; and the feasibility of each
  grantee achieving long-term sustainability without state grant
  funding. The evaluation must assess the level at which the
  current grants program is advancing the development of a

501	statewide health information exchange and recommend other
502	programs that may accomplish the same goal. The report shall be
503	submitted to the Governor, the President of the Senate, the
504	Speaker of the House of Representatives, and the chairs of the
505	relevant committees in the Senate and the House of
506	Representatives no later than July 1, 2009.
507	Section 4. Subsection (5) of section 408.062, Florida
508	Statutes, is amended to read:
509	408.062 Research, analyses, studies, and reports
510	(5) The agency shall develop and implement a strategy for
511	the adoption and use of electronic health records, including the
512	development of an electronic health information network for the
513	sharing of electronic health records among health care
514	facilities, health care providers, and health insurers. The
515	agency may develop rules to facilitate the functionality and
516	protect the confidentiality of electronic health records. The
517	agency shall report to the Governor, the Speaker of the House of
518	Representatives, and the President of the Senate on legislative
519	recommendations to protect the confidentiality of electronic
520	<del>health records.</del>
521	Section 5. Subsection (2) of section 483.181, Florida
522	Statutes, is amended to read:
523	483.181 Acceptance, collection, identification, and
524	examination of specimens
525	(2) The results of a test must be reported directly to the
526	licensed practitioner or other authorized person who requested
527	it, and appropriate disclosure may be made by the clinical

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laboratory without a patient's consent to other health care

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practitioners and providers involved in the care or treatment of
the patient for use in connection with the treatment of the
patient. The report must include the name and address of the
clinical laboratory in which the test was actually performed,
unless the test was performed in a hospital laboratory and the
report becomes an integral part of the hospital record.
Section 6. This act shall take effect upon becoming a law.

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