

1 A bill to be entitled
 2 An act relating to licensure of home health agencies, home
 3 medical equipment providers, and health care clinics;
 4 designating Miami-Dade County as a health care fraud area
 5 of special concern for certain purposes; creating s.
 6 408.8065, F.S.; providing requirements for licensure of
 7 home health agencies, home medical equipment providers,
 8 and health care clinics; requiring the posting of a surety
 9 bond in a specified minimum amount under certain
 10 circumstances; requiring demonstration of financial
 11 viability; providing limitations on licensing of home
 12 health agencies in certain counties; providing an
 13 exception for existing applicants that have applied for
 14 accreditation by an organization recognized by the Agency
 15 for Health Care Administration; providing penalties;
 16 providing an effective date.

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

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 20 Section 1. The Legislature hereby designates Miami-Dade
 21 County as a health care fraud area of special concern for
 22 purposes of implementing increased scrutiny of home health
 23 agencies, home medical equipment providers, and health care
 24 clinics in Miami-Dade County in order to assist the state's
 25 efforts to prevent Medicaid fraud, waste, and abuse in the
 26 county and throughout the state.

27 Section 2. Section 408.8065, Florida Statutes, is created
 28 to read:

29 408.8065 Licensure requirements for home health agencies,
 30 home medical equipment providers, and health care clinics.--

31 (1) An applicant for initial licensure, renewal of
 32 licensure, or change of ownership licensure as a home health
 33 agency, home medical equipment provider, or health care clinic
 34 shall comply with the following requirements:

35 (a) For initial, renewal, or change of ownership licenses
 36 for a home health agency, a home medical equipment provider, or
 37 a health care clinic, applicants and controlling interests who
 38 are nonimmigrant aliens, as described in 8 U.S.C. s. 1101, must
 39 file a surety bond of at least \$500,000, payable to the agency,
 40 which guarantees that the home health agency, home medical
 41 equipment provider, or health care clinic will act in full
 42 conformity with all legal requirements for operation.

43 (b) An applicant for an initial or a change of ownership
 44 license must demonstrate financial ability to operate, as
 45 required under s. 408.810(8), and submit a financial statement,
 46 including a balance sheet, an income and expense statement, and
 47 a statement of cash flow for the first 2 years of operation,
 48 that provides evidence that the applicant has sufficient assets,
 49 credit, and projected revenues to cover liabilities and
 50 expenses. The applicant must also prove it has the ability to
 51 fund all startup costs through the break-even point in
 52 operations by submitting a statement of estimated provider
 53 startup costs and sources of funds. The statement shall
 54 disclose, at a minimum, reasonable anticipated startup costs,
 55 including operating funds needed to reach the break-even point
 56 when operating receipts equal or exceed expenditures. To reach

57 the break-even point, at a minimum, operating funds must be
58 equal to 2 months' average expenses to cover working capital and
59 contingencies. The minimum amount for contingency funding shall
60 be not less than 1 month's average projected expenses. The
61 applicant must provide documented proof that the funds necessary
62 for startup, working capital, and contingency financing will be
63 available as needed. The applicant shall have demonstrated the
64 financial ability to operate if the applicant's assets, credit,
65 and projected revenues meet or exceed projected liabilities and
66 expenses. All documentation required under this subsection must
67 be prepared in accordance with generally accepted accounting
68 principles and may be in a compilation form. The financial
69 statement must be signed by a certified public accountant.

70 (2) The agency may not issue an initial or a change of
71 ownership license to a home health agency under part III of
72 chapter 400 or this part for the purpose of opening a new home
73 health agency until July 1, 2010, in any county with at least
74 one actively licensed home health agency and a population of
75 persons 65 years of age or older, as indicated in the most
76 recent population estimates published by the Executive Office of
77 the Governor, that is fewer than 1,200 per home health agency.
78 In such counties, for any application received by the agency
79 prior to July 1, 2009, that has been deemed by the agency to be
80 complete except for proof of accreditation, the agency may issue
81 an initial or a change of ownership license only if the
82 applicant has applied for accreditation before May 1, 2009, from
83 an accrediting organization that is recognized by the agency.

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2009

84 (3) In addition to the requirements of s. 408.812, any
85 person who offers services that require licensure under part VII
86 or part X of chapter 400, or who offers skilled services that
87 require licensure under part III of chapter 400, without
88 obtaining a valid license; any person who knowingly files a
89 false or misleading license, license renewal, or change of
90 ownership application or who submits false or misleading
91 information related to such application or agency rule; and any
92 person who violates or conspires to violate this section commits
93 a felony of the third degree, punishable as provided in s.
94 775.082, s. 775.083, or s. 775.084.

95 Section 3. This act shall take effect July 1, 2009.