

By the Committee on Health Regulation; and Senator Lawson

588-04065-09

20091926c1

1 A bill to be entitled

2 An act relating to inactive licenses and certificates  
3 of need for health care providers; amending s.  
4 408.040, F.S.; extending the period that a certificate  
5 of need is valid; amending s. 408.808, F.S.; allowing  
6 a health care provider to extend the inactive period  
7 beyond 12 months and renew the inactive designation  
8 under certain circumstances; requiring commencement of  
9 construction or proof of certain enforceable capital  
10 expenditures if the request is for a second renewal;  
11 providing an effective date.  
12

13 Be It Enacted by the Legislature of the State of Florida:  
14

15 Section 1. Paragraph (a) of subsection (2) of section  
16 408.040, Florida Statutes, is amended to read:

17 408.040 Conditions and monitoring.—

18 (2) (a) Unless the applicant has commenced construction, if  
19 the project provides for construction, unless the applicant has  
20 incurred an enforceable capital expenditure commitment for a  
21 project, if the project does not provide for construction, or  
22 unless subject to paragraph (b), a certificate of need shall  
23 terminate 3 years ~~18 months~~ after the date of issuance. The  
24 agency shall monitor the progress of the holder of the  
25 certificate of need in meeting the timetable for project  
26 development specified in the application, and may revoke the  
27 certificate of need, if the holder of the certificate is not  
28 meeting such timetable and is not making a good-faith effort, as  
29 defined by rule, to meet it.

588-04065-09

20091926c1

30 Section 2. Subsection (3) of section 408.808, Florida  
31 Statutes, is amended to read:

32 408.808 License categories.—

33 (3) INACTIVE LICENSE.—An inactive license may be issued to  
34 a health care provider subject to the certificate-of-need  
35 provisions in part I of this chapter when the provider is  
36 currently licensed, does not have a provisional license, and  
37 will be temporarily unable to provide services but is reasonably  
38 expected to resume services within 12 months. Such designation  
39 may be made for a period not to exceed 12 months but may be  
40 renewed by the agency for up to 12 additional months upon  
41 demonstration by the licensee of the provider's progress toward  
42 reopening. However, if after 20 months in an inactive license  
43 status, a rural hospital, as defined in s. 395.602, has  
44 demonstrated progress toward reopening but is not able to reopen  
45 before the expiration date of its inactive license, the inactive  
46 designation may be renewed again by the agency for up to 12  
47 additional months. For purposes of the second renewal of an  
48 inactive license of a rural hospital, if construction or  
49 renovation is required, the licensee must have had plans  
50 approved by the agency and construction must have already  
51 commenced pursuant to s. 408.032(4), or, if construction or  
52 renovation is not required, the licensee must provide proof of  
53 having made an enforceable capital expenditure greater than 25  
54 percent of the total costs associated with the hiring of staff  
55 and the purchase of equipment and supplies needed to operate the  
56 facility upon opening. A request by a licensee for an inactive  
57 license or to extend the previously approved inactive period  
58 must be submitted to the agency and must include a written

588-04065-09

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59 justification for the inactive license with the beginning and  
60 ending dates of inactivity specified, a plan for the transfer of  
61 any clients to other providers, and the appropriate licensure  
62 fees. The agency may not accept a request that is submitted  
63 after initiating closure, after any suspension of service, or  
64 after notifying clients of closure or suspension of service,  
65 unless the action is a result of a disaster at the licensed  
66 premises. For the purposes of this section, the term "disaster"  
67 means a sudden emergency occurrence beyond the control of the  
68 licensee, whether natural, technological, or manmade, which  
69 renders the provider inoperable at the premises. Upon agency  
70 approval, the provider shall notify clients of any necessary  
71 discharge or transfer as required by authorizing statutes or  
72 applicable rules. The beginning of the inactive license period  
73 is the date the provider ceases operations. The end of the  
74 inactive license period shall become the license expiration  
75 date. All licensure fees must be current, must be paid in full,  
76 and may be prorated. Reactivation of an inactive license  
77 requires the approval of a renewal application, including  
78 payment of licensure fees and agency inspections indicating  
79 compliance with all requirements of this part, authorizing  
80 statutes, and applicable rules.

81 Section 3. This act shall take effect upon becoming a law.