



897042

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
04/01/2009	.	
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The Committee on Health Regulation (Bennett) recommended the following:

1           **Senate Substitute for Amendment (329600) (with title**  
2 **amendment)**

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4           Delete everything after the enacting clause  
5 and insert:

6  
7           Section 1. The Legislature hereby designates Miami-Dade  
8 County as a health care fraud area of special concern for  
9 purposes of implementing increased scrutiny of home health  
10 agencies, home medical equipment providers, and health care  
11 clinics in Miami-Dade County in order to assist the state's



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12 efforts to prevent Medicaid fraud, waste, and abuse in the  
13 county and throughout the state.

14 Section 2. Section 408.8065, Florida Statutes, is created  
15 to read:

16 408.8065 Licensure requirements for home health agencies,  
17 home medical equipment providers, and health care clinics.—

18 (1) An applicant for initial licensure, license renewal, or  
19 change of ownership licensure as a home health agency, home  
20 medical equipment provider, or health care clinic shall comply  
21 with the following requirements:

22 (a) For initial, renewal, or change of ownership licenses  
23 for a home health agency, a home medical equipment provider, or  
24 a health care clinic, applicants and controlling interests must  
25 have been a legal resident of the United States for at least 5  
26 years, or file a surety bond of at least \$500,000, payable to  
27 the agency, which guarantees that the home health agency, home  
28 medical equipment provider, or health care clinic will act in  
29 full conformity with all legal requirements for operation.

30 (b) An applicant for initial or change of ownership license  
31 must demonstrate financial ability to operate, as required under  
32 s. 408.810(8), and submit a financial statement, including a  
33 balance sheet and an income and expense statement, and statement  
34 of cash flow for the first two years of operation which provide  
35 evidence of having sufficient assets, credit, and projected  
36 revenues to cover liabilities and expenses. The applicant must  
37 also prove it has the ability to fund all startup costs through  
38 the break-even point in operations by submitting a statement of  
39 estimated provider startup costs and sources of funds. The  
40 statement shall disclose, at a minimum, reasonable anticipated



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41 startup costs, including operating funds needed to reach the  
42 break-even point when operating receipts equal or exceed  
43 expenditures. To reach the break-even point, at a minimum,  
44 operating funds must be equal to two months' average expenses to  
45 cover working capital and contingencies. The minimum amount for  
46 contingency funding shall be not less than one month's average  
47 projected expenses. The applicant must provide documented proof  
48 that the funds necessary for start-up, working capital and  
49 contingency financing will be available as needed. The applicant  
50 shall have demonstrated the financial ability to operate if the  
51 applicant's assets, credit, and projected revenues meet or  
52 exceed projected liabilities and expenses. All documentation  
53 required under this subsection must be prepared in accordance  
54 with generally accepted accounting principles and may be in a  
55 compilation form. The financial statement must be signed by a  
56 certified public accountant.

57 (3) The agency may not issue an initial or change of  
58 ownership license to a home health agency under part III of  
59 chapter 400 or this part for the purpose of opening a new home  
60 health agency until July 1, 2010, in any county with at least  
61 one actively licensed home health agency and a population of  
62 persons 65 years of age or older, as indicated in the most  
63 recent population estimates published by the Executive Office of  
64 the Governor, that is fewer than 1,200 per home health agency.  
65 In such counties, for any complete application submitted prior  
66 to July 1, 2009, the agency may issue a license only if the  
67 applicant has received accreditation before May 1, 2009, from an  
68 accrediting organization that is recognized by the agency.

69 (4) In addition to the requirements of s. 408.812, any



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70 person who offers services that require licensure under part  
71 III, part VII, or part X of chapter 400 without obtaining a  
72 valid license; any person who knowingly files a false or  
73 misleading license, license renewal, or change of ownership  
74 application or who submits false or misleading information  
75 related to such application or agency rule; and any person who  
76 violates or conspires to violate this section, commits a felony  
77 of the third degree, punishable as provided in s. 775.082, s.  
78 775.083, or s. 775.084.

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

80  
81 ===== T I T L E A M E N D M E N T =====

82 And the title is amended as follows:

83 Delete everything before the enacting clause  
84 and insert:

85  
86 A bill to be entitled

87 An act relating to licensure of home health agencies,  
88 home medical equipment providers, and health care  
89 clinics; designating Miami-Dade County as a health  
90 care fraud area of special concern for certain  
91 purposes; creating s. 408.8065, F.S.; providing  
92 requirements for licensure of home health agencies,  
93 home medical equipment providers, and health care  
94 clinics; requiring the posting of a surety bond in a  
95 specified minimum amount under certain circumstances;  
96 requiring demonstration of financial viability;  
97 providing limitations on licensing of home health  
98 agencies in certain counties; providing an exception



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99 for existing applicants accredited by an organization  
100 recognized by the Agency for Health Care  
101 Administration; providing penalties; providing an  
102 effective date.