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A bill to be entitled An act relating to recovery care services; amending s. 395.001, F.S.; providing legislative intent regarding recovery care centers; amending s. 395.002, F.S.; revising and providing definitions; amending s. 395.003, F.S.; including recovery care centers as facilities licensed under chapter 395, F.S.; creating s. 395.0171, F.S.; providing admission criteria for a recovery care center; requiring emergency care, transfer, and discharge protocols; authorizing the Agency for Health Care Administration to adopt rules; amending s. 395.1055, F.S.; authorizing the agency to establish separate standards for the care and treatment of patients in recovery care centers; amending s. 395.10973, F.S.; directing the agency to enforce special-occupancy provisions of the Florida Building Code applicable to recovery care centers; amending s. 395.301, F.S.; providing for format and content of a patient bill from a recovery care center; amending s. 408.802, F.S.; providing applicability of the Health Care Licensing Procedures Act to recovery care centers; amending s. 408.820, F.S.; exempting recovery care centers from specified minimum licensure requirements; amending ss. 394.4787, 409.97, and 409.975, F.S.; conforming cross-references; providing an effective date.

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

Section 1. Section 395.001, Florida Statutes, is amended to read:

395.001 Legislative intent.—It is the intent of the Legislature to provide for the protection of public health and safety in the establishment, construction, maintenance, and operation of hospitals, ambulatory surgical centers, recovery care centers, and mobile surgical facilities by providing for licensure of same and for the development, establishment, and enforcement of minimum standards with respect thereto.

Section 2. Subsections (25) through (33) of section 395.002, Florida Statutes, are renumbered as subsections (27) through (35), respectively, subsections (3), (16), and (23) are amended, and new subsections (25) and (26) are added to that section, to read:

395.002 Definitions.—As used in this chapter:

(3) "Ambulatory surgical center" or "mobile surgical facility" means a facility the primary purpose of which is to provide elective surgical care, in which the patient is admitted to and discharged from such facility within 24 hours the same working day and is not permitted to stay overnight, and which is not part of a hospital. However, a facility existing for the primary purpose of performing terminations of pregnancy, an office maintained by a physician for the practice of medicine,

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or an office maintained for the practice of dentistry shall not be construed to be an ambulatory surgical center, provided that any facility or office which is certified or seeks certification as a Medicare ambulatory surgical center shall be licensed as an ambulatory surgical center pursuant to s. 395.003. Any structure or vehicle in which a physician maintains an office and practices surgery, and which can appear to the public to be a mobile office because the structure or vehicle operates at more than one address, shall be construed to be a mobile surgical facility.

- (16) "Licensed facility" means a hospital, ambulatory surgical center, recovery care center, or mobile surgical facility licensed in accordance with this chapter.
- (23) "Premises" means those buildings, beds, and equipment located at the address of the licensed facility and all other buildings, beds, and equipment for the provision of hospital, ambulatory surgical, recovery, or mobile surgical care located in such reasonable proximity to the address of the licensed facility as to appear to the public to be under the dominion and control of the licensee. For any licensee that is a teaching hospital as defined in s. 408.07(45), reasonable proximity includes any buildings, beds, services, programs, and equipment under the dominion and control of the licensee that are located at a site with a main address that is within 1 mile of the main address of the licensed facility; and all such buildings, beds, and equipment may, at the request of a licensee or applicant, be

included on the facility license as a single premises.

- (25) "Recovery care center" means a facility the primary purpose of which is to provide recovery care services.
- (26) "Recovery care services" means postsurgical and postdiagnostic medical and general nursing care provided to patients for whom acute care hospitalization is not required and an uncomplicated recovery is reasonably expected. The term includes postsurgical rehabilitation services. The term does not include intensive care services, coronary care services, or critical care services.
- Section 3. Subsection (1) of section 395.003, Florida Statutes, is amended to read:
  - 395.003 Licensure; denial, suspension, and revocation.-
- (1) (a) The requirements of part II of chapter 408 apply to the provision of services that require licensure pursuant to ss. 395.001-395.1065 and part II of chapter 408 and to entities licensed by or applying for such licensure from the Agency for Health Care Administration pursuant to ss. 395.001-395.1065. A license issued by the agency is required in order to operate a hospital, ambulatory surgical center, recovery care center, or mobile surgical facility in this state.
- (b)1. It is unlawful for a person to use or advertise to the public, in any way or by any medium whatsoever, any facility as a "hospital," "ambulatory surgical center," "recovery care center," or "mobile surgical facility" unless such facility has first secured a license under the provisions of this part.

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2. This part does not apply to veterinary hospitals or to
commercial business establishments using the word "hospital,"
"ambulatory surgical center," <a "="" href="">"recovery care center,"</a> or "mobile
surgical facility" as a part of a trade name if no treatment of
human beings is performed on the premises of such
establishments.

- (c) Until July 1, 2006, additional emergency departments located off the premises of licensed hospitals may not be authorized by the agency.
- Section 4. Section 395.0171, Florida Statutes, is created to read:
- 395.0171 Recovery care center admissions; emergency and transfer protocols; discharge planning and protocols.—
- (1) Admissions to a recovery care center shall be restricted to patients who need recovery care services.
- (2) All patients must be certified by their attending or referring physician or by a physician on staff at the facility as medically stable and not in need of acute care hospitalization before admission.
- (3) A patient may be admitted for recovery care services upon discharge from a hospital or an ambulatory surgery center.

  A patient may also be admitted postdiagnosis and posttreatment for recovery care services.
- (4) A recovery care center must have emergency care and transfer protocols, including transportation arrangements, and referral or admission agreements with at least one hospital.

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(5) A recovery care center must have procedures for discharge planning and discharge protocols.

- (6) The agency may adopt rules to implement this subsection.
- Section 5. Subsections (2) and (8) of section 395.1055, Florida Statutes, are amended, and subsection (10) is added to that section, to read:
  - 395.1055 Rules and enforcement.-

- (2) Separate standards may be provided for general and specialty hospitals, ambulatory surgical centers, recovery care centers, mobile surgical facilities, and statutory rural hospitals as defined in s. 395.602.
- (8) The agency may not adopt any rule governing the design, construction, erection, alteration, modification, repair, or demolition of any public or private hospital, intermediate residential treatment facility, recovery care center, or ambulatory surgical center. It is the intent of the Legislature to preempt that function to the Florida Building Commission and the State Fire Marshal through adoption and maintenance of the Florida Building Code and the Florida Fire Prevention Code. However, the agency shall provide technical assistance to the commission and the State Fire Marshal in updating the construction standards of the Florida Building Code and the Florida Fire Prevention Code which govern hospitals, intermediate residential treatment facilities, recovery care centers, and ambulatory surgical centers.

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(10) The agency shall adopt rules for recovery care centers which include fair and reasonable minimum standards for ensuring that recovery care centers have:

(a) A dietetic department, service, or other similarly

- titled unit, either on the premises or under contract, which shall be organized, directed, and staffed to ensure the provision of appropriate nutritional care and quality food service.
- (b) Procedures to ensure the proper administration of medications. Such procedures shall address the prescribing, ordering, preparing, and dispensing of medications and appropriate monitoring of the effects of such medications on the patient.
- (c) A pharmacy, pharmaceutical department, or pharmaceutical service, or similarly titled unit, on the premises or under contract.
- Section 6. Subsection (8) of section 395.10973, Florida Statutes, is amended to read:
- 395.10973 Powers and duties of the agency.—It is the function of the agency to:
- (8) Enforce the special-occupancy provisions of the Florida Building Code which apply to hospitals, intermediate residential treatment facilities, recovery care centers, and ambulatory surgical centers in conducting any inspection authorized by this chapter and part II of chapter 408.
  - Section 7. Subsection (3) of section 395.301, Florida

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183 Statutes, is amended to read:

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395.301 Itemized patient bill; form and content prescribed by the agency.—  $\,$ 

- (3) On each itemized statement submitted pursuant to subsection (1) there shall appear the words "A FOR-PROFIT (or NOT-FOR-PROFIT or PUBLIC) HOSPITAL (or AMBULATORY SURGICAL CENTER or RECOVERY CARE CENTER) LICENSED BY THE STATE OF FLORIDA" or substantially similar words sufficient to identify clearly and plainly the ownership status of the licensed facility. Each itemized statement must prominently display the phone number of the medical facility's patient liaison who is responsible for expediting the resolution of any billing dispute between the patient, or his or her representative, and the billing department.
- Section 8. Subsection (30) is added to section 408.802, 198 Florida Statutes, to read:
  - 408.802 Applicability.—The provisions of this part apply to the provision of services that require licensure as defined in this part and to the following entities licensed, registered, or certified by the agency, as described in chapters 112, 383, 390, 394, 395, 400, 429, 440, 483, and 765:
  - (30) Recovery care centers, as provided under part I of chapter 395.
- Section 9. Subsection (29) is added to section 408.820, Florida Statutes, to read:
- 208 408.820 Exemptions.—Except as prescribed in authorizing

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statutes, the following exemptions shall apply to specified requirements of this part:

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- (29) Recovery care centers, as provided under part I of chapter 395, are exempt from s. 408.810(7)-(10).
- Section 10. Subsection (7) of section 394.4787, Florida
  214 Statutes, is amended to read:
- 394.4787 Definitions; ss. 394.4786, 394.4787, 394.4788, and 394.4789.—As used in this section and ss. 394.4786, 394.4788, and 394.4789:
  - (7) "Specialty psychiatric hospital" means a hospital licensed by the agency pursuant to s.  $\underline{395.002(30)}$   $\underline{395.002(28)}$  and part II of chapter 408 as a specialty psychiatric hospital.
  - Section 11. Paragraph (a) of subsection (4) of section 409.97, Florida Statutes, is amended to read:
    - 409.97 State and local Medicaid partnerships.-
    - (4) HOSPITAL RATE DISTRIBUTION.
  - (a) The agency is authorized to implement a tiered hospital rate system to enhance Medicaid payments to all hospitals when resources for the tiered rates are available from general revenue and such contributions pursuant to subsection (1) as are authorized under the General Appropriations Act.
  - 1. Tier 1 hospitals are statutory rural hospitals as defined in s. 395.602, statutory teaching hospitals as defined in s. 408.07(45), and specialty children's hospitals as defined in s. 395.002(30) 395.002(28).
    - 2. Tier 2 hospitals are community hospitals not included

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in Tier 1 that provided more than 9 percent of the hospital's total inpatient days to Medicaid patients and charity patients, as defined in s. 409.911, and are located in the jurisdiction of a local funding source pursuant to subsection (1).

- 3. Tier 3 hospitals include all community hospitals.
- Section 12. Paragraph (b) of subsection (1) of section 409.975, Florida Statutes, is amended to read:

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- 409.975 Managed care plan accountability.—In addition to the requirements of s. 409.967, plans and providers participating in the managed medical assistance program shall comply with the requirements of this section.
- (1) PROVIDER NETWORKS.—Managed care plans must develop and maintain provider networks that meet the medical needs of their enrollees in accordance with standards established pursuant to s. 409.967(2)(c). Except as provided in this section, managed care plans may limit the providers in their networks based on credentials, quality indicators, and price.
- (b) Certain providers are statewide resources and essential providers for all managed care plans in all regions. All managed care plans must include these essential providers in their networks. Statewide essential providers include:
  - 1. Faculty plans of Florida medical schools.
- 257 2. Regional perinatal intensive care centers as defined in 258 s. 383.16(2).
- 3. Hospitals licensed as specialty children's hospitals as defined in s. 395.002(30) 395.002(28).

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4. Accredited and integrated systems serving medically complex children that are comprised of separately licensed, but commonly owned, health care providers delivering at least the following services: medical group home, in-home and outpatient nursing care and therapies, pharmacy services, durable medical equipment, and Prescribed Pediatric Extended Care.

Managed care plans that have not contracted with all statewide essential providers in all regions as of the first date of recipient enrollment must continue to negotiate in good faith. Payments to physicians on the faculty of nonparticipating Florida medical schools shall be made at the applicable Medicaid rate. Payments for services rendered by regional perinatal intensive care centers shall be made at the applicable Medicaid rate as of the first day of the contract between the agency and the plan. Payments to nonparticipating specialty children's hospitals shall equal the highest rate established by contract between that provider and any other Medicaid managed care plan.

Section 13. This act shall take effect July 1, 2014.