

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

---

Prepared By: The Professional Staff of the Committee on Health Policy

---

BILL: SB 816

INTRODUCER: Senator Grimsley

SUBJECT: Home Health Agencies

DATE: March 19, 2015

REVISED: \_\_\_\_\_

---

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Looke	Stovall	HP	<b>Pre-meeting</b>
2.	_____	_____	AHS	_____
3.	_____	_____	FP	_____

---

**I. Summary:**

SB 816 eliminates the requirement for an home health agency (HHA) to provide a quarterly report to the Agency for Health Care Administration (AHCA) which details:

- The number of insulin-dependent diabetic patients receiving insulin injection services;
- The number of patients receiving both home health services from the HHA and a hospice services;
- The number of patients receiving HHA services; and
- Name and license number of nurses whose primary job responsibility is to provide home health services to patients and who received remuneration from the HHA in excess of \$25,000 during the quarter.

The bill also eliminates the requirement that the AHCA fine HHAs who fail to submit the report \$200 per day up to a total of \$5,000 per quarter.

The bill requires HHAs when renewing their license biennially to submit to the AHCA the number of patients who received home health services from the HHA on the day that that the licensure renewal application is filed.

**II. Present Situation:**

An HHA is an organization that provides home health services and staffing services.<sup>1</sup> Home health services provided by an HHA include health and medical services and medical equipment provided to an individual in his or her home, such as nursing care, physical and occupational therapy, and home health aide services.<sup>2</sup> Home health agencies are regulated by the AHCA pursuant to ch. 400, part III, F.S.

---

<sup>1</sup> Section 400.462(12), F.S.

<sup>2</sup> Section 400.462(14)(a)-(c), F.S.

In 2008, the Legislature passed chapter 2008-246, Laws of Fla., with anti-fraud measures including the requirement for an HHA quarterly report to be submitted to the AHCA within 15 days following the end of each quarter. The Legislature passed chapter 2008-246, Laws of Fla., to combat an increase in Medicaid fraud in HHAs during the early to mid-2000s. In Fiscal Year 2004-2005, the AHCA's Bureau of Medicaid Program Integrity (MPI) opened 47 investigations of HHAs for Medicaid fraud, 72 in Fiscal Year 2005-2006, and 144 in Fiscal Year 2006-2007.<sup>3</sup> Between 2004 and 2007, 19 HHAs were terminated from the Medicaid program in Miami-Dade County alone.<sup>4</sup> In 2013, the Legislature passed chapter 2013-133, Laws of Fla., which amended these requirements to reduce the fine assessed against HHAs which violate the reporting requirements to \$200 per day up to a maximum of \$5,000 per quarter and to exempt HHAs that are not, or do not share a controlling interest with a licensee that is, a Medicaid or Medicare provider.

Section 400.474(7), F.S., enacted in chapter 2008-246, Laws of Fla., and amended by chapter 2013-133, Laws of Fla., requires HHAs to report data as it existed on the last day of the quarter for four items that are markers for possible fraudulent activity. These items include:

- The number of insulin-dependent diabetic patients receiving insulin injection services;
- The number of patients receiving both home health services from the HHA and a hospice services;
- The number of patients receiving HHA services; and
- Name and license number of nurses whose primary job responsibility is to provide home health services to patients and who received remuneration from the HHA in excess of \$25,000 during the quarter.

The AHCA is required to impose a fine of \$200 per day up to a maximum of \$5,000 per quarter if the report is not submitted within the first 15 days following the close of the quarter. From July 1, 2008, to date, \$8,317,650 in fines have been assessed and \$5,635,108 in fines have been collected.<sup>5</sup> Also, the number of HHAs that fail to submit the reports each quarter has decreased since the passage of chapter 2008-286, Laws of Fla. For the quarter ending December 31, 2012, 42 of the 2,250 licensed HHAs failed to submit their reports.<sup>6</sup>

The AHCA uses the data on the number of patients on the last day of the quarter as an indicator of the number of patients when a home health agency is closing. In addition, the data on numbers of patients is used as an indicator that the home health agency may not be operational, along with other information. Failing to provide at least one service directly for a period of 60 days is grounds to deny or revoke a license under s. 400.474(1)(2)(e), F.S. The AHCA already collects the number of patients admitted over a 12-month period, from each home health agency on the biennial license renewal application as required by s. 400.471(2)(c), F.S.<sup>7</sup>

---

<sup>3</sup> Information contained in this portion of this bill analysis is from the analysis for CS/SB 1374 by the Senate Committee on Health Regulation (Mar. 7, 2008) (on file with the Senate Committee on Health Policy).

<sup>4</sup> Id.

<sup>5</sup> AHCA, *Senate Bill 816 Analysis* (Jan. 23, 2015) (on file with the Senate Committee on Health Policy).

<sup>6</sup> AHCA, *House Bill 4031 Analysis* (SB 1094) (Mar. 14, 2013) (on file with the Senate Committee on Health Policy).

<sup>7</sup> Id.

### III. Effect of Proposed Changes:

SB 816 eliminates the requirement for an HHA to provide a quarterly report to the AHCA which details:

- The number of insulin-dependent diabetic patients receiving insulin injection services;
- The number of patients receiving both home health services from the HHA and a hospice services;
- The number of patients receiving HHA services; and
- Name and license number of nurses whose primary job responsibility is to provide home health services to patients and who received remuneration from the HHA in excess of \$25,000 during the quarter.

The bill also eliminates the requirement that the AHCA fine HHAs who fail to submit the report \$200 per day up to a total of \$5,000 per quarter.

The bill requires HHAs when renewing their license to submit to the AHCA the number of patients who received home health services from the HHA on the day that that the licensure renewal application is filed.

The bill provides an effective date of July 1, 2015.

### IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

### V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

HHAs may see an indeterminate positive fiscal impact by not having to prepare and file the quarterly report. Additionally, HHAs who would have failed to provide the quarterly report to the AHCA will see an indeterminate positive fiscal impact due to the elimination of the fine currently assessed.

**C. Government Sector Impact:**

The AHCA will see an indeterminate negative fiscal impact due to the loss of revenue from the elimination of the fine assessed on HHAs who fail to submit their quarterly report.<sup>8</sup>

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends section 400.474 of the Florida Statutes.

**IX. Additional Information:****A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

**B. Amendments:**

None.

---

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

---

---

<sup>8</sup> Supra note 5.