

**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.)

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Prepared By: The Professional Staff of the Committee on Rules

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BILL: CS/CS/SB 594

INTRODUCER: Rules Committee, Banking and Insurance Committee and Senator Bean

SUBJECT: Nursing Homes and Related Health Care Facilities

DATE: April 22, 2013

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

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Looke	Stovall	HP	<b>Favorable</b>
2.	Knudson	Burgess	BI	<b>Fav/CS</b>
3.	Looke	Phelps	RC	<b>Fav/CS</b>
4.				
5.				
6.				

**Please see Section VIII. for Additional Information:**

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|------------------------------|-------------------------------------|---|
| A. COMMITTEE SUBSTITUTE..... | <input checked="" type="checkbox"/> | Statement of Substantial Changes        |
| B. AMENDMENTS.....           | <input type="checkbox"/>            | Technical amendments were recommended   |
|                              | <input type="checkbox"/>            | Amendments were recommended             |
|                              | <input type="checkbox"/>            | Significant amendments were recommended |

**I. Summary:**

CS/CS/SB 594 amends various sections of the Florida Statutes to strike language requiring health care entities to be accredited by specific accreditation organizations and to replace that language with general provisions requiring health care entities to be accredited by an accrediting organization whose standards incorporate comparable licensure regulations required by this state and, where appropriate, is approved by the Centers for Medicare and Medicaid Services.

The bill also strikes an outdated provision requiring the AHCA to notify hospitals that it is creating a registry of primary and comprehensive stroke centers.

This bill substantially amends sections 154.11, 394.741, 395.3038, 397.403, 400.925, 400.9935, 402.7306, 408.05, 430.80, 440.13, 627.645, 627.668, 627.669, 627.736, 641.495, and 766.1015 of the Florida Statutes.

## II. Present Situation:

### Definition Change for “Accrediting Organizations”

In 2012 the Legislature enacted 2012-66, L.O.F., which substantially amended the definition of “accrediting organizations” in s. 395.002, F.S. Prior to the passage of 2012-66, L.O.F., the statutes defined “accrediting organizations” as the Joint Commission on Accreditation of Healthcare Organizations, the American Osteopathic Association, the Commission on Accreditation of Rehabilitation Facilities, and the Accreditation Association for Ambulatory Health Care, Inc. Currently, the definition includes any national accreditation organizations that are approved by the Centers for Medicare and Medicaid Services and whose standards incorporate comparable licensure regulations required by the state.

### CARF International

What is now known as CARF International was founded in 1966 as the Commission on Accreditation of Rehabilitation Facilities when the National Association of Sheltered Workshops and Homebound Programs and the Association of Rehabilitation Centers agreed to pool their interests.<sup>1</sup> CARF International is a nonprofit accreditor of health and human services providers in multiple areas including aging services, behavioral health, and medical rehabilitation. The CARF family of organizations currently accredits close to 50,000 programs in countries across the globe.<sup>2</sup> Currently, the Florida Statutes still refer to CARF - the Commission on Accreditation of Rehabilitation Facilities or something similar.

### The Joint Commission

The Joint Commission is a non-profit organization that accredits and certifies more than 20,000 health care organizations and programs in the United States.<sup>3</sup> The Joint Commission was established in 1951 as the Joint Commission on Accreditation of Hospitals. In 1987, the organization changed its name to the Joint Commission on Accreditation of Healthcare Organizations in order to reflect an expanded scope of activities. In 2007, the Joint Commission on Accreditation of Healthcare Organizations shortened its name to the Joint Commission in order to refresh its brand identity.<sup>4</sup> Currently, the Florida Statutes refer to the Joint Commission on Accreditation of Healthcare Organizations.

## III. Effect of Proposed Changes:

**CS/CS/SB 594** amends various sections of the Florida Statutes to strike language requiring health care entities to be accredited by specific accreditation organizations and to replace that language with general provisions requiring health care entities to be accredited by an accrediting organization whose standards incorporate comparable licensure regulations required by this state and, where appropriate, is approved by the Centers for Medicare and Medicaid Services.

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<sup>1</sup> History of CARF International, found at: <http://www.carf.org/About/History/>, last visited on Mar. 4, 2013.

<sup>2</sup> CARF International, can be found at: <http://www.carf.org/About/WhoWeAre/>, last visited on Mar. 4, 2013.

<sup>3</sup> About the Joint Commission, found at: [http://www.jointcommission.org/about\\_us/about\\_the\\_joint\\_commission\\_main.aspx](http://www.jointcommission.org/about_us/about_the_joint_commission_main.aspx), last visited on Mar. 4, 2013.

<sup>4</sup> The Joint Commission History, found at: [http://www.jointcommission.org/assets/1/6/Joint\\_Commission\\_History.pdf](http://www.jointcommission.org/assets/1/6/Joint_Commission_History.pdf), last visited on Mar. 4, 2013

The bill also strikes an outdated provision requiring the AHCA to notify hospitals that it is creating a registry of primary and comprehensive stroke centers.

The amended sections relate to:

- Section 154.11, F.S., the powers of the board of trustees;
- Section 394.741, F.S., accreditation requirements for providers of behavioral health care services;
- Section 395.3038, F.S., state-listed primary stroke centers and comprehensive stroke centers; notification of hospitals;
- Section 397.403, F.S., license application;
- Section 400.925, F.S., definitions;
- Section 400.9935, F.S., Clinic responsibilities;
- Section 402.7306, F.S., Administrative monitoring of child welfare providers, and administrative, licensure, and programmatic monitoring of mental health and substance abuse service providers;
- Section 408.05, F.S., Florida Center for Health Information and Policy Analysis;
- Section 430.80, F.S., implementation of a teaching nursing home pilot project;
- Section 440.13, F.S., medical services and supplies; penalty for violations; limitations;
- Section 627.645, F.S., denial of health insurance claims restricted;
- Section 627.668, F.S., optional coverage for mental and nervous disorders required; exception;
- Section 627.669, F.S., optional coverage required for substance abuse impaired persons; exception;
- Section 627.736, F.S., required personal injury protection benefits; exclusions; priority; claims;
- Section 641.495, F.S., requirements for issuance and maintenance of certificate; and
- Section 766.1015, F.S., civil immunity for members of or consultants to certain boards, committees, or other entities;

The bill provides an effective date of July 1, 2013.

#### **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:

None.

## C. Government Sector Impact:

None.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Additional Information:**

## A. Committee Substitute – Statement of Substantial Changes:

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

**CS/CS by Rules on April 22, 2013:**

The CS removes provisions in the bill which exempt certain organizations from the definition of “clinic” under part X of ch. 400, F.S., and which allow certain health care providers to receive reimbursement under the Florida Motor Vehicle No-fault Law without obtaining licensure as a clinic.

The CS adds provisions that amend various sections of the Florida Statutes to strike language requiring health care entities to be accredited by specific accreditation organizations and to replace that language with general provisions requiring health care entities to be accredited by an accrediting organization whose standards incorporate comparable licensure regulations required by this state and, where appropriate, is approved by the Centers for Medicare and Medicaid Services.

The CS also makes technical and clean up changes such as striking outdated language requiring the AHCA to notify hospitals that it is creating a registry of primary and comprehensive stroke centers.

**CS by Banking and Insurance on April 16, 2013:**

The CS exempts from clinic licensure pediatric cardiology, perinatology, or anesthesia clinical facilities that are a publicly traded corporation or that are wholly owned, directly or indirectly, by a publicly traded corporation. The CS also revises the exemption for entities owned by a corporation with \$250 million or more in total annual sales of health

care services provided by licensed health care practitioners by conditioning the exemption on whether one of the persons responsible for the operation of the entity is a Florida-licensed health care practitioner who supervises its business activities. Under current law, the exemption is conditioned on whether at least one owner is a Florida Licensed health care practitioner who supervises the business activities of the entity.

**B. Amendments:**

None.

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

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