Florida Senate - 2008

By the Committee on Health Regulation; and Senator Ring

588-06444-08

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1	A bill to be entitled
2	An act relating to electronic health records; amending s.
3	395.3025, F.S.; expanding access to a patient's medical
4	records to facilitate electronic exchange of data between
5	certain health care facilities, practitioners, and
6	providers and attending physicians; revising provisions
7	relating to the disclosure of patient records to conform
8	to changes made by the act; amending s. 408.05, F.S.;
9	removing responsibility of the Agency for Health Care
10	Administration for monitoring certain grants; creating s.
11	408.051, F.S.; creating the "Florida eHealth Initiative
12	Act"; providing legislative intent; providing definitions;
13	requiring the agency to award and monitor grants to
14	certain health information organizations; providing
15	rulemaking authority regarding establishment of
16	eligibility criteria; establishing the Electronic Medical
17	Records System Adoption Loan Program; providing
18	eligibility criteria; providing rulemaking authority
19	regarding terms and conditions for the granting of loans;
20	creating the Florida Health Information Exchange Advisory
21	Council; providing for purpose, membership, terms of
22	office, and duties of the council; requiring the Florida
23	Center for Health Information and Policy Analysis to
24	provide staff support; requiring reports to the Governor
25	and Legislature; providing for future repeal of s.
26	408.051, F.S., and abolition of the council; providing
27	duties of the agency with regard to availability of
28	specified information on the agency's Internet website;
29	requiring the agency to develop and implement a plan to

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30 promote participation in regional and statewide health 31 information exchanges; requiring the Office of Program 32 Policy Analysis and Government Accountability to complete 33 an independent evaluation of the grants program 34 administered by the agency and submit the report to the 35 Governor and Legislature by a certain date; amending s. 36 408.062, F.S.; removing responsibility of the agency for 37 developing an electronic health information network; 38 amending s. 483.181, F.S.; expanding access to laboratory 39 reports to facilitate electronic exchange of data between 40 certain health care practitioners and providers; providing 41 an effective date. 42 43 Be It Enacted by the Legislature of the State of Florida: 44 45 Subsection (4) of section 395.3025, Florida Section 1. 46 Statutes, is amended to read: 47 395.3025 Patient and personnel records; copies; 48 examination. --49 Patient records are confidential and must not be (4) 50 disclosed without the consent of the patient or his or her legal 51 representative person to whom they pertain, but appropriate disclosure may be made without such consent to: 52 53 Licensed facility personnel, and attending physicians, (a) 54 or other health care practitioners and providers currently 55 involved in the care or treatment of the patient for use only in 56 connection with the treatment of the patient. 57 Licensed facility personnel only for administrative (b) 58 purposes or risk management and quality assurance functions.

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59 (c) The agency, for purposes of health care cost60 containment.

(d) In any civil or criminal action, unless otherwise
prohibited by law, upon the issuance of a subpoena from a court
of competent jurisdiction and proper notice by the party seeking
such records to the patient or his or her legal representative.

65 The department agency upon subpoena issued pursuant to (e) 66 s. 456.071, but the records obtained thereby must be used solely 67 for the purpose of the department agency and the appropriate 68 professional board in its investigation, prosecution, and appeal 69 of disciplinary proceedings. If the department agency requests 70 copies of the records, the facility shall charge no more than its 71 actual copying costs, including reasonable staff time. The 72 records must be sealed and must not be available to the public 73 pursuant to s. 119.07(1) or any other statute providing access to 74 records, nor may they be available to the public as part of the 75 record of investigation for and prosecution in disciplinary 76 proceedings made available to the public by the department agency 77 or the appropriate regulatory board. However, the department 78 agency must make available, upon written request by a 79 practitioner against whom probable cause has been found, any such 80 records that form the basis of the determination of probable 81 cause.

(f) The department of Health or its agent, for the purpose of establishing and maintaining a trauma registry and for the purpose of ensuring that hospitals and trauma centers are in compliance with the standards and rules established under ss. 395.401, 395.4015, 395.4025, 395.404, 395.4045, and 395.405, and for the purpose of monitoring patient outcome at hospitals and

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88 trauma centers that provide trauma care services.

(g) The Department of Children and Family Services or its
agent, for the purpose of investigations of cases of abuse,
neglect, or exploitation of children or vulnerable adults.

92 The State Long-Term Care Ombudsman Council and the (h) 93 local long-term care ombudsman councils, with respect to the 94 records of a patient who has been admitted from a nursing home or long-term care facility, when the councils are conducting an 95 96 investigation involving the patient as authorized under part II 97 of chapter 400, upon presentation of identification as a council 98 member by the person making the request. Disclosure under this 99 paragraph shall only be made after a competent patient or the 100 patient's representative has been advised that disclosure may be 101 made and the patient has not objected.

(i) A local trauma agency or a regional trauma agency that
performs quality assurance activities, or a panel or committee
assembled to assist a local trauma agency or a regional trauma
agency in performing quality assurance activities. Patient
records obtained under this paragraph are confidential and exempt
from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

(j) Organ procurement organizations, tissue banks, and eye banks required to conduct death records reviews pursuant to s. 395.2050.

111 (k) The Medicaid Fraud Control Unit in the Department of112 Legal Affairs pursuant to s. 409.920.

(1) The Department of Financial Services, or an agent, employee, or independent contractor of the department who is auditing for unclaimed property pursuant to chapter 717.

116

(m) A regional poison control center for purposes of

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117 treating a poison episode under evaluation, case management of 118 poison cases, or compliance with data collection and reporting 119 requirements of s. 395.1027 and the professional organization 120 that certifies poison control centers in accordance with federal 121 law.

Section 2. Subsection (4) of section 408.05, FloridaStatutes, is amended to read:

124 408.05 Florida Center for Health Information and Policy 125 Analysis.--

126

(4) TECHNICAL ASSISTANCE.--

(a) The center shall provide technical assistance to
persons or organizations engaged in health planning activities in
the effective use of statistics collected and compiled by the
center. The center shall also provide the following additional
technical assistance services:

132 1. Establish procedures identifying the circumstances under 133 which, the places at which, the persons from whom, and the 134 methods by which a person may secure data from the center, 135 including procedures governing requests, the ordering of 136 requests, timeframes for handling requests, and other procedures 137 necessary to facilitate the use of the center's data. To the 138 extent possible, the center should provide current data timely in 139 response to requests from public or private agencies.

140 2. Provide assistance to data sources and users in the
141 areas of database design, survey design, sampling procedures,
142 statistical interpretation, and data access to promote improved
143 health-care-related data sets.

1443. Identify health care data gaps and provide technical145assistance to other public or private organizations for meeting

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146 documented health care data needs.

4. Assist other organizations in developing statisticalabstracts of their data sets that could be used by the center.

149 5. Provide statistical support to state agencies with150 regard to the use of databases maintained by the center.

151 6. To the extent possible, respond to multiple requests for
152 information not currently collected by the center or available
153 from other sources by initiating data collection.

154 7. Maintain detailed information on data maintained by 155 other local, state, federal, and private agencies in order to 156 advise those who use the center of potential sources of data 157 which are requested but which are not available from the center.

158 8. Respond to requests for data which are not available in
159 published form by initiating special computer runs on data sets
160 available to the center.

9. Monitor innovations in health information technology,
informatics, and the exchange of health information and maintain
a repository of technical resources to support the development of
a statewide health information exchange network.

165 (b) The agency shall administer, manage, and monitor grants 166 to not-for-profit organizations, regional health information 167 organizations, public health departments, or state agencies that 168 submit proposals for planning, implementation, or training 169 projects to advance the development of a health information 170 network. Any grant contract shall be evaluated to ensure the 171 effective outcome of the health information project.

172 (b) (c) The agency shall initiate, oversee, manage, and 173 evaluate the integration of health care data from each state 174 agency that collects, stores, and reports on health care issues

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175	and make that data available to any health care practitioner
176	through a <u>statewide</u> state health information <u>exchange</u> network .
177	Section 3. Section 408.051, Florida Statutes, is created to
178	read:
179	408.051 Florida eHealth Initiative Act
180	(1) SHORT TITLEThis section may be cited as the "Florida
181	eHealth Initiative Act."
182	(2) LEGISLATIVE INTENT The Legislature recognizes that
183	the exchange of electronic medical records will benefit consumers
184	by increasing the quality and efficiency of health care
185	throughout the state. It is the intent of the Legislature that
186	the state promote and coordinate the establishment of a secure,
187	privacy-protected, and interconnected statewide health
188	information exchange.
189	(3) DEFINITIONSAs used in this section, the term:
190	(a) "Electronic medical record" means a record of a
191	person's medical treatment created by a licensed health care
192	provider and stored in an interoperable and accessible digital
193	format.
194	(b) "Electronic medical records system" means an
195	application environment composed of at least two of the following
196	systems: a clinical data repository; clinical decision support;
197	controlled medical vocabulary; computerized provider order entry;
198	pharmacy; or clinical documentation. The application must be used
199	by health care practitioners to document, monitor, and manage
200	health care delivery within a health care delivery system and
201	must be capable of interoperability within a health information
202	exchange.
203	(c) "Health information exchange" means an electronic

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204 system used to acquire, process, and transmit electronic medical 205 records that can be shared in real time among authorized health 206 care providers, health care facilities, health insurers, and 207 other recipients, as authorized by law, to facilitate the 208 provision of health care services. 209 (d) "Health information organization" means an entity that 210 has a formal structure and established policies and procedures 211 and that serves as a neutral convener of local stakeholders to 212 enable the secure and reliable exchange of electronic medical 213 records among authorized health care stakeholders within a 214 defined geographic region to facilitate improvements in health 215 care quality, safety, and coordination of care. 216 (4) MATCHING GRANTS.--217 (a) Subject to a specific appropriation, the agency shall 218 award and monitor matching grants to health information 219 organizations that submit proposals that advance the development 220 of a statewide health information exchange. Funds awarded under 221 this subsection shall be awarded on the basis of matching each \$1 222 of state funds with \$1 of local or private funds. Local or 223 private funds may be provided in the form of cash or in-kind 224 support or services. Grants may be awarded within the following 225 categories: development, operation, and collaboration. 226 (b) The agency shall, by rule, establish specific 227 eligibility criteria for a health information organization to 228 qualify for a grant under this subsection. These criteria shall 229 include, at a minimum, documentation of the following: 230 1. For development grants, the proposed organizational 231 structure, the level of community support, including a list of 232 key participants, a demonstration of available local or private

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233	matching funds, a timeline for development of the health
234	information exchange, and proposed goals and metrics.
235	2. For operation grants, a demonstration of available local
236	or private matching funds and a detailed business plan, which
237	shall include a timeline for implementation of the health
238	information exchange, policies and procedures to protect the
239	privacy and security of electronic medical records, and proposed
240	goals and metrics.
241	3. For collaboration grants, a demonstration of available
242	local or private matching funds, memoranda of understanding
243	between at least two health information organizations for the
244	exchange of electronic medical records, a demonstration of
245	consistent utilization of the health information exchange by
246	members within each participating health information
247	organization, and a detailed business plan, which shall include a
248	timeline for the implementation of the exchange of electronic
249	medical records between participating health information
250	organizations, policies and procedures to protect the privacy and
251	security of electronic medical records, and proposed goals and
252	metrics.
253	(c) Beginning July 1, 2008, the agency may not award a
254	health information organization more than 6 aggregate years of
255	funding.
256	(d) The agency shall award grants in consultation with the
257	Florida Health Information Exchange Advisory Council.
258	(5) ELECTRONIC MEDICAL RECORDS SYSTEM ADOPTION LOAN
259	PROGRAM
260	(a) Subject to a specific appropriation, the agency shall
261	operate an Electronic Medical Records System Adoption Loan

588-06444-08 20081998c1 262 Program for the purpose of providing a one-time, no-interest loan 263 to eligible physicians licensed under chapter 458 or chapter 459, 264 to an eligible business entity whose shareholders are licensed under chapter 458 or chapter 459, or to an eligible faculty 265 266 practice plan of a state university for the initial costs of 267 implementing an electronic medical records system. 268 (b) In order to be eligible for a loan under this 269 subsection, each physician must demonstrate that he or she has 270 practiced continuously within the state for the previous 3 years 271 or that the faculty practice plan has been established. 272 (c) The agency may not provide a loan to a physician who 273 has or a business entity whose physician shareholder has: 274 1. Been found guilty of violating s. 456.072(1) or been 275 disciplined under the applicable licensing chapter in the 276 previous 5 years. 277 2. Been found guilty of or entered a plea of guilty or nolo 278 contendere to a violation of s. 409.920 or s. 409.9201. 279 3. Been sanctioned pursuant to s. 409.913 for fraud or 280 abuse. 281 (d) A loan may be provided to an eligible physician, 282 business entity, or faculty practice plan in a lump-sum amount to 283 pay for the costs of purchasing hardware and software, 284 subscription services, professional consultation, and staff 285 training. The agency shall provide guidance to loan recipients by 286 providing, at a minimum, a list of electronic medical record 287 systems recognized or certified by national standards-setting 288 entities as capable of being used to communicate with a health 289 information exchange. 290 (e) The agency shall distribute a minimum of 25 percent of

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291	funds appropriated to this program to physicians or business
292	entities operating within a rural county as defined in s.
293	288.106(1)(r).
294	(f) The agency shall, by rule, develop standard terms and
295	conditions for use in this program. At a minimum, these terms and
296	conditions shall require:
297	1. Loan repayment by the physician, business entity, or
298	faculty practice plan within a reasonable period of time, which
299	may not be longer than 72 months after the funding of the loan.
300	2. Equal periodic payments that commence within 3 months
301	after the funding of the loan.
302	3. The eligible physician, business entity, or faculty
303	practice plan to execute a promissory note and a security
304	agreement in favor of the state. The security agreement shall be
305	a purchase-money security interest pledging as collateral for the
306	loan the specific hardware and software purchased with the loan
307	proceeds. The agency shall prepare and record a financing
308	statement under chapter 679. The physician or business entity
309	shall pay the cost of recording the financing statement. The
310	security agreement shall further require that the physician or
311	business entity pay all collection costs, including attorney's
312	fees.
313	(g) The agency shall require the physician or business
314	entity to provide additional security under one of the following
315	subparagraphs:
316	1. An irrevocable letter of credit, as defined in chapter
317	675, in an amount equal to the amount of the loan.
318	2. An escrow account consisting of cash or assets eligible
319	for deposit in accordance with s. 625.52 in an amount equal to

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588-06444-08 20081998c1 320 the amount of the loan. If the escrow agent is responsible for 321 making the periodic payments on the loan, the required escrow 322 balance may be diminished as payments are made. 323 3. A pledge of the accounts receivables of the physician or 324 business entity. This pledge shall be reflected on the financing 325 statement. 326 (h) All payments received from or on behalf of a physician 327 or business entity under this program shall be deposited into the 328 agency's Administrative Trust Fund to be used to fund new loans. 329 (i) If a physician, business entity, or university whose 330 faculty practice plan has received a loan under this section 331 ceases to provide care or services to patients, or if the 332 physician, business entity, or faculty practice plan defaults in 333 any payment and the default continues for 30 days, the entire 334 loan balance shall be immediately due and payable and shall bear 335 interest from that point forward at the rate of 18 percent 336 annually. Upon default, the agency may offset any moneys owed to 337 the physician, business entity, or faculty practice plan from the 338 state and apply the offset against the outstanding balance. 339 (j) If a physician defaults in any payment and if the 340 default continues for 30 days, the default constitutes grounds 341 for disciplinary action under chapter 458 or chapter 459 and s. 342 456.072(1)(k). 343 (6) FLORIDA HEALTH INFORMATION EXCHANGE ADVISORY COUNCIL.--344 The Florida Health Information Exchange Advisory (a) 345 Council is created as an adjunct to the agency. The council is subject to the requirements of s. 20.052, except that only state 346 347 officers and employees shall be reimbursed for per diem and travel expenses pursuant to s. 112.061. 348

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349	(b) The purpose of the council is to:
350	1. Promote participation in regional and statewide health
351	information exchanges and adoption of health information
352	technology to support the infrastructure capacity for regional
353	and statewide health information exchanges.
354	2. Conduct outreach and convene forums to educate
355	stakeholders regarding the benefits of using a health information
356	exchange.
357	3. Provide guidance to stakeholders regarding the effective
358	use of health information exchanges and standards for protecting
359	the privacy and security of electronic medical records.
360	(c) The council shall consist of the following members:
361	1. The Secretary of Health Care Administration, or his or
362	her designee.
363	2. The State Surgeon General, or his or her designee.
364	3. Two members appointed by and serving at the pleasure of
365	the Governor, of which:
366	a. One member must be from the health insurance industry.
367	b. One member must be a consumer who is a resident of the
368	state.
369	4. Four members appointed by and serving at the pleasure of
370	the President of the Senate, of which:
371	a. One member must be from a hospital using an electronic
372	medical records system.
373	b. One member must be a physician using an electronic
374	medical records system in his or her practice.
375	c. One member must be a representative of an operating
376	health information organization in the state.
377	d. One member must be from a federally qualified health

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378	center or other rural health organization utilizing an electronic
379	medical records system.
380	5. Four members appointed by and serving at the pleasure of
381	the Speaker of the House of Representatives, of which:
382	a. One member must be from a hospital using an electronic
383	medical records system.
384	b. One member must be a physician using an electronic
385	medical records system in his or her practice.
386	c. One member must be a representative of an operating
387	health information organization in the state.
388	d. One member must be from a federally qualified health
389	center or other rural health organization utilizing an electronic
390	medical records system.
391	(d) A member who is a representative of an operating health
392	information organization in the state must recuse himself or
393	herself during discussion, evaluation, or recommendation of a
394	grant application.
395	(e) Each member of the council subject to appointment shall
396	be appointed to a term of 4 years following the date of
397	appointment. A vacancy shall be filled by appointment for the
398	remainder of the term. Appointments shall be made within 45 days
399	after the effective date of this section.
400	(f) The council may meet at the call of the chair or at the
401	request of a majority of its membership, but the council must
402	meet at least quarterly. Meetings of the council may be held via
403	teleconference or other electronic means.
404	(g) Members shall elect a chair and vice chair annually.
405	(h) A majority of the members constitutes a quorum and the
406	affirmative vote of a majority of a quorum is necessary to take

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407	action.
408	(i) The council's duties and responsibilities include, but
409	are not limited to, developing recommendations to:
410	1. Establish standards for all state-funded health
411	information exchange efforts. Such standards shall include, but
412	are not limited to, policies and procedures to protect the
413	privacy and security of electronic medical records.
414	2. Remove barriers, including, but not limited to,
415	technological, regulatory, and financial barriers, which limit
416	participation by health care providers, health care facilities,
417	and health insurers in a health information exchange.
418	3. Remove barriers that prevent consumers from having
419	access to their electronic medical records.
420	4. Provide incentives to promote participation by health
421	care providers, health care facilities, and health insurers in
422	health information exchanges.
423	5. Identify health care data held by state agencies and
424	remove barriers to making that data available to authorized
425	recipients through health information exchanges in a private and
426	secure manner.
427	6. Increase state agency participation in health
428	information exchanges.
429	7. Enter into partnerships with other state, regional, and
430	federal entities to promote and coordinate health information
431	exchange efforts.
432	8. Create a long-term plan for an interoperable statewide
433	network of health information organizations.
434	9. Consult with experts regarding the use of health
435	information in medical research to ensure that all
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436	recommendations take into account the legitimate uses of health
437	care information for biomedical research, drug development,
438	clinical trials, post-approval surveillance, and public health
439	and public agency reporting requirements.
440	
441	The council shall establish ad hoc issue-oriented technical
442	workgroups on an as-needed basis to make recommendations to the
443	council.
444	(j) The Florida Center for Health Information and Policy
445	Analysis within the agency shall provide, within existing
446	resources, staff support to enable the council to carry out its
447	responsibilities under this section.
448	(k) Beginning July 1, 2009, the council shall annually
449	provide a report to the Governor, the President of the Senate,
450	the Speaker of the House of Representatives, and the chairs of
451	the appropriate substantive committees of the Senate and the
452	House of Representatives which includes, but is not limited to,
453	the recommendations regarding the council's duties and
454	responsibilities. In addition, by July 1, 2010, the council shall
455	recommend a long-term plan to create an interoperable statewide
456	network of health information organizations to the Governor, the
457	President of the Senate, the Speaker of the House of
458	Representatives, and the chairs of the appropriate substantive
459	committees of the Senate and the House of Representatives.
460	(1) This section is repealed and the council shall stand
461	abolished July 1, 2012, unless reviewed and saved from repeal
462	through reenactment by the Legislature.
463	(7) AGENCY FOR HEALTH CARE ADMINISTRATION; DUTIES
464	(a) The agency shall develop and maintain on its Internet

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465	website the following information:
466	1. Federal and private-sector health information exchange
467	funding programs, including analyses of successful local and
468	state recipients of the programs, as well as unsuccessful local
469	and state applicants of the programs.
470	2. A clearinghouse of state and national legislative,
471	regulatory, and public awareness activities related to health
472	information exchanges.
473	(b) The agency shall develop and implement a plan that
474	promotes, at a minimum, participation in regional and statewide
475	health information exchanges and the adoption of electronic
476	medical record systems by physicians through the Electronic
477	Medical Records System Adoption Loan Program, in consultation
478	with the Florida Health Information Exchange Advisory Council,
479	organizations representing allopathic and osteopathic practicing
480	physicians, the Board of Medicine, and the Board of Osteopathic
481	Medicine.
482	(8) PROGRAM EVALUATION; REPORTThe Office of Program
483	Policy Analysis and Government Accountability shall complete an
484	independent evaluation of the grants program administered by the
485	agency. The evaluation must include, at a minimum, assessments of
486	the grant evaluation and distribution process; the way in which
487	grant dollars are spent; the level of participation by entities
488	within each grantee's project; the extent of clinical data
489	exchange among entities within each grantee's project; the
490	sources of funding for each grantee; and the feasibility of each
491	grantee achieving long-term sustainability without state grant
492	funding. The evaluation must assess the level at which the
493	current grants program is advancing the development of a

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588-06444-08 20081998c1 494 statewide health information exchange and recommend other 495 programs that may accomplish the same goal. The report shall be submitted to the Governor, the President of the Senate, the 496 Speaker of the House of Representatives, and the chairs of the 497 498 relevant committees in the Senate and the House of 499 Representatives no later than July 1, 2009. 500 Section 4. Subsection (5) of section 408.062, Florida 501 Statutes, is amended to read: 502 408.062 Research, analyses, studies, and reports.--503 (5) The agency shall develop and implement a strategy for 504 the adoption and use of electronic health records, including the 505 development of an electronic health information network for the 506 sharing of electronic health records among health care 507 facilities, health care providers, and health insurers. The 508 agency may develop rules to facilitate the functionality and 509 protect the confidentiality of electronic health records. The agency shall report to the Governor, the Speaker of the House of 510 511 Representatives, and the President of the Senate on legislative 512 recommendations to protect the confidentiality of electronic 513 health records. Section 5. Subsection (2) of section 483.181, Florida 514 515 Statutes, is amended to read: 483.181 Acceptance, collection, identification, and 516 517 examination of specimens. --518 The results of a test must be reported directly to the (2) 519 licensed practitioner or other authorized person who requested it 520 and appropriate disclosure may be made by the clinical laboratory 521 without a patient's consent to other health care practitioners 522 and providers involved in the care or treatment of the patient

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523	for use in connection with the treatment of the patient. The
524	report must include the name and address of the clinical
525	laboratory in which the test was actually performed, unless the
526	test was performed in a hospital laboratory and the report
527	becomes an integral part of the hospital record.
528	Section 6. This act shall take effect upon becoming a law.

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