LEGISLATIVE ACTION

Senate	•	House
Comm: RCS	•	
03/18/2010	•	
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The Committee on Health Regulation (Jones) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause and insert: Section 1. <u>Section 381.0403</u>, Florida Statutes, is repealed. Section 2. Section 381.4018, Florida Statutes, is amended to read: 381.4018 Physician workforce assessment and development.-

(1) DEFINITIONS.—As used in this section, the term: (a) "Consortium" or "consortia" means a combination of statutory teaching hospitals, statutory rural hospitals, other

hospitals, accredited medical schools, clinics operated by the

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13	Department of Health, clinics operated by the Department of
14	Veterans' Affairs, area health education centers, community
15	health centers, federally qualified health centers, prison
16	clinics, local community clinics, or other programs. At least
17	one member of the consortium shall be a sponsoring institution
18	accredited or currently seeking accreditation by the
19	Accreditation Council for Graduate Medical Education or the
20	American Osteopathic Association.
21	(b) "Council" means the Physician Workforce Advisory
22	Council.
23	(c) "Department" means the Department of Health.
24	(d) "Graduate medical education program" means a program
25	accredited by the Accreditation Council for Graduate Medical
26	Education or the American Osteopathic Association.
27	(e) "Primary care specialty" means emergency medicine,
28	family practice, internal medicine, pediatrics, psychiatry,
29	geriatrics, general surgery, obstetrics and gynecology, and
30	combined pediatrics and internal medicine and other specialties
31	as determined by the Physician Workforce Advisory Council or the
32	Department of Health.
33	(2)(1) LEGISLATIVE INTENT.—The Legislature recognizes that
34	physician workforce planning is an essential component of
35	ensuring that there is an adequate and appropriate supply of
36	well-trained physicians to meet this state's future health care
37	service needs as the general population and elderly population
38	of the state increase. The Legislature finds that items to
39	consider relative to assessing the physician workforce may
40	include physician practice status; specialty mix; geographic
41	distribution; demographic information, including, but not
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42 limited to, age, gender, race, and cultural considerations; and 43 needs of current or projected medically underserved areas in the state. Long-term strategic planning is essential as the period 44 from the time a medical student enters medical school to 45 46 completion of graduate medical education may range from 7 to 10 47 years or longer. The Legislature recognizes that strategies to 48 provide for a well-trained supply of physicians must include 49 ensuring the availability and capacity of quality graduate 50 medical schools and graduate medical education programs in this 51 state, as well as using new or existing state and federal 52 programs providing incentives for physicians to practice in 53 needed specialties and in underserved areas in a manner that 54 addresses projected needs for physician manpower.

55 <u>(3)-(2)</u> PURPOSE.—The department of Health shall serve as a 56 coordinating and strategic planning body to actively assess the 57 state's current and future physician workforce needs and work 58 with multiple stakeholders to develop strategies and 59 alternatives to address current and projected physician 60 workforce needs.

61 <u>(4)</u> (3) GENERAL FUNCTIONS.—The department shall maximize the 62 use of existing programs under the jurisdiction of the 63 department and other state agencies and coordinate governmental 64 and nongovernmental stakeholders and resources in order to 65 develop a state strategic plan and assess the implementation of 66 such strategic plan. In developing the state strategic plan, the 67 department shall:

(a) Monitor, evaluate, and report on the supply and
distribution of physicians licensed under chapter 458 or chapter
459. The department shall maintain a database to serve as a



71 statewide source of data concerning the physician workforce. 72 (b) Develop a model and quantify, on an ongoing basis, the adequacy of the state's current and future physician workforce 73 as reliable data becomes available. Such model must take into 74 75 account demographics, physician practice status, place of 76 education and training, generational changes, population growth, 77 economic indicators, and issues concerning the "pipeline" into 78 medical education.

79 (c) Develop and recommend strategies to determine whether 80 the number of qualified medical school applicants who might 81 become competent, practicing physicians in this state will be 82 sufficient to meet the capacity of the state's medical schools. 83 If appropriate, the department shall, working with 84 representatives of appropriate governmental and nongovernmental entities, develop strategies and recommendations and identify 85 86 best practice programs that introduce health care as a 87 profession and strengthen skills needed for medical school admission for elementary, middle, and high school students, and 88 89 improve premedical education at the precollege and college level 90 in order to increase this state's potential pool of medical 91 students.

92 (d) Develop strategies to ensure that the number of graduates from the state's public and private allopathic and 93 94 osteopathic medical schools is are adequate to meet physician 95 workforce needs, based on the analysis of the physician 96 workforce data, so as to provide a high-quality medical 97 education to students in a manner that recognizes the uniqueness of each new and existing medical school in this state. 98 99

(e) Pursue strategies and policies to create, expand, and



100 maintain graduate medical education positions in the state based 101 on the analysis of the physician workforce data. Such strategies 102 and policies must take into account the effect of federal 103 funding limitations on the expansion and creation of positions 104 in graduate medical education. The department shall develop 105 options to address such federal funding limitations. The 106 department shall consider options to provide direct state 107 funding for graduate medical education positions in a manner 108 that addresses requirements and needs relative to accreditation 109 of graduate medical education programs. The department shall 110 consider funding residency positions as a means of addressing 111 needed physician specialty areas, rural areas having a shortage of physicians, and areas of ongoing critical need, and as a 112 113 means of addressing the state's physician workforce needs based on an ongoing analysis of physician workforce data. 114

115 (f) Develop strategies to maximize federal and state 116 programs that provide for the use of incentives to attract physicians to this state or retain physicians within the state. 117 118 Such strategies should explore and maximize federal-state 119 partnerships that provide incentives for physicians to practice 120 in federally designated shortage areas. Strategies shall also 121 consider the use of state programs, such as the Florida Health 122 Service Corps established pursuant to s. 381.0302 and the 123 Medical Education Reimbursement and Loan Repayment Program 124 pursuant to s. 1009.65, which provide for education loan 125 repayment or loan forgiveness and provide monetary incentives 126 for physicians to relocate to underserved areas of the state.

127 (g) Coordinate and enhance activities relative to physician128 workforce needs, undergraduate medical education, and graduate



129 medical education, and reentry of retired military and other physicians into the physician workforce provided by the Division 130 131 of Medical Quality Assurance, the Community Hospital Education 132 Program and the Graduate Medical Education Committee established 133 pursuant to s. 381.0403, area health education center networks 134 established pursuant to s. 381.0402, and other offices and 135 programs within the department of Health as designated by the 136 State Surgeon General.

137 (h) Work in conjunction with and act as a coordinating body 138 for governmental and nongovernmental stakeholders to address 139 matters relating to the state's physician workforce assessment 140 and development for the purpose of ensuring an adequate supply of well-trained physicians to meet the state's future needs. 141 142 Such governmental stakeholders shall include, but need not be limited to, the State Surgeon General or his or her designee, 143 144 the Commissioner of Education or his or her designee, the 145 Secretary of Health Care Administration or his or her designee, and the Chancellor of the State University System or his or her 146 147 designee from the Board of Governors of the State University System, and, at the discretion of the department, other 148 149 representatives of state and local agencies that are involved in 150 assessing, educating, or training the state's current or future 151 physicians. Other stakeholders shall include, but need not be 152 limited to, organizations representing the state's public and 153 private allopathic and osteopathic medical schools; 154 organizations representing hospitals and other institutions 155 providing health care, particularly those that currently provide 156 or have an interest in providing accredited medical education 157 and graduate medical education to medical students and medical



residents; organizations representing allopathic and osteopathic practicing physicians; and, at the discretion of the department, representatives of other organizations or entities involved in assessing, educating, or training the state's current or future physicians.

(i) Serve as a liaison with other states and federal
agencies and programs in order to enhance resources available to
the state's physician workforce and medical education continuum.

(j) Act as a clearinghouse for collecting and disseminating information concerning the physician workforce and medical education continuum in this state.

169 (5) PHYSICIAN WORKFORCE ADVISORY COUNCIL.—There is created 170 in the department the Physician Workforce Advisory Council, an 171 advisory council as defined in s. 20.03. The council shall 172 comply with the requirements of s. 20.052, except as otherwise 173 provided in this section.

174 (a) The council shall consist of 18 members. Members
 175 appointed by the State Surgeon General shall include:

176 <u>1. A designee from the department who is a physician</u> 177 <u>licensed under chapter 458 or chapter 459 and recommended by the</u> 178 <u>State Surgeon General.</u>

179 <u>2. An individual who is affiliated with the Science</u>
 180 <u>Students Together Reaching Instructional Diversity and</u>
 181 <u>Excellence program and recommended by the area health education</u>
 182 <u>center network.</u>

183 <u>3. Two individuals recommended by the Council of Florida</u>
 184 <u>Medical School Deans, one representing a college of allopathic</u>
 185 <u>medicine and one representing a college of osteopathic medicine.</u>
 186 4. One individual recommended by the Florida Hospital

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187	Association, representing a hospital that is licensed under
188	chapter 395, has an accredited graduate medical education
189	program, and is not a statutory teaching hospital.
190	5. One individual representing a statutory teaching
191	hospital as defined in s. 408.07 and recommended by the Safety
192	Net Hospital Alliance.
193	6. One individual representing a family practice teaching
194	hospital as defined in s. 395.805 and recommended by the Council
195	of Family Medicine and Community Teaching Hospitals.
196	7. Two individuals recommended by the Florida Medical
197	Association, one representing a primary care specialty and one
198	representing a nonprimary care specialty.
199	8. Two individuals recommended by the Florida Osteopathic
200	Medical Association, one representing a primary care specialty
201	and one representing a nonprimary care specialty.
202	9. Two individuals who are program directors of accredited
203	graduate medical education programs, one representing a program
204	that is accredited by the Accreditation Council for Graduate
205	Medical Education and one representing a program that is
206	accredited by the American Osteopathic Association.
207	10. An individual recommended by the Florida Rural Health
208	Association.
209	11. An individual recommended by the Florida Alliance for
210	Health Professions Diversity.
211	12. The Chancellor of the State University System or his or
212	her designee.
213	13. A layperson member as determined by the State Surgeon
214	General.
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216 Appointments to the council shall be made by the State Surgeon 217 General. Each entity authorized to make recommendations under 218 this subsection shall make at least two recommendations to the 219 State Surgeon General for each appointment to the council. The 220 State Surgeon General shall name one appointee for each position 221 from the recommendations made by each authorized entity. (b) Each council member shall be appointed to a 4-year 222 223 term. An individual may not serve more than two terms. Any 224 council member may be removed from office for malfeasance; 225 misfeasance; neglect of duty; incompetence; permanent inability 226 to perform official duties; or pleading guilty or nolo 227 contendere to, or being found guilty of, a felony. Any council 228 member who meets the criteria for removal, or who is otherwise 229 unwilling or unable to properly fulfill the duties of the 230 office, shall be succeeded by an individual chosen by the State 231 Surgeon General to serve out the remainder of the council 232 member's term. If the remainder of the replaced council member's 233 term is less than 18 months, notwithstanding the provisions of 234 this paragraph, the succeeding council member may be reappointed 235 twice by the State Surgeon General. 236 (c) The chair of the council is the State Surgeon General, 237 who shall designate a vice chair from the membership of the 238 council to serve in the absence of the State Surgeon General. A 239 vacancy shall be filled for the remainder of the unexpired term 240 in the same manner as the original appointment. 241 (d) Council members are not entitled to receive 242 compensation or reimbursement for per diem or travel expenses. 243 (e) The council shall meet at least twice a year in person 244 or by teleconference.

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245	(f) The council shall:
246	1. Advise the State Surgeon General and the department on
247	matters concerning current and future physician workforce needs
248	in this state;
249	2. Review survey materials and the compilation of survey
250	information;
251	3. Annually review the number, location, cost, and
252	reimbursement of graduate medical education programs and
253	positions.
254	4. Provide recommendations to the department regarding the
255	survey completed by physicians licensed under chapter 458 or
256	chapter 459;
257	5. Assist the department in preparing the annual report to
258	the Legislature pursuant to ss. 458.3192 and 459.0082;
259	6. Assist the department in preparing an initial strategic
260	plan, conduct ongoing strategic planning in accordance with this
261	section, and provide ongoing advice on implementing the
262	recommendations;
263	7. Monitor and provide recommendations regarding the need
264	for an increased number of primary care or other physician
265	specialties to provide the necessary current and projected
266	health and medical services for the state; and
267	8. Monitor and make recommendations regarding the status of
268	the needs relating to graduate medical education in this state.
269	(6) PHYSICIAN WORKFORCE GRADUATE MEDICAL EDUCATION
270	INNOVATION PILOT PROJECTS
271	(a) The Legislature finds that:
272	1. In order to ensure a physician workforce that is
273	adequate to meet the needs of this state's residents and its
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274 health care system, policymakers must consider the education and training of future generations of well-trained health care 275 276 providers. 277 2. Physicians are likely to practice in the state where 278 they complete their graduate medical education. 279 3. It can directly affect the makeup of the physician 280 workforce by selectively funding graduate medical education 281 programs to provide needed specialists in geographic areas of 2.82 the state which have a deficient number of such specialists. 283 4. Developing additional positions in graduate medical 284 education programs is essential to the future of this state's 285 health care system. 286 5. It was necessary in 2007 to pass legislation that 287 provided for an assessment of the status of this state's current 288 and future physician workforce. The department is collecting and 289 analyzing information on an ongoing basis to assess this state's 290 physician workforce needs, and such <u>assessment may facilitate</u> 291 the determination of graduate medical education needs and 292 strategies for the state. 293 (b) There is established under the department a program to 294 foster innovative graduate medical education pilot projects that are designed to promote the expansion of graduate medical 295 296 education programs or positions to prepare physicians to 297 practice in needed specialties and underserved areas or settings 298 and to provide demographic and cultural representation in a 299 manner that addresses current and projected needs for this state's physician workforce. Funds appropriated <u>annually by the</u> 300 301 Legislature for this purpose shall be distributed to participating hospitals, medical schools, other sponsors of 302

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303	graduate medical education programs, consortia engaged in
304	developing new graduate medical education programs or positions
305	in those programs, or pilot projects providing innovative
306	graduate medical education in community-based clinical settings.
307	Pilot projects shall be selected on a competitive grant basis,
308	subject to available funds.
309	(c) Pilot projects shall be designed to meet one or more of
310	this state's physician workforce needs, as determined pursuant
311	to this section, including, but not limited to:
312	1. Increasing the number of residencies or fellowships in
313	primary care or other needed specialties.
314	2. Enhancing the retention of primary care physicians or
315	other needed specialties in this state.
316	3. Promoting practice in rural or medically underserved
317	areas of the state.
318	4. Encouraging racial and ethnic diversity within the
319	state's physician workforce.
320	5. Encouraging practice in community health care or other
321	ambulatory care settings.
322	6. Encouraging practice in clinics operated by the
323	department, including, but not limited to, county health
324	departments, clinics operated by the Department of Veterans'
325	Affairs, prison clinics, or similar settings of need.
326	7. Encouraging the increased production of geriatricians.
327	(d) Priority shall be given to a proposal for a pilot
328	project that:
329	1. Demonstrates a collaboration of federal, state, and
330	local entities that are public or private.
331	2. Obtains funding from multiple sources.

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332	3. Focuses on enhancing graduate medical education in rural
333	or underserved areas.
334	4. Focuses on enhancing graduate medical education in
335	ambulatory or community-based settings other than a hospital
336	environment.
337	5. Includes the use of technology, such as electronic
338	medical records, distance consultation, and telemedicine, to
339	ensure that residents are better prepared to care for patients
340	in this state, regardless of the community in which the
341	residents practice.
342	6. Is designed to meet multiple policy needs as enumerated
343	in subsection (3).
344	7. Uses a consortium to provide for graduate medical
345	education experiences.
346	(e) The department shall adopt by rule appropriate
347	performance measures to use in order to consistently evaluate
348	the effectiveness, safety, and quality of the programs, as well
349	as the impact of each program on meeting this state's physician
350	workforce needs.
351	(f) Participating pilot projects shall submit to the
352	department an annual report on the project in a manner required
353	by the department.
354	(g) Funding provided to a pilot project may be used only
355	for the direct costs of providing graduate medical education.
356	Accounting of such costs and expenditures shall be documented in
357	the annual report.
358	(h) State funds shall be used to supplement funds from any
359	local government, community, or private source. The state may
360	provide up to 50 percent of the funds, and local governmental
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361	grants or community or private sources shall provide the
362	remainder of the funds.
363	(7) RULEMAKINGThe department shall adopt rules as
364	necessary to administer this section.
365	Section 3. Section 458.3192, Florida Statutes, is amended
366	to read:
367	458.3192 Analysis of survey results; report
368	(1) Each year, the Department of Health shall analyze the
369	results of the physician survey required by s. 458.3191 and
370	determine by geographic area and specialty the number of
371	physicians who:
372	(a) Perform deliveries of children in <u>this state</u> Florida .
373	(b) Read mammograms and perform breast-imaging-guided
374	procedures in <u>this state</u> Florida .
375	(c) Perform emergency care on an on-call basis for a
376	hospital emergency department.
377	(d) Plan to reduce or increase emergency on-call hours in a
378	hospital emergency department.
379	(e) Plan to relocate their allopathic or osteopathic
380	practice outside the state.
381	(f) Practice medicine in this state.
382	(g) Plan to reduce or modify the scope of their practice.
383	(2) The Department of Health must report its findings to
384	the Governor, the President of <u>the</u> Senate, and the Speaker of
385	the House of Representatives by November 1 each year. <u>The</u>
386	department shall also include in its report findings,
387	recommendations, and strategic planning activities as provided
388	in this section. The department may also include other
389	information requested by the Physician Workforce Advisory

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Council.
Section 4. Section 459.0082, Florida Statutes, is amended
to read:
459.0082 Analysis of survey results; report
(1) Each year, the Department of Health shall analyze the
results of the physician survey required by s. 459.0081 and
determine by geographic area and specialty the number of
physicians who:
(a) Perform deliveries of children in <u>this state</u> Florida .
(b) Read mammograms and perform breast-imaging-guided
procedures in <u>this state</u> Florida .
(c) Perform emergency care on an on-call basis for a
hospital emergency department.
(d) Plan to reduce or increase emergency on-call hours in a
hospital emergency department.
(e) Plan to relocate their allopathic or osteopathic
practice outside the state.
(f) Practice medicine in this state.
(g) Plan to reduce or modify the scope of their practice.
(2) The Department of Health must report its findings to
the Governor, the President of <u>the</u> Senate, and the Speaker of
the House of Representatives by November 1 each year. The
department shall also include in its report findings,
recommendations, and strategic planning activities as provided
in this section. The department may also include other
information requested by the Physician Workforce Advisory
Council.
Section 5. Paragraph (a) of subsection (1) of section
409.908, Florida Statutes, is amended to read:

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419 409.908 Reimbursement of Medicaid providers.-Subject to 420 specific appropriations, the agency shall reimburse Medicaid 421 providers, in accordance with state and federal law, according 422 to methodologies set forth in the rules of the agency and in 423 policy manuals and handbooks incorporated by reference therein. 424 These methodologies may include fee schedules, reimbursement 425 methods based on cost reporting, negotiated fees, competitive 426 bidding pursuant to s. 287.057, and other mechanisms the agency 427 considers efficient and effective for purchasing services or 428 goods on behalf of recipients. If a provider is reimbursed based 429 on cost reporting and submits a cost report late and that cost 430 report would have been used to set a lower reimbursement rate 431 for a rate semester, then the provider's rate for that semester 432 shall be retroactively calculated using the new cost report, and 433 full payment at the recalculated rate shall be effected 434 retroactively. Medicare-granted extensions for filing cost 435 reports, if applicable, shall also apply to Medicaid cost reports. Payment for Medicaid compensable services made on 436 437 behalf of Medicaid eligible persons is subject to the 438 availability of moneys and any limitations or directions 439 provided for in the General Appropriations Act or chapter 216. Further, nothing in this section shall be construed to prevent 440 441 or limit the agency from adjusting fees, reimbursement rates, lengths of stay, number of visits, or number of services, or 442 443 making any other adjustments necessary to comply with the 444 availability of moneys and any limitations or directions 445 provided for in the General Appropriations Act, provided the adjustment is consistent with legislative intent. 446

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(1) Reimbursement to hospitals licensed under part I of



448 chapter 395 must be made prospectively or on the basis of 449 negotiation.

(a) Reimbursement for inpatient care is limited as providedfor in s. 409.905(5), except for:

452 1. The raising of rate reimbursement caps, excluding rural453 hospitals.

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2. Recognition of the costs of graduate medical education.

455 3. Other methodologies recognized in the General

456 Appropriations Act.

458 During the years funds are transferred from the Department of 459 Health, any reimbursement supported by such funds shall be 460 subject to certification by the Department of Health that the 461 hospital has complied with s. 381.4018 s. 381.0403. The agency 462 may is authorized to receive funds from state entities, 463 including, but not limited to, the Department of Health, local governments, and other local political subdivisions, for the 464 465 purpose of making special exception payments, including federal 466 matching funds, through the Medicaid inpatient reimbursement 467 methodologies. Funds received from state entities or local 468 governments for this purpose shall be separately accounted for 469 and shall not be commingled with other state or local funds in 470 any manner. The agency may certify all local governmental funds 471 used as state match under Title XIX of the Social Security Act, 472 to the extent that the identified local health care provider 473 that is otherwise entitled to and is contracted to receive such 474 local funds is the benefactor under the state's Medicaid program 475 as determined under the General Appropriations Act and pursuant 476 to an agreement between the Agency for Health Care

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COMMITTEE AMENDMENT

Florida Senate - 2010 Bill No. SB 1256



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477	Administration and the local governmental entity. The local
478	governmental entity shall use a certification form prescribed by
479	the agency. At a minimum, the certification form shall identify
480	the amount being certified and describe the relationship between
481	the certifying local governmental entity and the local health
482	care provider. The agency shall prepare an annual statement of
483	impact which documents the specific activities undertaken during
484	the previous fiscal year pursuant to this paragraph, to be
485	submitted to the Legislature no later than January 1, annually.
486	Section 6. This act shall take effect July 1, 2010.
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489	And the title is amended as follows:
490	Delete everything before the enacting clause
491	and insert:
492	A bill to be entitled
493	An act relating to the physician workforce; repealing
494	s. 381.0403, F.S., relating to the Community Hospital
495	Education Act and the Community Hospital Education
496	Council; amending s. 381.4018, F.S.; providing
497	definitions; requiring the Department of Health to
498	coordinate and enhance activities regarding the
499	reentry of retired military and other physicians into
500	the physician workforce; revising the list of
501	governmental stakeholders that the Department of
502	Health is required to work with regarding the state
503	strategic plan and in assessing the state's physician
504	workforce; creating the Physician Workforce Advisory
505	Council; providing membership of the council;

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506 providing for appointments to the council; providing 507 terms of membership; providing for removal of a 508 council member; providing for the chair and vice chair 509 of the council; providing that council members are not 510 entitled to receive compensation or reimbursement for 511 per diem or travel expenses; providing the duties of 512 the council; establishing the physician workforce 513 graduate medical education innovation pilot projects 514 under the department; providing the purposes of the 515 pilot projects; providing for the appropriation of 516 state funds for the pilot projects; requiring the 517 pilot projects to meet certain policy needs of the 518 physician workforce in this state; providing criteria 519 for prioritizing proposals for pilot projects; 520 requiring the department to adopt by rule appropriate 521 performance measures; requiring participating pilot 522 projects to submit an annual report to the department; 523 requiring state funds to be used to supplement funds 524 from other sources; requiring the department to adopt 525 rules; amending ss. 458.3192 and 459.0082, F.S.; 526 requiring the department to determine by geographic 527 area and specialty the number of physicians and 528 osteopathic physicians who plan to relocate outside 529 the state, practice medicine in this state, and reduce 530 or modify the scope of their practice; authorizing the 531 department to report additional information in its 532 findings to the Governor and the Legislature; amending 533 s. 409.908, F.S.; conforming a cross-reference; 534 providing an effective date.

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