

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: CS/SB 904

INTRODUCER: Health Policy Committee and Senator Bean

SUBJECT: Home Health Services

DATE: March 17, 2015

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Looke	Stovall	HP	Fav/CS
2.			AHS	
3.			FP	

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 904 amends ss. 400.462 and 400.506, F.S., to allow a nurse registry to operate one or more satellite offices within the same geographic service area as the registry's licensed operational site. The nurse registry may store supplies and records, register and process contractors, and conduct business by telephone at the satellite site as well as advertise the location of the satellite site to the public. However, the nurse registry must use the operational site for all administrative functions and to store all original records.

The bill requires the nurse registry to notify the Agency for Health Care Administration (AHCA) of changes of address of its operational site and when opening a satellite office. Before relocating its operational site or opening a satellite office, the nurse registry must submit evidence of its legal right to use the proposed property and proof that the proposed property is in an area zoned for nurse registry use.

CS/SB 904 also amends s. 400.464, F.S., to allow home health agencies (HHA) to operate a related office in the same geographic service area, rather than in the same county, as the agency's main office without requiring an additional license for the related office.

II. Present Situation:

Nurse Registries

A nurse registry is defined to mean “any person that procures, offers, promises, or attempts to secure health care-related contracts for registered nurses, licensed practical nurses, certified nursing assistants, home health aides, companions, or homemakers, who are compensated by fees as independent contractors, including but not limited to, contracts for the provision of services to patients and contracts to provide private duty or staffing services to health care facilities licensed under ch. 395, F.S., [ch. 400], or ch. 429, F.S., or other business entities.”¹ Nurse registries operate by referring qualified health care workers to patients, health care facilities, or other business entities who hire such health care workers. Workers referred by the nurse registry are independent contractors and the nurse registry receives a fee or commission for each contractor referred.²

Nurse registries are regulated under the Home Health Services Act in part III of ch. 400, F.S., specifically s. 400.506, F.S., and part II of ch. 408, F.S., the general licensing provisions for health care facilities regulated by the AHCA. A license issued by the AHCA is required to operate a nurse registry.

Some of the responsibilities of a nurse registry as established in statute and rule include:

- Referring independent contractors capable of delivering services as defined in a specific medical plan of treatment for a patient or services requested by a client;³
- Keeping clinical records received from their independent contractors for 5 years following the termination of that contractor’s service;⁴
- Disseminating to its independent contractors the procedures governing the administration of drugs and biologicals to patients required by ch. 464, F.S., and AHCA rules, as well as all the information required by Rule 59A-18.005(1) of the Florida Administrative Code;⁵
- Initially confirming and annually reconfirming the licensure or certification of all its applicable independent contractors;⁶
- Annually requesting performance outcome evaluations from the health care facilities where the independent contractor provided services and maintaining those evaluations in that independent contractor’s file;⁷
- Establishing a system for recording a following-up on complaints involving independent contractors referred by the registry;⁸
- Informing a health care facility or other business entity that a referred independent contractor is on probation with their professional licensing board or certifying agency or has had other

¹ Section 400.462(21), F.S.

² AHCA, *Senate Bill 904 Analysis*, (Feb. 15, 2015) (on file with the Senate Committee on Health Policy).

³ Rule 59A-18.010(2), F.A.C.

⁴ Rule 59A-18.012(7), F.A.C.

⁵ Rule 59A-18.013(1), F.A.S.

⁶ Rule 59A-18.005(3) and (4), F.A.C.

⁷ Rule 59A-18.017, F.A.C.

⁸ *Id.*

restrictions placed on their license or certification when the nurse registry has received such information;⁹

- Preparing and maintaining a written comprehensive emergency management plan;¹⁰ and,
- Complying with the background screening requirements in s. 400.512, F.S., requiring a level II background check for all employees and contractors.¹¹

Operational Sites

Each nurse registry operational site must be licensed unless it is located in a county where the nurse registry has multiple operational sites. If the nurse registry has more than one operational site in a single county, only one license is necessary for all operational sites in that county and each site must be listed on the license.¹² Rule 59A-18.004(4) of the Florida Administrative Code, requires that nurse registries apply for licensure to serve a geographic service area that is equivalent to an AHCA district. There are 11 AHCA districts which range in size from a single county, such as District 10 which includes only Broward County, to numerous counties, such as District 3 which includes 16 counties. All districts except District 10 incorporate at least two counties.¹³ Each nurse registry operational site can service the entire AHCA district for which the license was granted.

As of January 8, 2015, 541 nurse registries are licensed with the AHCA with 367 different owners. A total of 62 nurse registry companies own two or more nurse registry licenses and eight nurse registry companies own two or more nurse registry licenses within the same AHCA district. Nurse registries must pay a biennial license fee of \$2,000 per license and are surveyed by the AHCA also on a biennial basis.¹⁴

Home Health Agencies

An HHA is an organization that provides home health services and staffing services.¹⁵ 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.¹⁶ Home health agencies are regulated by the AHCA pursuant to part III of ch. 400, F.S. An HHA must designate an AHCA district in which the HHA will operate and must reapply for licensure in order to relocate to a different AHCA district.¹⁷ Currently, an HHA may have a main office and related offices; however, all related offices outside of the county where the main office is located must be licensed separately and each such office must be specified on the main office's license.¹⁸

⁹ Id.

¹⁰ Rule 59A-18.018(1), F.A.C.

¹¹ Section 400.506(9), F.S.

¹² Section 400.506(1), F.S.

¹³ Section 408.032(5), F.S.

¹⁴ Supra note 2

¹⁵ Section 400.462(12), F.S.

¹⁶ Section 400.462(14)(a)-(c), F.S.

¹⁷ Section 400.471(9), F.S.

¹⁸ Section 400.464(2), F.S.

III. Effect of Proposed Changes:

CS/SB 904 amends ss. 400.462 and 400.506, F.S., to allow a nurse registry to operate one or more satellite offices within the same geographic service area (AHCA district) as the registry's licensed operational site. This may reduce the number of licenses some nurse registries may need since currently a license is needed in each county in which the nurse registry operates. The bill defines a satellite office.

The nurse registry may store supplies and records, register and process contractors, and conduct business by telephone at the satellite site as well as advertise the location of the satellite site to the public. However, the nurse registry must use the operational site for all administrative functions and to store all original records.

The requires the nurse registry to notify the AHCA of changes of address of its operational site and when opening a satellite office. Before relocating its operational site, the nurse registry must submit evidence of its legal right to use the proposed property and proof that the proposed property is in an area zoned for nurse registry use.

The bill also amends s. 400.464, F.S., to allow an HHA to operate a related office in the same geographic service area, rather than in the same county, as the agency's main office without requiring an additional license for the related office.

The bill republishes several sections of law for the purpose of incorporating amendments made by the act.

The bill establishes 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:

CS/SB 904 may have a positive fiscal impact on nurse registries and HHAs that operate multiple licenses within the same AHCA district. If such HHAs or registries are able to replace one or more licensed sites with unlicensed satellite or related offices, they will no longer be required to hold multiple licenses and pay multiple license fees. Additionally, HHAs and nurse registries located in AHCA districts with multiple counties may see a positive fiscal impact if an additional office allows them to reduce travel and other expenses related to having a single office serving multiple counties.

C. Government Sector Impact:

The AHCA may see a slight decline in revenue due to the loss of some licensure fees and the potential requirement to conduct additional surveys. For nurse registries, the AHCA anticipates that any costs can be covered within existing resources.¹⁹ A fiscal impact related to the HHA licensure exemption is not available at this time.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 400.462, 400.464, and 400.506.

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

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

CS by Health Policy on March 17, 2015:

The CS amends s. 400.464, F.S., to allow HHAs to operate a related office in the same geographic service area, rather than in the same county, as the agency's main office without requiring an additional license for the related office.

The CS also amends the title of bill to “an act related to home health services.”

B. Amendments:

None.

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

¹⁹ Supra note 2