

By Senator Gaetz

1-00103B-16

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1 A bill to be entitled
2 An act relating to certificates of need for health
3 care-related projects; amending s. 408.036, F.S.;
4 providing an exemption from certificate of need review
5 for certain health care-related projects; specifying
6 conditions and requirements for the exemption;
7 requiring a certain agreement between the project
8 applicant and the Agency for Health Care
9 Administration; providing penalties for failure to
10 comply with certain requirements for an exemption to a
11 certificate of need review; providing an effective
12 date.

13
14 Be It Enacted by the Legislature of the State of Florida:

15
16 Section 1. Present paragraphs (a) through (t) of subsection
17 (3) of section 408.036, Florida Statutes, are redesignated as
18 paragraphs (b) through (u), respectively, a new paragraph (a) is
19 added to that subsection, present subsections (4) and (5) of
20 that section are redesignated as subsections (5) and (6),
21 respectively, and a new subsection (4) is added to that section,
22 to read:

23 408.036 Projects subject to review; exemptions.—

24 (3) EXEMPTIONS.—Upon request, the following projects are
25 subject to exemption from the provisions of subsection (1):

26 (a) Any project conditioned upon a significant, active, and
27 continuing commitment to improved access to care for uninsured
28 and low-income residents of the applicable service district.

29 Such commitment is demonstrated by compliance with the following
30 conditions and requirements which the project applicant must
31 accept in a signed agreement with the agency:

32 1. The project licensee must contribute, once the project

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33 is operational and at the end of each of the first four calendar
34 quarters of the project's operations, an amount equal to 1.5
35 percent of the gross revenues earned by the exempt project.
36 Contributions shall be made to the agency and deposited in the
37 Public Medical Assistance Trust Fund.

38 2.a. Beginning in the fifth calendar quarter of the exempt
39 project's operations, the licensee must provide charity care in
40 an amount equal to or greater than the applicable district
41 average among licensed providers of similar services. For
42 purposes of this section, the term "charity care" means
43 uncompensated care delivered to uninsured patients having
44 incomes at or below 200 percent of the federal poverty level
45 when such services are preauthorized by the licensee and not
46 subject to collection procedures. The valuation of charity care
47 must be based on Medicaid reimbursement rates.

48 b. Alternatively, if the licensee provides less charity
49 care than is required by sub-subparagraph a., the licensee must
50 donate:

51 (I) Pursuant to a written agreement with a charity care
52 provider in the service district, payments for charity care
53 provided to residents of the service district in total amounts
54 equal to or greater than the difference between the value of the
55 charity care provided in sub-subparagraph a. and the applicable
56 district average among licensed providers of similar services;
57 or

58 (II) Payments to Florida Health Choices for health care
59 coverage financial assistance in total amounts equal to or
60 greater than the difference between the value of the charity
61 care provided in sub-subparagraph a. and the applicable district

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62 average among licensed providers of similar services. The
63 payments for financial assistance must be made in increments
64 sufficient to purchase silver-level health care coverage for an
65 individual for at least 1 year. The individual receiving this
66 assistance must have been uninsured during the previous 12
67 months. The licensee and Florida Health Choices shall cooperate
68 to identify individuals from the service district who are
69 qualified to receive the available assistance.

70 c. The agreement between the agency and the applicant for
71 an exemption must require the licensee to submit reports and
72 data necessary to monitor compliance with the charity care
73 threshold.

74 (4) PENALTIES.—A facility licensed based on the exemption
75 established in subsection (3) (a) is subject to the following
76 penalties for noncompliance with its specific commitment to
77 improve access to care for uninsured and low-income persons in
78 the service district:

79 (a) For the first quarter in which the value of services,
80 donations, and financial assistance falls below the specified
81 threshold, the fine is equal to twice the amount of the
82 shortfall. The fine is doubled in each subsequent quarter of
83 noncompliance up to a maximum of four quarters.

84 (b) Following a fifth quarter of noncompliance, the exempt
85 license shall be suspended until the licensee implements a
86 corrective action plan that the agency has approved.

87 (c) Failure by the facility to maintain compliance
88 following the implementation of a corrective action plan shall
89 result in revocation of the exempt license.

90 Section 2. This act shall take effect July 1, 2016.