

1                                   A bill to be entitled  
 2           An act relating to hospital acquisitions; creating s.  
 3           542.195; providing definitions; requiring that a  
 4           hospital submit specified information to the Office of  
 5           the Attorney General within a specified timeframe  
 6           before completing an acquisition; requiring the office  
 7           to develop forms and procedures for reporting such  
 8           information; requiring the office to submit a biennial  
 9           report to the Governor and the Legislature by a  
 10          specified date; providing a civil penalty; providing  
 11          an effective date.

12  
 13 Be It Enacted by the Legislature of the State of Florida:

14  
 15           Section 1. Section 542.195, Florida Statutes, is created  
 16 to read:

17           542.195 Hospital acquisitions; reporting.-

18           (1) As used in this section, the term:

19           (a) "Acquisition" means any of the following:

20           1. An agreement between a hospital and at least one health  
 21 care practitioner under any of the following arrangements,  
 22 regardless of the terms describing the arrangement:

23           a. Physician enterprise model.

24           b. Group practice subsidiary model.

25           c. Asset purchase agreement.

- 26 | d. Professional service agreement.
- 27 | e. Physician participation agreement.
- 28 | 2. A hospital's purchase of a health care practitioner
- 29 | practice or group.
- 30 | 3. Any agreement resulting in a hospital increasing its
- 31 | control, authority, or management over a health care
- 32 | practitioner practice or group.
- 33 | 4. A contract between a hospital and at least one health
- 34 | care practitioner or health care practitioner practice or group
- 35 | for the practitioner's, practice's, or group's goodwill,
- 36 | channels of distribution, patient files, referrals, equipment,
- 37 | or other assets.
- 38 | 5. A hospital's purchase from an entity other than a
- 39 | medical supply company of:
- 40 | a. Home medical equipment, as defined in s. 400.925.
- 41 | b. Life-supporting or life-sustaining equipment, as
- 42 | defined in s. 400.925.
- 43 | c. Any device or drug, as those terms are defined in s.
- 44 | 499.003.
- 45 | d. Equipment, technology, or an item used to provide
- 46 | medical services, as defined in s. 636.202, or health care
- 47 | services or emergency services and care, as those terms are
- 48 | defined in s. 641.47.
- 49 | e. A laboratory, clinic, or other facility used for
- 50 | medical purposes.

51 (b) "Health care practitioner" has the same meaning as  
52 provided in s. 456.001.

53 (c) "Hospital" has the same meaning as provided in s.  
54 395.002(12).

55 (2) At least 90 days before a hospital completes an  
56 acquisition, the hospital must submit to the Office of the  
57 Attorney General:

58 (a) The acquisition date;

59 (b) The medical license number, if applicable, of each  
60 party to the acquisition;

61 (c) A definition of the current market or markets relevant  
62 to the acquisition, including details of the practice areas and  
63 medical fields within each market;

64 (d) Each previous acquisition and the defined markets of  
65 each acquisition; and

66 (e) Any other information that the Office of the Attorney  
67 General deems relevant.

68 (3) The Office of the Attorney General shall develop forms  
69 and procedures for reporting the information submitted pursuant  
70 to subsection (2). Beginning January 1, 2020, the Office of the  
71 Attorney General shall submit a biennial report to the Governor,  
72 the President of the Senate, and the Speaker of the House of  
73 Representatives which summarizes the information received by the  
74 office.

75 (4) A hospital that fails to comply with subsection (2) is

HB 1243

2019

76 | subject to a civil penalty of not more than \$500,000.

77 |       Section 2. This act shall take effect July 1, 2019.