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Proposed Committee Substitute by the Committee on Appropriations (Appropriations Subcommittee on Health and Human Services)

A bill to be entitled

2 An act relating to hospital licensure; amending s. 3 395.003, F.S.; deleting an obsolete provision; 4 providing applicability; requiring certain hospitals 5 licensed after a specified date to submit a notice to 6 the Agency for Health Care Administration which 7 contains specified information before filing for 8 approval of plans and specifications to establish a 9 new general hospital; prohibiting the agency from 10 licensing a new general hospital unless certain 11 criteria are met; requiring certain hospitals to 12 participate in the Medicaid program and the Medicare 13 program and to provide a certain amount of charity 14 care; defining the terms "charity care" and 15 "district"; providing a separate calculation of required charity care for such hospitals located in a 16 medically underserved area; authorizing such hospitals 17 18 to provide a certain donation to the agency's Grants 19 and Donations Trust Fund in lieu of providing the 20 required charity care; requiring such hospitals to annually report compliance to the agency; requiring 21 2.2 the agency to impose a specified administrative fine 23 for noncompliance; requiring the agency to adopt 24 rules; repealing s. 395.6025, F.S., relating to rural 25 hospital replacement facilities; amending s. 408.032, 26 F.S.; revising the definition of the term "health care 27 facility" to eliminate a reference to long-term care

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28 hospitals; deleting the definition of the term "longterm care hospital"; amending s. 408.034; authoring 29 30 the agency to issue a license to a general hospital that has not been issued a certificate of need under 31 32 certain circumstances; amending s. 408.035, F.S.; 33 deleting provisions related to the agency's consideration and review of certificates of need for 34 general hospitals; amending s. 408.036, F.S.; 35 36 providing an exception for the construction or 37 establishment of a general hospital and the conversion 38 to a general hospital from certificate of need review 39 requirements; amending ss. 408.037 and 408.039, F.S.; 40 deleting provisions relating to certificate of need applications for general hospitals; amending s. 41 42 408.040, F.S.; requiring the agency to assess a 43 specified administrative fine against the holder of a 44 certificate of need or the holder of an exemption 45 which fails to comply with specified conditions; requiring a general hospital that was issued a 46 certificate of need with certain conditions to 47 continue to meet those conditions to maintain 48 licensure; amending s. 408.043, F.S.; deleting 49 provisions relating to certificates of need for 50 51 osteopathic acute care hospitals; prohibiting the 52 agency from initiating a review cycle or from 53 accepting letters of intent or applications for the 54 issuance of certificate of need for the new 55 construction or the establishment of a freestanding 56 hospital; requiring the agency to issue such a

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57	certificate of need to certain applicants, regardless
58	of litigation status; providing applicability;
59	providing effective dates.
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61	Be It Enacted by the Legislature of the State of Florida:
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63	Section 1. Present subsections (8), (9), and (10) of
64	section 395.003, Florida Statutes, are redesignated as
65	subsections (9), (10), and (11), respectively, paragraph (c) of
66	subsection (1) and present subsections (9) and (10) of that
67	section are amended, and a new subsection (8) is added to that
68	section, to read:
69	395.003 Licensure; denial, suspension, and revocation
70	(1)
71	(c) Until July 1, 2006, additional emergency departments
72	located off the premises of licensed hospitals may not be
73	authorized by the agency.
74	(8) Applicable only to a general hospital that is, or will
75	be, newly licensed on or after July 1, 2019; that does not hold
76	a certificate of need issued by the agency; and that is not
77	replacing a currently operating general hospital located within
78	1 mile of the newly licensed hospital:
79	(a) When proposing a new general hospital project subject
80	to this subsection and before filing for approval of plans and
81	specifications under s. 395.0163, each prospective applicant for
82	licensure must submit a notice to the agency of its intent to
83	establish a newly licensed hospital which includes the location
84	for the proposed hospital, the number and types of beds to be
85	licensed, and the services that the hospital will offer.
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576-04096-19 86 (b) Other than a long-term care hospital, the agency may 87 not license a new general hospital subject to this subsection 88 unless: 89 1. The hospital has at least 100 beds and has intensive 90 care, progressive care, and medical-surgical beds. This 91 requirement does not apply if the hospital is a rural hospital, 92 as defined in s. 395.602, or is located in a medically 93 underserved area; and 94 2. The hospital has an onsite emergency department that 95 will operate 24 hours per day, 7 days per week. 96 (c) Each such hospital must participate in the state 97 Medicaid program and the Medicare program. 98 (d) Except as provided in paragraph (e), each such hospital 99 must provide charity care in an amount equal to or greater than 100 the district average for hospitals in the applicable district. The agency shall adopt by rule a method for calculating the 101 102 district average for charity care for each district. For purposes of this subsection, the term "charity care" has the 103 104 same meaning as in s. 409.911(1) and the term "district" has the 105 same meaning as in s. 408.032. 106 (e) If such a hospital is located in a medically 107 underserved area, the amount of charity care required to be 108 provided by the hospital under paragraph (d) is equivalent in 109 percentage to the medically underserved area's Index of Medical 110 Underservice score as calculated by the federal Health Resources 111 and Services Administration within the Department of Health and 112 Human Services. (f) In lieu of providing charity care under paragraph (d) 113 or paragraph (e), each such hospital may donate an amount 114

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115 determined by the agency to be functionally equivalent to the 116 amounts required under those paragraphs to the agency's Grants 117 and Donations Trust Fund. 118 (g) Each such hospital shall annually report to the agency 119 its compliance with paragraphs (c)-(f). Failure to report 120 compliance constitutes noncompliance. The agency shall assess an 121 administrative fine on a hospital that fails to comply with this 122 subsection in the amount of 1 percent of its net revenue for 123 each 0.5 percent of the required amount of charity care not 124 provided pursuant to paragraph (d) or paragraph (e) or the 125 required amount as determined by the agency pursuant to 126 paragraph (f). 127 (h) The agency shall adopt rules to implement this 128 subsection. 129 (10) (9) A hospital licensed as of June 1, 2004, is shall be 130 exempt from subsection (9) (8) as long as the hospital maintains 131 the same ownership, facility street address, and range of services that were in existence on June 1, 2004. Any transfer of 132 133 beds, or other agreements that result in the establishment of a hospital or hospital services within the intent of this section, 134 135 shall be subject to subsection (9) (8). Unless the hospital is otherwise exempt under subsection (9) (8), the agency shall deny 136 137 or revoke the license of a hospital that violates any of the criteria set forth in that subsection. 138

139 <u>(11)(10)</u> The agency may adopt rules implementing the 140 licensure requirements set forth in subsection <u>(9)</u> (8). Within 141 14 days after rendering its decision on a license application or 142 revocation, the agency shall publish its proposed decision in 143 the Florida Administrative Register. Within 21 days after

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144 publication of the agency's decision, any authorized person may file a request for an administrative hearing. In administrative 145 146 proceedings challenging the approval, denial, or revocation of a license pursuant to subsection (9) $\frac{(8)}{(8)}$, the hearing must be 147 148 based on the facts and law existing at the time of the agency's 149 proposed agency action. Existing hospitals may initiate or 150 intervene in an administrative hearing to approve, deny, or 151 revoke licensure under subsection (9) (8) based upon a showing 152 that an established program will be substantially affected by 153 the issuance or renewal of a license to a hospital within the 154 same district or service area.

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Section 2. <u>Section 395.6025</u>, Florida Statutes, is repealed. Section 3. Subsections (8) and (13) of section 408.032,

157 Florida Statutes, are amended to read:

158 408.032 Definitions relating to Health Facility and 159 Services Development Act.—As used in ss. 408.031-408.045, the 160 term:

(8) "Health care facility" means a hospital, long-term care hospital, skilled nursing facility, hospice, or intermediate care facility for the developmentally disabled. A facility relying solely on spiritual means through prayer for healing is not included as a health care facility.

166 (13) "Long-term care hospital" means a hospital licensed 167 under chapter 395 which meets the requirements of 42 C.F.R. s. 168 412.23(e) and seeks exclusion from the acute care Medicare 169 prospective payment system for inpatient hospital services.

Section 4. Subsection (2) of section 408.034, FloridaStatutes, is amended to read:

408.034 Duties and responsibilities of agency; rules.-

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173 (2) In the exercise of its authority to issue licenses to 174 health care facilities and health service providers, as provided 175 under chapters 393 and 395 and parts II, IV, and VIII of chapter 176 400, the agency may not issue a license to any health care 177 facility or health service provider that fails to receive a certificate of need or an exemption for the licensed facility or 178 179 service, except that the agency may issue a license to a general 180 hospital that has not been issued a certificate of need if that 181 hospital meets the criteria established in s. 395.003(8).

Section 5. Section 408.035, Florida Statutes, is amended to read:

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408.035 Review criteria.-

185 (1) The agency shall determine the reviewability of 186 applications and shall review applications for certificate-of-187 need determinations for health care facilities and health 188 services in context with the following criteria, except for 189 general hospitals as defined in s. 395.002:

190 <u>(1) (a)</u> The need for the health care facilities and health 191 services being proposed.

(2) (b) The availability, quality of care, accessibility,
 and extent of utilization of existing health care facilities and
 health services in the service district of the applicant.

195 <u>(3)-(c)</u> The ability of the applicant to provide quality of 196 care and the applicant's record of providing quality of care.

197 <u>(4) (d)</u> The availability of resources, including health 198 personnel, management personnel, and funds for capital and 199 operating expenditures, for project accomplishment and 200 operation.

(5) (e) The extent to which the proposed services will

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202 enhance access to health care for residents of the service 203 district.

204 <u>(6) (f)</u> The immediate and long-term financial feasibility of 205 the proposal.

206 <u>(7)(g)</u> The extent to which the proposal will foster 207 competition that promotes quality and cost-effectiveness.

208 <u>(8) (h)</u> The costs and methods of the proposed construction, 209 including the costs and methods of energy provision and the 210 availability of alternative, less costly, or more effective 211 methods of construction.

212 <u>(9)(i)</u> The applicant's past and proposed provision of 213 health care services to Medicaid patients and the medically 214 indigent.

215 <u>(10)</u> (j) The applicant's designation as a Gold Seal Program 216 nursing facility pursuant to s. 400.235, when the applicant is 217 requesting additional nursing home beds at that facility.

218 (2) For a general hospital, the agency shall consider only 219 the criteria specified in paragraph (1) (a), paragraph (1) (b), 220 except for quality of care in paragraph (1) (b), and paragraphs 221 (1) (c), (g), and (i).

222 Section 6. Paragraphs (b) and (c) of subsection (1) of 223 section 408.036, Florida Statutes, are amended to read:

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408.036 Projects subject to review; exemptions.-

(1) APPLICABILITY.-Unless exempt under subsection (3), all health-care-related projects, as described in paragraphs (a)-(f), are subject to review and must file an application for a certificate of need with the agency. The agency is exclusively responsible for determining whether a health-care-related project is subject to review under ss. 408.031-408.045.

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231	(b) The new construction or establishment of additional
232	health care facilities, except for the construction of or
233	establishment of a general hospital or including a replacement
234	health care facility when the proposed project site is not
235	located on the same site as or within 1 mile of the existing
236	health care facility $_{m{ au}}$ if the number of beds in each licensed bed
237	category will not increase.
238	(c) The conversion from one type of health care facility to
239	another, including the conversion from a general hospital, a
240	specialty hospital, or a long-term care hospital <u>, except that a</u>
241	conversion to a general hospital is not subject to review if,
242	once converted, the hospital meets the licensure criteria in s.
243	395.003(8).
244	Section 7. Section 408.037, Florida Statutes, is amended to
045	read:
245	reau:
245 246	408.037 Application content
246	408.037 Application content
246 247	408.037 Application content (1) Except as provided in subsection (2) for a general
246 247 248	408.037 Application content (1) Except as provided in subsection (2) for a general hospital, An application for a certificate of need must contain:
246 247 248 249	408.037 Application content (1) Except as provided in subsection (2) for a general hospital, An application for a certificate of need must contain: (a) A detailed description of the proposed project and
246 247 248 249 250	408.037 Application content (1) Except as provided in subsection (2) for a general hospital, An application for a certificate of need must contain: (a) A detailed description of the proposed project and statement of its purpose and need in relation to the district health plan.
246 247 248 249 250 251	<pre>408.037 Application content (1) Except as provided in subsection (2) for a general hospital, An application for a certificate of need must contain: (a) A detailed description of the proposed project and statement of its purpose and need in relation to the district health plan. (b) A statement of the financial resources needed by and</pre>
246 247 248 249 250 251 252	<pre>408.037 Application content (1) Except as provided in subsection (2) for a general hospital, An application for a certificate of need must contain: (a) A detailed description of the proposed project and statement of its purpose and need in relation to the district health plan. (b) A statement of the financial resources needed by and available to the applicant to accomplish the proposed project.</pre>
246 247 248 249 250 251 252 253	<pre>408.037 Application content (1) Except as provided in subsection (2) for a general hospital, An application for a certificate of need must contain: (a) A detailed description of the proposed project and statement of its purpose and need in relation to the district health plan. (b) A statement of the financial resources needed by and available to the applicant to accomplish the proposed project.</pre>
246 247 248 250 251 252 253 253	<pre>408.037 Application content (1) Except as provided in subsection (2) for a general hospital, An application for a certificate of need must contain: (a) A detailed description of the proposed project and statement of its purpose and need in relation to the district health plan. (b) A statement of the financial resources needed by and available to the applicant to accomplish the proposed project. This statement must include:</pre>
246 247 248 250 251 252 253 254 255	<pre>408.037 Application content (1) Except as provided in subsection (2) for a general hospital, An application for a certificate of need must contain: (a) A detailed description of the proposed project and statement of its purpose and need in relation to the district health plan. (b) A statement of the financial resources needed by and available to the applicant to accomplish the proposed project. This statement must include: 1. A complete listing of all capital projects, including</pre>
246 247 248 250 251 252 253 254 255 256	<pre>408.037 Application content (1) Except as provided in subsection (2) for a general hospital, An application for a certificate of need must contain: (a) A detailed description of the proposed project and statement of its purpose and need in relation to the district health plan. (b) A statement of the financial resources needed by and available to the applicant to accomplish the proposed project. This statement must include: 1. A complete listing of all capital projects, including new health facility development projects and health facility</pre>
246 247 248 250 251 252 253 254 255 256 257	<pre>408.037 Application content (1) Except as provided in subsection (2) for a general hospital, An application for a certificate of need must contain: (a) A detailed description of the proposed project and statement of its purpose and need in relation to the district health plan. (b) A statement of the financial resources needed by and available to the applicant to accomplish the proposed project. This statement must include: 1. A complete listing of all capital projects, including new health facility development projects and health facility acquisitions applied for, pending, approved, or underway in any</pre>

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expenditure review program pursuant to s. 1122 of the Social Security Act. The agency may, by rule, require less-detailed information from major health care providers. This listing must include the applicant's actual or proposed financial commitment to those projects and an assessment of their impact on the applicant's ability to provide the proposed project.

266 2. A detailed listing of the needed capital expenditures,267 including sources of funds.

3. A detailed financial projection, including a statement of the projected revenue and expenses for the first 2 years of operation after completion of the proposed project. This statement must include a detailed evaluation of the impact of the proposed project on the cost of other services provided by the applicant.

(c) An audited financial statement of the applicant or the applicant's parent corporation if audited financial statements of the applicant do not exist. In an application submitted by an existing health care facility, health maintenance organization, or hospice, financial condition documentation must include, but need not be limited to, a balance sheet and a profit-and-loss statement of the 2 previous fiscal years' operation.

281 (2) An application for a certificate of need for a general 282 hospital must contain a detailed description of the proposed 283 general hospital project and a statement of its purpose and the 284 needs it will meet. The proposed project's location, as well as 285 its primary and secondary service areas, must be identified by 286 zip code. Primary service area is defined as the zip codes from 287 which the applicant projects that it will draw 75 percent of its 288 discharges. Secondary service area is defined as the zip codes

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289 from which the applicant projects that it will draw its 290 remaining discharges. If, subsequent to issuance of a final order approving the certificate of need, the proposed location 291 292 of the general hospital changes or the primary service area 293 materially changes, the agency shall revoke the certificate of need. However, if the agency determines that such changes are 294 295 deemed to enhance access to hospital services in the service 296 district, the agency may permit such changes to occur. A party participating in the administrative hearing regarding the 297 298 issuance of the certificate of need for a general hospital has 299 standing to participate in any subsequent proceeding regarding 300 the revocation of the certificate of need for a hospital for 301 which the location has changed or for which the primary service 302 area has materially changed. In addition, the application for 303 the certificate of need for a general hospital must include a 304 statement of intent that, if approved by final order of the 305 agency, the applicant shall within 120 days after issuance of the final order or, if there is an appeal of the final order, 306 307 within 120 days after the issuance of the court's mandate on 308 appeal, furnish satisfactory proof of the applicant's financial ability to operate. The agency shall establish documentation 309 310 requirements, to be completed by each applicant, which show 311 anticipated provider revenues and expenditures, the basis for 312 financing the anticipated cash-flow requirements of the 313 provider, and an applicant's access to contingency financing. A party participating in the administrative hearing regarding the 314 315 issuance of the certificate of need for a general hospital may 316 provide written comments concerning the adequacy of the 317 financial information provided, but such party does not have

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318	standing to participate in an administrative proceeding
319	regarding proof of the applicant's financial ability to operate.
320	The agency may require a licensee to provide proof of financial
321	ability to operate at any time if there is evidence of financial
322	instability, including, but not limited to, unpaid expenses
323	necessary for the basic operations of the provider.
324	(2)(3) The applicant must certify that it will license and
325	operate the health care facility. For an existing health care
326	facility, the applicant must be the licenseholder of the
327	facility.
328	Section 8. Paragraphs (c) and (d) of subsection (3),
329	paragraphs (b) and (c) of subsection (5), and paragraph (d) of
330	subsection (6) of section 408.039, Florida Statutes, are amended
331	to read:
332	408.039 Review process.—The review process for certificates
333	of need shall be as follows:
334	(3) APPLICATION PROCESSING
335	(c) Except for competing applicants, in order to be
336	eligible to challenge the agency decision on a general hospital
337	application under review pursuant to paragraph (5)(c), existing
338	hospitals must submit a detailed written statement of opposition
339	to the agency and to the applicant. The detailed written
340	statement must be received by the agency and the applicant
341	within 21 days after the general hospital application is deemed
342	complete and made available to the public.
343	(d) In those cases where a written statement of opposition
344	has been timely filed regarding a certificate of need
345	
545	application for a general hospital, the applicant for the
345 346	application for a general hospital, the applicant for the general hospital may submit a written response to the agency.

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347 Such response must be received by the agency within 10 days of 348 the written statement due date.

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(5) ADMINISTRATIVE HEARINGS.-

350 (b) Hearings shall be held in Tallahassee unless the 351 administrative law judge determines that changing the location will facilitate the proceedings. The agency shall assign 352 353 proceedings requiring hearings to the Division of Administrative 354 Hearings of the Department of Management Services within 10 days 355 after the time has expired for requesting a hearing. Except upon 356 unanimous consent of the parties or upon the granting by the 357 administrative law judge of a motion of continuance, hearings 358 shall commence within 60 days after the administrative law judge 359 has been assigned. For an application for a general hospital, 360 administrative hearings shall commence within 6 months after the 361 administrative law judge has been assigned, and a continuance may not be granted absent a finding of extraordinary 362 363 circumstances by the administrative law judge. All parties, 364 except the agency, shall bear their own expense of preparing a 365 transcript. In any application for a certificate of need which is referred to the Division of Administrative Hearings for 366 367 hearing, the administrative law judge shall complete and submit to the parties a recommended order as provided in ss. 120.569 368 369 and 120.57. The recommended order shall be issued within 30 days 370 after the receipt of the proposed recommended orders or the 371 deadline for submission of such proposed recommended orders, 372 whichever is earlier. The division shall adopt procedures for 373 administrative hearings which shall maximize the use of stipulated facts and shall provide for the admission of prepared 374 375 testimony.

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376 (c) In administrative proceedings challenging the issuance 377 or denial of a certificate of need, only applicants considered by the agency in the same batching cycle are entitled to a 378 379 comparative hearing on their applications. Existing health care 380 facilities may initiate or intervene in an administrative 381 hearing upon a showing that an established program will be substantially affected by the issuance of any certificate of 382 383 need, whether reviewed under s. 408.036(1) or (2), to a 384 competing proposed facility or program within the same district. 385 With respect to an application for a general hospital, competing 386 applicants and only those existing hospitals that submitted a 387 detailed written statement of opposition to an application as 388 provided in this paragraph may initiate or intervene in an 389 administrative hearing. Such challenges to a general hospital 390 application shall be limited in scope to the issues raised in 391 the detailed written statement of opposition that was provided 392 to the agency. The administrative law judge may, upon a motion showing good cause, expand the scope of the issues to be heard 393 394 at the hearing. Such motion shall include substantial and 395 detailed facts and reasons for failure to include such issues in 396 the original written statement of opposition.

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(6) JUDICIAL REVIEW.-

398 (d) The party appealing a final order that grants a general 399 hospital certificate of need shall pay the appellee's attorney's 400 fees and costs, in an amount up to \$1 million, from the 401 beginning of the original administrative action if the appealing 402 party loses the appeal, subject to the following limitations and 403 requirements:

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1. The party appealing a final order must post a bond in

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405 the amount of \$1 million in order to maintain the appeal. 406 2. Except as provided under s. 120.595(5), in no event 407 shall the agency be held liable for any other party's attorney's 408 fees or costs.

409 Section 9. Subsection (1) of section 408.040, Florida 410 Statutes, is amended, to read:

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408.040 Conditions and monitoring.-

(1) (a) The agency may issue a certificate of need, or an exemption, predicated upon statements of intent expressed by an applicant in the application for a certificate of need or an exemption. Any conditions imposed on a certificate of need or an exemption based on such statements of intent shall be stated on the face of the certificate of need or in the exemption approval.

(b) The agency may consider, in addition to the other 419 420 criteria specified in s. 408.035, a statement of intent by the 421 applicant that a specified percentage of the annual patient days 422 at the facility will be utilized by patients eligible for care 423 under Title XIX of the Social Security Act. Any certificate of 424 need issued to a nursing home in reliance upon an applicant's 425 statements that a specified percentage of annual patient days 426 will be utilized by residents eligible for care under Title XIX 427 of the Social Security Act must include a statement that such certification is a condition of issuance of the certificate of 428 429 need. The certificate-of-need program shall notify the Medicaid program office and the Department of Elderly Affairs when it 430 431 imposes conditions as authorized in this paragraph in an area in 432 which a community diversion pilot project is implemented. Effective July 1, 2012, the agency may not impose sanctions 433

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related to patient day utilization by patients eligible for careunder Title XIX of the Social Security Act for nursing homes.

436 (c) A certificateholder or an exemption holder may apply to 437 the agency for a modification of conditions imposed under 438 paragraph (a) or paragraph (b). If the holder of a certificate 439 of need or an exemption demonstrates good cause why the 440 certificate or exemption should be modified, the agency shall reissue the certificate of need or exemption with such 441 442 modifications as may be appropriate. The agency shall by rule 443 define the factors constituting good cause for modification.

444 (d) If the holder of a certificate of need or the holder of 445 an exemption fails to comply with a condition that is unrelated to the provision of charity care or the provision of care under 446 447 the Florida Medicaid program upon which the issuance of the 448 certificate or exemption was predicated, the agency may assess 449 an administrative fine against the certificateholder or 450 exemption holder in an amount not to exceed \$1,000 per failure 451 per day. If the holder of a certificate of need or the holder of 452 an exemption fails to comply with a condition related to the 453 provision of charity care or the provision of care under the 454 Florida Medicaid program upon which the issuance of the 455 certificate or exemption was predicated, the agency must assess 456 an administrative fine against the certificateholder or 457 exemption holder in the amount of \$2,500 per day for each 458 instance of noncompliance. Failure to annually report compliance 459 with any condition upon which the issuance of the certificate or 460 exemption was predicated constitutes noncompliance. In assessing 461 the penalty, the agency shall take into account as mitigation 462 the degree of noncompliance. Proceeds of such penalties shall be

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463	deposited in the Public Medical Assistance Trust Fund.
464	(e) A general hospital that was issued a certificate of
465	need with conditions imposed as described in paragraph (a) or
466	paragraph (b), relating to the provision of charity care or the
467	provision of care under the Florida Medicaid program, must
468	continue to meet those conditions to maintain licensure
469	regardless of the status of that hospital's certificate of need
470	unless such conditions are modified by the agency pursuant to
471	paragraph (c).
472	Section 10. Subsection (1) of section 408.043, Florida
473	Statutes, is amended to read:
474	408.043 Special provisions
475	(1) OSTEOPATHIC ACUTE CARE HOSPITALS When an application
476	is made for a certificate of need to construct or to expand an
477	osteopathic acute care hospital, the need for such hospital
478	shall be determined on the basis of the need for and
479	availability of osteopathic services and osteopathic acute care
480	hospitals in the district. When a prior certificate of need to
481	establish an osteopathic acute care hospital has been issued in
482	a district, and the facility is no longer used for that purpose,
483	the agency may continue to count such facility and beds as an
484	existing osteopathic facility in any subsequent application for
485	construction of an ostcopathic acute care hospital.
486	Section 11. Effective upon this act becoming a law:
487	(1) The Agency for Health Care Administration may not
488	initiate a review cycle or accept letters of intent or
489	applications for the issuance of a certificate of need for the

490 <u>new construction or establishment of a freestanding general</u> 491 hospital.

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492	(2) The agency shall issue a certificate of need to any
493	pending applicant for a certificate of need for the new
494	construction of or establishment of a freestanding general
495	hospital:
496	(a) With intensive care, progressive care, and medical-
497	surgical beds;
498	(b) With an onsite emergency department that will be
499	operational 24 hours per day, 7 days per week; and
500	(c) Whose application for a certificate of need has been
501	approved by the agency, regardless of the litigation status of
502	the application.
503	(3) For an applicant seeking a certificate of need for the
504	new construction or establishment of a freestanding general
505	hospital that does not meet the criteria in subsection (2),
506	including an applicant whose application is pending approval or
507	denial by the agency and an applicant whose application was
508	initially denied by the agency but such denial is under appeal,
509	<u>ss. 395.6025, 408.032, 408.034, 408.035, 408.036, 408.037,</u>
510	408.039, and 408.043, Florida Statutes (2018), and any rules
511	adopted thereunder remain in effect until such time as the
512	agency has either issued the applicant a certificate of need,
513	the agency has denied the application and all appeals of the
514	denial have been exhausted, or the application has been
515	withdrawn.
516	Section 12. Except as otherwise expressly provided in this
517	act and except for this section, which shall take effect upon
518	this act becoming a law, this act shall take effect July 1,
519	2019.