

By the Committees on Appropriations; and Health Policy; and
Senator Harrell

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1 A bill to be entitled
2 An act relating to hospital licensure; amending s.
3 395.003, F.S.; deleting provisions relating to the
4 licensure of certain hospitals; amending s. 395.0191,
5 F.S.; deleting provisions relating to certificate of
6 need applications; amending s. 395.1055, F.S.;
7 revising the Agency for Health Care Administration's
8 rulemaking authority with respect to minimum standards
9 for hospitals; requiring hospitals that provide
10 certain services to meet specified licensure
11 requirements; conforming provisions to changes made by
12 the act; amending s. 395.1065, F.S.; conforming a
13 cross-reference; repealing s. 395.6025, F.S., relating
14 to rural hospital replacement facilities; amending s.
15 408.032, F.S.; revising and deleting definitions;
16 amending s. 408.033, F.S.; conforming provisions to
17 changes made by the act; amending s. 408.034, F.S.;
18 authorizing the agency to issue a license to a general
19 hospital that has not been issued a certificate of
20 need under certain circumstances; revising duties and
21 responsibilities of the agency relating to issuance of
22 licenses to health care facilities and health service
23 providers; conforming provisions to changes made by
24 the act; amending s. 408.035, F.S.; deleting
25 provisions related to the agency's consideration and
26 review of applications for certificates of need for
27 general hospitals and health services; amending s.
28 408.036, F.S.; providing an exception from certificate
29 of need review requirements for the construction or

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30 establishment of a general hospital and the conversion
 31 of a specialty hospital to a general hospital;
 32 revising health-care-related projects subject to
 33 agency review for a certificate of need and exemptions
 34 therefrom; deleting provisions requiring health care
 35 facilities and providers to provide certain notice to
 36 the agency upon termination of a health care service
 37 or the addition or delicensure of beds; conforming a
 38 provision to changes made by the act; repealing s.
 39 408.0361, F.S., relating to cardiovascular services
 40 and burn unit licensure; amending ss. 408.037 and
 41 408.039, F.S.; deleting provisions relating to
 42 certificate of need applications for general
 43 hospitals; amending s. 408.043, F.S.; deleting
 44 provisions relating to certificates of need for
 45 osteopathic acute care hospitals; amending s. 408.808,
 46 F.S.; authorizing the agency to issue an inactive
 47 license to a certain hospital under certain
 48 circumstances; providing effective dates.

49
 50 Be It Enacted by the Legislature of the State of Florida:

51
 52 Section 1. Effective July 1, 2024, subsections (8), (9),
 53 and (10) of section 395.003, Florida Statutes, are amended to
 54 read:

55 395.003 Licensure; denial, suspension, and revocation.—
 56 ~~(8) A hospital may not be licensed or relicensed if:~~
 57 ~~(a) The diagnosis-related groups for 65 percent or more of~~
 58 ~~the discharges from the hospital, in the most recent year for~~

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59 ~~which data is available to the Agency for Health Care~~
60 ~~Administration pursuant to s. 408.061, are for diagnosis, care,~~
61 ~~and treatment of patients who have:~~

62 ~~1. Cardiac-related diseases and disorders classified as~~
63 ~~diagnosis-related groups in major diagnostic category 5;~~

64 ~~2. Orthopedic-related diseases and disorders classified as~~
65 ~~diagnosis-related groups in major diagnostic category 8;~~

66 ~~3. Cancer-related diseases and disorders classified as~~
67 ~~discharges in which the principal diagnosis is neoplasm or~~
68 ~~carcinoma or is for an admission for radiotherapy or~~
69 ~~antineoplastic chemotherapy or immunotherapy; or~~

70 ~~4. Any combination of the above discharges.~~

71 ~~(b) The hospital restricts its medical and surgical~~
72 ~~services to primarily or exclusively cardiac, orthopedic,~~
73 ~~surgical, or oncology specialties.~~

74 ~~(c) A hospital classified as an exempt cancer center~~
75 ~~hospital pursuant to 42 C.F.R. s. 412.23(f) as of December 31,~~
76 ~~2005, is exempt from the licensure restrictions of this~~
77 ~~subsection.~~

78 ~~(9) A hospital licensed as of June 1, 2004, shall be exempt~~
79 ~~from subsection (8) as long as the hospital maintains the same~~
80 ~~ownership, facility street address, and range of services that~~
81 ~~were in existence on June 1, 2004. Any transfer of beds, or~~
82 ~~other agreements that result in the establishment of a hospital~~
83 ~~or hospital services within the intent of this section, shall be~~
84 ~~subject to subsection (8). Unless the hospital is otherwise~~
85 ~~exempt under subsection (8), the agency shall deny or revoke the~~
86 ~~license of a hospital that violates any of the criteria set~~
87 ~~forth in that subsection.~~

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88 ~~(10) The agency may adopt rules implementing the licensure~~
89 ~~requirements set forth in subsection (8). Within 14 days after~~
90 ~~rendering its decision on a license application or revocation,~~
91 ~~the agency shall publish its proposed decision in the Florida~~
92 ~~Administrative Register. Within 21 days after publication of the~~
93 ~~agency's decision, any authorized person may file a request for~~
94 ~~an administrative hearing. In administrative proceedings~~
95 ~~challenging the approval, denial, or revocation of a license~~
96 ~~pursuant to subsection (8), the hearing must be based on the~~
97 ~~facts and law existing at the time of the agency's proposed~~
98 ~~agency action. Existing hospitals may initiate or intervene in~~
99 ~~an administrative hearing to approve, deny, or revoke licensure~~
100 ~~under subsection (8) based upon a showing that an established~~
101 ~~program will be substantially affected by the issuance or~~
102 ~~renewal of a license to a hospital within the same district or~~
103 ~~service area.~~

104 Section 2. Effective July 1, 2024, subsection (10) of
105 section 395.0191, Florida Statutes, is amended to read:

106 395.0191 Staff membership and clinical privileges.—

107 ~~(10) Nothing herein shall be construed by the agency as~~
108 ~~requiring an applicant for a certificate of need to establish~~
109 ~~proof of discrimination in the granting of or denial of hospital~~
110 ~~staff membership or clinical privileges as a precondition to~~
111 ~~obtaining such certificate of need under the provisions of s.~~
112 ~~408.043.~~

113 Section 3. Effective July 1, 2024, present subsection (12)
114 of section 395.1055, Florida Statutes, is redesignated as
115 subsection (15), and a new subsection (12) and subsections (13)
116 and (14) are added to that section, and paragraph (f) of

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117 subsection (1) and paragraph (b) of subsection (9) of that
118 section are amended, to read:

119 395.1055 Rules and enforcement.—

120 (1) The agency shall adopt rules pursuant to ss. 120.536(1)
121 and 120.54 to implement the provisions of this part, which shall
122 include reasonable and fair minimum standards for ensuring that:

123 ~~(f) All hospitals submit such data as necessary to conduct~~
124 ~~certificate of need reviews required under part I of chapter~~
125 ~~408. Such data shall include, but shall not be limited to,~~
126 ~~patient origin data, hospital utilization data, type of service~~
127 ~~reporting, and facility staffing data. The agency may not~~
128 ~~collect data that identifies or could disclose the identity of~~
129 ~~individual patients. The agency shall utilize existing uniform~~
130 ~~statewide data sources when available and shall minimize~~
131 ~~reporting costs to hospitals.~~

132 (9) The agency shall establish a technical advisory panel,
133 pursuant to s. 20.052, to develop procedures and standards for
134 measuring outcomes of pediatric cardiac catheterization programs
135 and pediatric cardiovascular surgery programs.

136 (b) Voting members of the panel shall include: 3 at-large
137 members, including 1 cardiologist who is board certified in
138 caring for adults with congenital heart disease and 2 board-
139 certified pediatric cardiologists, neither of whom may be
140 employed by any of the hospitals specified in subparagraphs 1.-
141 10. or their affiliates, each of whom is appointed by the
142 Secretary of Health Care Administration, and 10 members, and an
143 alternate for each member, each of whom is a pediatric
144 cardiologist or a pediatric cardiovascular surgeon, each
145 appointed by the chief executive officer of the following

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146 hospitals:

- 147 1. Johns Hopkins All Children's Hospital in St. Petersburg.
- 148 2. Arnold Palmer Hospital for Children in Orlando.
- 149 3. Joe DiMaggio Children's Hospital in Hollywood.
- 150 4. Nicklaus Children's Hospital in Miami.
- 151 5. St. Joseph's Children's Hospital in Tampa.
- 152 6. University of Florida Health Shands Hospital in
- 153 Gainesville.
- 154 7. University of Miami Holtz Children's Hospital in Miami.
- 155 8. Wolfson Children's Hospital in Jacksonville.
- 156 9. Florida Hospital for Children in Orlando.
- 157 10. Nemours Children's Hospital in Orlando.

158

159 Appointments made under subparagraphs 1.-10. are contingent upon
160 ~~the hospital's maintenance of pediatric certificates of need and~~
161 the hospital's compliance with this section and rules adopted
162 thereunder, as determined by the Secretary of Health Care
163 Administration. A member appointed under subparagraphs 1.-10.
164 whose hospital fails to ~~maintain such certificates or~~ comply
165 with such standards may serve only as a nonvoting member until
166 the hospital ~~restores such certificates or~~ complies with such
167 standards.

168 (12) Each provider of diagnostic cardiac catheterization
169 services shall comply with rules adopted by the agency which
170 establish licensure standards governing the operation of adult
171 inpatient diagnostic cardiac catheterization programs. The rules
172 must ensure that such programs:

173 (a) Comply with the most recent guidelines of the American
174 College of Cardiology and American Heart Association Guidelines

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175 for Cardiac Catheterization and Cardiac Catheterization
176 Laboratories.

177 (b) Perform only adult inpatient diagnostic cardiac
178 catheterization services and will not provide therapeutic
179 cardiac catheterization or any other cardiology services.

180 (c) Maintain sufficient appropriate equipment and health
181 care personnel to ensure quality and safety.

182 (d) Maintain appropriate times of operation and protocols
183 to ensure availability and appropriate referrals in the event of
184 emergencies.

185 (e) Demonstrate a plan to provide services to Medicaid and
186 charity care patients.

187 (13) Each provider of adult cardiovascular services or
188 operator of a burn unit shall comply with rules adopted by the
189 agency which establish licensure standards that govern the
190 provision of adult cardiovascular services or the operation of a
191 burn unit. Such rules shall consider, at a minimum, staffing,
192 equipment, physical plant, operating protocols, the provision of
193 services to Medicaid and charity care patients, accreditation,
194 licensure period and fees, and enforcement of minimum standards.

195 (14) In establishing rules for adult cardiovascular
196 services, the agency shall include provisions that allow for:

197 (a) Establishment of two hospital program licensure levels:
198 a Level I program authorizing the performance of adult
199 percutaneous cardiac intervention without onsite cardiac surgery
200 and a Level II program authorizing the performance of
201 percutaneous cardiac intervention with onsite cardiac surgery.

202 (b)1. For a hospital seeking a Level I program,
203 demonstration that, for the most recent 12-month period as

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204 reported to the agency, the hospital has provided a minimum of
205 300 adult inpatient and outpatient diagnostic cardiac
206 catheterizations or, for the most recent 12-month period, has
207 discharged or transferred at least 300 patients with the
208 principal diagnosis of ischemic heart disease and that it has a
209 formalized, written transfer agreement with a hospital that has
210 a Level II program, including written transport protocols to
211 ensure safe and efficient transfer of a patient within 60
212 minutes.

213 2.a. A hospital located more than 100 road miles from the
214 closest Level II adult cardiovascular services program does not
215 need to meet the diagnostic cardiac catheterization volume and
216 ischemic heart disease diagnosis volume requirements in
217 subparagraph 1. if the hospital demonstrates that it has, for
218 the most recent 12-month period as reported to the agency,
219 provided a minimum of 100 adult inpatient and outpatient
220 diagnostic cardiac catheterizations or that, for the most recent
221 12-month period, it has discharged or transferred at least 300
222 patients with the principal diagnosis of ischemic heart disease.

223 b. A hospital located more than 100 road miles from the
224 closest Level II adult cardiovascular services program does not
225 need to meet the 60-minute transfer time protocol requirement in
226 subparagraph 1. if the hospital demonstrates that it has a
227 formalized, written transfer agreement with a hospital that has
228 a Level II program. The agreement must include written transport
229 protocols to ensure the safe and efficient transfer of a
230 patient, taking into consideration the patient's clinical and
231 physical characteristics, road and weather conditions, and
232 viability of ground and air ambulance service to transfer the

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233 patient.

234 3. At a minimum, the rules for adult cardiovascular
235 services must require nursing and technical staff to have
236 demonstrated experience in handling acutely ill patients
237 requiring intervention, based on the staff member's previous
238 experience in dedicated cardiac interventional laboratories or
239 surgical centers. If a staff member's previous experience is in
240 a dedicated cardiac interventional laboratory at a hospital that
241 does not have an approved adult open heart surgery program, the
242 staff member's previous experience qualifies only if, at the
243 time the staff member acquired his or her experience, the
244 dedicated cardiac interventional laboratory:

245 a. Had an annual volume of 500 or more percutaneous cardiac
246 intervention procedures.

247 b. Achieved a demonstrated success rate of 95 percent or
248 greater for percutaneous cardiac intervention procedures.

249 c. Experienced a complication rate of less than 5 percent
250 for percutaneous cardiac intervention procedures.

251 d. Performed diverse cardiac procedures, including, but not
252 limited to, balloon angioplasty and stenting, rotational
253 atherectomy, cutting balloon atheroma remodeling, and procedures
254 relating to left ventricular support capability.

255 (c) For a hospital seeking a Level II program,
256 demonstration that, for the most recent 12-month period as
257 reported to the agency, the hospital has performed a minimum of
258 1,100 adult inpatient and outpatient cardiac catheterizations,
259 of which at least 400 must be therapeutic catheterizations, or,
260 for the most recent 12-month period, has discharged at least 800
261 patients with the principal diagnosis of ischemic heart disease.

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262 (d) Compliance with the most recent guidelines of the
263 American College of Cardiology and American Heart Association
264 guidelines for staffing, physician training and experience,
265 operating procedures, equipment, physical plant, and patient
266 selection criteria to ensure patient quality and safety.

267 (e) Establishment of appropriate hours of operation and
268 protocols to ensure availability and timely referral in the
269 event of emergencies.

270 (f) Demonstration of a plan to provide services to Medicaid
271 and charity care patients.

272 Section 4. Effective July 1, 2024, subsection (5) of
273 section 395.1065, Florida Statutes, is amended to read:

274 395.1065 Criminal and administrative penalties;
275 moratorium.—

276 (5) The agency shall impose a fine of \$500 for each
277 instance of the facility's failure to provide the information
278 required by rules adopted pursuant to s. 395.1055(1)(g) ~~s.~~
279 ~~395.1055(1)(h)~~.

280 Section 5. Section 395.6025, Florida Statutes, is repealed.

281 Section 6. Subsections (8) and (13) of section 408.032,
282 Florida Statutes, are amended to read:

283 408.032 Definitions relating to Health Facility and
284 Services Development Act.—As used in ss. 408.031-408.045, the
285 term:

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

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291 ~~(13) "Long term care hospital" means a hospital licensed~~
292 ~~under chapter 395 which meets the requirements of 42 C.F.R. s.~~
293 ~~412.23(e) and seeks exclusion from the acute care Medicare~~
294 ~~prospective payment system for inpatient hospital services.~~

295 Section 7. Effective July 1, 2024, subsections (8) through
296 (16) of section 408.032, Florida Statutes, as amended by this
297 act, are amended to read:

298 408.032 Definitions relating to Health Facility and
299 Services Development Act.—As used in ss. 408.031-408.045, the
300 term:

301 (8) "Health care facility" means a ~~hospital~~, skilled
302 nursing facility, hospice, or intermediate care facility for the
303 developmentally disabled. A facility relying solely on spiritual
304 means through prayer for healing is not included as a health
305 care facility.

306 ~~(9) "Health services" means inpatient diagnostic, curative,~~
307 ~~or comprehensive medical rehabilitative services and includes~~
308 ~~mental health services. Obstetric services are not health~~
309 ~~services for purposes of ss. 408.031-408.045.~~

310 (9)~~(10)~~ "Hospice" or "hospice program" means a hospice as
311 defined in part IV of chapter 400.

312 ~~(11) "Hospital" means a health care facility licensed under~~
313 ~~chapter 395.~~

314 (10)~~(12)~~ "Intermediate care facility for the
315 developmentally disabled" means a residential facility licensed
316 under part VIII of chapter 400.

317 ~~(13) "Mental health services" means inpatient services~~
318 ~~provided in a hospital licensed under chapter 395 and listed on~~
319 ~~the hospital license as psychiatric beds for adults; psychiatric~~

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320 ~~beds for children and adolescents; intensive residential~~
321 ~~treatment beds for children and adolescents; substance abuse~~
322 ~~beds for adults; or substance abuse beds for children and~~
323 ~~adolescents.~~

324 (11) ~~(14)~~ "Nursing home geographically underserved area"
325 means:

326 (a) A county in which there is no existing or approved
327 nursing home;

328 (b) An area with a radius of at least 20 miles in which
329 there is no existing or approved nursing home; or

330 (c) An area with a radius of at least 20 miles in which all
331 existing nursing homes have maintained at least a 95 percent
332 occupancy rate for the most recent 6 months or a 90 percent
333 occupancy rate for the most recent 12 months.

334 (12) ~~(15)~~ "Skilled nursing facility" means an institution,
335 or a distinct part of an institution, which is primarily engaged
336 in providing, to inpatients, skilled nursing care and related
337 services for patients who require medical or nursing care, or
338 rehabilitation services for the rehabilitation of injured,
339 disabled, or sick persons.

340 ~~(16) "Tertiary health service" means a health service~~
341 ~~which, due to its high level of intensity, complexity,~~
342 ~~specialized or limited applicability, and cost, should be~~
343 ~~limited to, and concentrated in, a limited number of hospitals~~
344 ~~to ensure the quality, availability, and cost-effectiveness of~~
345 ~~such service. Examples of such service include, but are not~~
346 ~~limited to, pediatric cardiac catheterization, pediatric open-~~
347 ~~heart surgery, organ transplantation, neonatal intensive care~~
348 ~~units, comprehensive rehabilitation, and medical or surgical~~

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349 ~~services which are experimental or developmental in nature to~~
350 ~~the extent that the provision of such services is not yet~~
351 ~~contemplated within the commonly accepted course of diagnosis or~~
352 ~~treatment for the condition addressed by a given service. The~~
353 ~~agency shall establish by rule a list of all tertiary health~~
354 ~~services.~~

355 Section 8. Effective July 1, 2024, paragraph (b) of
356 subsection (1) of section 408.033, Florida Statutes, is amended
357 to read:

358 408.033 Local and state health planning.—

359 (1) LOCAL HEALTH COUNCILS.—

360 (b) Each local health council may:

361 1. Develop a district area health plan that permits each
362 local health council to develop strategies and set priorities
363 for implementation based on its unique local health needs.

364 2. Advise the agency on health care issues and resource
365 allocations.

366 3. Promote public awareness of community health needs,
367 emphasizing health promotion and cost-effective health service
368 selection.

369 4. Collect data and conduct analyses and studies related to
370 health care needs of the district, including the needs of
371 medically indigent persons, and assist the agency and other
372 state agencies in carrying out data collection activities that
373 relate to the functions in this subsection.

374 5. Monitor the onsite construction progress, if any, of
375 certificate-of-need approved projects and report council
376 findings to the agency on forms provided by the agency.

377 6. Advise and assist any regional planning councils within

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378 each district that have elected to address health issues in
379 their strategic regional policy plans with the development of
380 the health element of the plans to address the health goals and
381 policies in the State Comprehensive Plan.

382 7. Advise and assist local governments within each district
383 on the development of an optional health plan element of the
384 comprehensive plan provided in chapter 163, to assure
385 compatibility with the health goals and policies in the State
386 Comprehensive Plan and district health plan. To facilitate the
387 implementation of this section, the local health council shall
388 annually provide the local governments in its service area, upon
389 request, with:

390 a. A copy and appropriate updates of the district health
391 plan;

392 b. A report of health facility ~~hospital~~ and nursing home
393 utilization statistics for facilities within the local
394 government jurisdiction; and

395 c. Applicable agency rules and calculated need
396 methodologies for health facilities and services regulated under
397 s. 408.034 for the district served by the local health council.

398 8. Monitor and evaluate the adequacy, appropriateness, and
399 effectiveness, within the district, of local, state, federal,
400 and private funds distributed to meet the needs of the medically
401 indigent and other underserved population groups.

402 9. In conjunction with the Department of Health, plan for
403 services at the local level for persons infected with the human
404 immunodeficiency virus.

405 10. Provide technical assistance to encourage and support
406 activities by providers, purchasers, consumers, and local,

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407 regional, and state agencies in meeting the health care goals,
408 objectives, and policies adopted by the local health council.

409 11. Provide the agency with data required by rule for the
410 review of certificate-of-need applications and the projection of
411 need for health ~~services and~~ facilities in the district.

412 Section 9. Subsection (2) of section 408.034, Florida
413 Statutes, is amended to read:

414 408.034 Duties and responsibilities of agency; rules.—

415 (2) In the exercise of its authority to issue licenses to
416 health care facilities and health service providers, as provided
417 under chapters 393 and 395 and parts II, IV, and VIII of chapter
418 400, the agency may not issue a license to any health care
419 facility or health service provider that fails to receive a
420 certificate of need or an exemption for the licensed facility or
421 service, except that the agency may issue a license to a general
422 hospital that has not been issued a certificate of need.

423 Section 10. Effective July 1, 2024, subsection (2), as
424 amended by this act, and subsection (3) of section 408.034,
425 Florida Statutes, are amended to read:

426 408.034 Duties and responsibilities of agency; rules.—

427 (2) In the exercise of its authority to issue licenses to
428 health care facilities and health service providers, as provided
429 under chapter ~~chapters~~ 393 and ~~395~~ and parts II, IV, and VIII of
430 chapter 400, the agency may not issue a license to any health
431 care facility or health service provider that fails to receive a
432 certificate of need or an exemption for the licensed facility or
433 service, ~~except that the agency may issue a license to a general~~
434 ~~hospital that has not been issued a certificate of need.~~

435 (3) The agency shall establish, by rule, uniform need

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436 methodologies for ~~health services and~~ health facilities. In
437 developing uniform need methodologies, the agency shall, at a
438 minimum, consider the demographic characteristics of the
439 population, the health status of the population, service use
440 patterns, standards and trends, geographic accessibility, and
441 market economics.

442 Section 11. Section 408.035, Florida Statutes, is amended
443 to read:

444 408.035 Review criteria.—

445 ~~(1)~~ The agency shall determine the reviewability of
446 applications and shall review applications for certificate-of-
447 need determinations for health care facilities and health
448 services in context with the following criteria, ~~except for~~
449 ~~general hospitals as defined in s. 395.002:~~

450 (1) ~~(a)~~ The need for the health care facilities and health
451 services being proposed.

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

455 (3) ~~(c)~~ The ability of the applicant to provide quality of
456 care and the applicant's record of providing quality of care.

457 (4) ~~(d)~~ The availability of resources, including health
458 personnel, management personnel, and funds for capital and
459 operating expenditures, for project accomplishment and
460 operation.

461 (5) ~~(e)~~ The extent to which the proposed services will
462 enhance access to health care for residents of the service
463 district.

464 (6) ~~(f)~~ The immediate and long-term financial feasibility of

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465 the proposal.

466 (7)~~(g)~~ The extent to which the proposal will foster
467 competition that promotes quality and cost-effectiveness.

468 (8)~~(h)~~ The costs and methods of the proposed construction,
469 including the costs and methods of energy provision and the
470 availability of alternative, less costly, or more effective
471 methods of construction.

472 (9)~~(i)~~ The applicant's past and proposed provision of
473 health care services to Medicaid patients and the medically
474 indigent.

475 (10)~~(j)~~ The applicant's designation as a Gold Seal Program
476 nursing facility pursuant to s. 400.235, when the applicant is
477 requesting additional nursing home beds at that facility.

478 ~~(2) For a general hospital, the agency shall consider only~~
479 ~~the criteria specified in paragraph (1)(a), paragraph (1)(b),~~
480 ~~except for quality of care in paragraph (1)(b), and paragraphs~~
481 ~~(1)(c), (g), and (i).~~

482 Section 12. Effective July 1, 2024, section 408.035,
483 Florida Statutes, as amended by this act, is amended to read:

484 408.035 Review criteria.—The agency shall determine the
485 reviewability of applications and shall review applications for
486 certificate-of-need determinations for health care facilities
487 ~~and health services~~ in context with the following criteria:

488 (1) The need for the health care facilities ~~and health~~
489 ~~services~~ being proposed.

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

493 (3) The ability of the applicant to provide quality of care

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494 and the applicant's record of providing quality of care.

495 (4) The availability of resources, including health
496 personnel, management personnel, and funds for capital and
497 operating expenditures, for project accomplishment and
498 operation.

499 (5) The extent to which the proposed services will enhance
500 access to health care for residents of the service district.

501 (6) The immediate and long-term financial feasibility of
502 the proposal.

503 (7) The extent to which the proposal will foster
504 competition that promotes quality and cost-effectiveness.

505 (8) The costs and methods of the proposed construction,
506 including the costs and methods of energy provision and the
507 availability of alternative, less costly, or more effective
508 methods of construction.

509 (9) The applicant's past and proposed provision of health
510 care services to Medicaid patients and the medically indigent.

511 (10) The applicant's designation as a Gold Seal Program
512 nursing facility pursuant to s. 400.235, when the applicant is
513 requesting additional nursing home beds at that facility.

514 Section 13. Paragraphs (b) and (c) of subsection (1) of
515 section 408.036, Florida Statutes, are amended to read:

516 408.036 Projects subject to review; exemptions.—

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

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523 (b) The new construction or establishment of additional
524 health care facilities, except for the construction of or
525 establishment of a general hospital or including a replacement
526 health care facility when the proposed project site is ~~not~~
527 located on the same site as or within 1 mile of the existing
528 health care facility, if the number of beds in each licensed bed
529 category will not increase.

530 (c) The conversion from one type of health care facility to
531 another, including the conversion from a general hospital or, a
532 specialty hospital, except that the conversion of a specialty
533 hospital to a general hospital is not subject to review or a
534 long-term care hospital.

535 Section 14. Effective July 1, 2024, section 408.036,
536 Florida Statutes, as amended by this act, is amended to read:

537 408.036 Projects subject to review; exemptions.—

538 (1) APPLICABILITY.—Unless exempt under subsection (3), all
539 health-care-related projects, as described in this subsection
540 ~~paragraphs (a)–(f)~~, are subject to review and must file an
541 application for a certificate of need with the agency. The
542 agency is exclusively responsible for determining whether a
543 health-care-related project is subject to review under ss.
544 408.031–408.045.

545 (a) The addition of beds in community nursing homes or
546 intermediate care facilities for the developmentally disabled by
547 new construction or alteration.

548 (b) The new construction or establishment of additional
549 health care facilities, ~~except for the construction of or~~
550 ~~establishment of a general hospital or~~ a replacement health care
551 facility when the proposed project site is located on the same

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552 site as or within 1 mile of the existing health care facility if
553 the number of beds in each licensed bed category will not
554 increase.

555 (c) The conversion from one type of health care facility to
556 another, ~~including the conversion from a general hospital or a~~
557 ~~specialty hospital except that the conversion of a specialty~~
558 ~~hospital to a general hospital is not subject to review.~~

559 (d) The establishment of a hospice or hospice inpatient
560 facility, except as provided in s. 408.043.

561 ~~(e) An increase in the number of beds for comprehensive~~
562 ~~rehabilitation.~~

563 ~~(f) The establishment of tertiary health services,~~
564 ~~including inpatient comprehensive rehabilitation services.~~

565 (2) PROJECTS SUBJECT TO EXPEDITED REVIEW.—Unless exempt
566 pursuant to subsection (3), the following projects are subject
567 to expedited review:

568 (a) Transfer of a certificate of need, ~~except that when an~~
569 ~~existing hospital is acquired by a purchaser, all certificates~~
570 ~~of need issued to the hospital which are not yet operational~~
571 ~~shall be acquired by the purchaser without need for a transfer.~~

572 (b) Replacement of a nursing home, if the proposed project
573 site is within a 30-mile radius of the replaced nursing home. If
574 the proposed project site is outside the subdistrict where the
575 replaced nursing home is located, the prior 6-month occupancy
576 rate for licensed community nursing homes in the proposed
577 subdistrict must be at least 85 percent in accordance with the
578 agency's most recently published inventory.

579 (c) Replacement of a nursing home within the same district,
580 if the proposed project site is outside a 30-mile radius of the

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581 replaced nursing home but within the same subdistrict or a
582 geographically contiguous subdistrict. If the proposed project
583 site is in the geographically contiguous subdistrict, the prior
584 6-month occupancy rate for licensed community nursing homes for
585 that subdistrict must be at least 85 percent in accordance with
586 the agency's most recently published inventory.

587 (d) Relocation of a portion of a nursing home's licensed
588 beds to another facility or to establish a new facility within
589 the same district or within a geographically contiguous
590 district, if the relocation is within a 30-mile radius of the
591 existing facility and the total number of nursing home beds in
592 the state does not increase.

593 (e) New construction of a community nursing home in a
594 retirement community as further provided in this paragraph.

595 1. Expedited review under this paragraph is available if
596 all of the following criteria are met:

597 a. The residential use area of the retirement community is
598 deed-restricted as housing for older persons as defined in s.
599 760.29(4)(b).

600 b. The retirement community is located in a county in which
601 25 percent or more of its population is age 65 and older.

602 c. The retirement community is located in a county that has
603 a rate of no more than 16.1 beds per 1,000 persons age 65 years
604 or older. The rate shall be determined by using the current
605 number of licensed and approved community nursing home beds in
606 the county per the agency's most recent published inventory.

607 d. The retirement community has a population of at least
608 8,000 residents within the county, based on a population data
609 source accepted by the agency.

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610 e. The number of proposed community nursing home beds in an
611 application does not exceed the projected bed need after
612 applying the rate of 16.1 beds per 1,000 persons aged 65 years
613 and older projected for the county 3 years into the future using
614 the estimates adopted by the agency reduced by the agency's most
615 recently published inventory of licensed and approved community
616 nursing home beds in the county.

617 2. No more than 120 community nursing home beds shall be
618 approved for a qualified retirement community under each request
619 for expedited review. Subsequent requests for expedited review
620 under this process may not be made until 2 years after
621 construction of the facility has commenced or 1 year after the
622 beds approved through the initial request are licensed,
623 whichever occurs first.

624 3. The total number of community nursing home beds which
625 may be approved for any single deed-restricted community
626 pursuant to this paragraph may not exceed 240, regardless of
627 whether the retirement community is located in more than one
628 qualifying county.

629 4. Each nursing home facility approved under this paragraph
630 must be dually certified for participation in the Medicare and
631 Medicaid programs.

632 5. Each nursing home facility approved under this paragraph
633 must be at least 1 mile, as measured over publicly owned
634 roadways, from an existing approved and licensed community
635 nursing home.

636 6. A retirement community requesting expedited review under
637 this paragraph shall submit a written request to the agency for
638 expedited review. The request must include the number of beds to

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639 be added and provide evidence of compliance with the criteria
640 specified in subparagraph 1.

641 7. After verifying that the retirement community meets the
642 criteria for expedited review specified in subparagraph 1., the
643 agency shall publicly notice in the Florida Administrative
644 Register that a request for an expedited review has been
645 submitted by a qualifying retirement community and that the
646 qualifying retirement community intends to make land available
647 for the construction and operation of a community nursing home.
648 The agency's notice must identify where potential applicants can
649 obtain information describing the sales price of, or terms of
650 the land lease for, the property on which the project will be
651 located and the requirements established by the retirement
652 community. The agency notice must also specify the deadline for
653 submission of the certificate-of-need application, which may not
654 be earlier than the 91st day or later than the 125th day after
655 the date the notice appears in the Florida Administrative
656 Register.

657 8. The qualified retirement community shall make land
658 available to applicants it deems to have met its requirements
659 for the construction and operation of a community nursing home
660 but may sell or lease the land only to the applicant that is
661 issued a certificate of need by the agency under this paragraph.

662 a. A certificate-of-need application submitted under this
663 paragraph must identify the intended site for the project within
664 the retirement community and the anticipated costs for the
665 project based on that site. The application must also include
666 written evidence that the retirement community has determined
667 that both the provider submitting the application and the

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668 project satisfy its requirements for the project.

669 b. If the retirement community determines that more than
670 one provider satisfies its requirements for the project, it may
671 notify the agency of the provider it prefers.

672 9. The agency shall review each submitted application. If
673 multiple applications are submitted for a project published
674 pursuant to subparagraph 7., the agency shall review the
675 competing applications.

676

677 The agency shall develop rules to implement the expedited review
678 process, including time schedule, application content that may
679 be reduced from the full requirements of s. 408.037(1), and
680 application processing.

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

683 (a) For hospice services ~~or for swing beds in a rural~~
684 ~~hospital, as defined in s. 395.602, in a number that does not~~
685 ~~exceed one-half of its licensed beds,~~ or for a hospice program
686 established by an entity that shares a controlling interest, as
687 defined in s. 408.803, with a not-for-profit retirement
688 community that offers independent living, assisted living, and
689 skilled nursing services provided in a facility on the same
690 premises and designated by the agency as a teaching nursing home
691 for a minimum of 5 years, in accordance with s. 430.80. Only one
692 hospice program per teaching nursing home may be established
693 under the exemption in this paragraph, and such program shall be
694 limited to serving patients residing in communities located
695 within the not-for-profit retirement community, including home
696 and community-based service providers.

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697 ~~(b) For the conversion of licensed acute care hospital beds~~
698 ~~to Medicare and Medicaid certified skilled nursing beds in a~~
699 ~~rural hospital, as defined in s. 395.602, so long as the~~
700 ~~conversion of the beds does not involve the construction of new~~
701 ~~facilities. The total number of skilled nursing beds, including~~
702 ~~swing beds, may not exceed one-half of the total number of~~
703 ~~licensed beds in the rural hospital as of July 1, 1993.~~
704 ~~Certified skilled nursing beds designated under this paragraph,~~
705 ~~excluding swing beds, shall be included in the community nursing~~
706 ~~home bed inventory. A rural hospital that subsequently~~
707 ~~decertifies any acute care beds exempted under this paragraph~~
708 ~~shall notify the agency of the decertification, and the agency~~
709 ~~shall adjust the community nursing home bed inventory~~
710 ~~accordingly.~~

711 (b)~~(e)~~ For the addition of nursing home beds at a skilled
712 nursing facility that is part of a retirement community that
713 provides a variety of residential settings and supportive
714 services and that has been incorporated and operated in this
715 state for at least 65 years on or before July 1, 1994. All
716 nursing home beds must not be available to the public but must
717 be for the exclusive use of the community residents.

718 (c)~~(d)~~ For an inmate health care facility built by or for
719 the exclusive use of the Department of Corrections as provided
720 in chapter 945. This exemption expires when such facility is
721 converted to other uses.

722 (d)~~(e)~~ For the addition of nursing home beds licensed under
723 chapter 400 in a number not exceeding 30 total beds or 25
724 percent of the number of beds licensed in the facility being
725 replaced under paragraph (2) (b), paragraph (2) (c), or paragraph

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726 (i) ~~(m)~~, whichever is less.

727 (e) ~~(f)~~ For state veterans' nursing homes operated by or on
728 behalf of the Florida Department of Veterans' Affairs in
729 accordance with part II of chapter 296 for which at least 50
730 percent of the construction cost is federally funded and for
731 which the Federal Government pays a per diem rate not to exceed
732 one-half of the cost of the veterans' care in such state nursing
733 homes. These beds shall not be included in the nursing home bed
734 inventory.

735 (f) ~~(g)~~ For combination within one nursing home facility of
736 the beds or services authorized by two or more certificates of
737 need issued in the same planning subdistrict. An exemption
738 granted under this paragraph shall extend the validity period of
739 the certificates of need to be consolidated by the length of the
740 period beginning upon submission of the exemption request and
741 ending with issuance of the exemption. The longest validity
742 period among the certificates shall be applicable to each of the
743 combined certificates.

744 (g) ~~(h)~~ For division into two or more nursing home
745 facilities of beds or services authorized by one certificate of
746 need issued in the same planning subdistrict. An exemption
747 granted under this paragraph shall extend the validity period of
748 the certificate of need to be divided by the length of the
749 period beginning upon submission of the exemption request and
750 ending with issuance of the exemption.

751 ~~(i) For the addition of hospital beds licensed under~~
752 ~~chapter 395 for comprehensive rehabilitation in a number that~~
753 ~~may not exceed 10 total beds or 10 percent of the licensed~~
754 ~~capacity, whichever is greater.~~

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755 ~~1. In addition to any other documentation otherwise~~
756 ~~required by the agency, a request for exemption submitted under~~
757 ~~this paragraph must:~~

758 ~~a. Certify that the prior 12-month average occupancy rate~~
759 ~~for the licensed beds being expanded meets or exceeds 80~~
760 ~~percent.~~

761 ~~b. Certify that the beds have been licensed and operational~~
762 ~~for at least 12 months.~~

763 ~~2. The timeframes and monitoring process specified in s.~~
764 ~~408.040(2)(a)-(c) apply to any exemption issued under this~~
765 ~~paragraph.~~

766 ~~3. The agency shall count beds authorized under this~~
767 ~~paragraph as approved beds in the published inventory of~~
768 ~~hospital beds until the beds are licensed.~~

769 (h) ~~(j)~~ For the addition of nursing home beds licensed under
770 chapter 400 in a number not exceeding 10 total beds or 10
771 percent of the number of beds licensed in the facility being
772 expanded, whichever is greater; or, for the addition of nursing
773 home beds licensed under chapter 400 at a facility that has been
774 designated as a Gold Seal nursing home under s. 400.235 in a
775 number not exceeding 20 total beds or 10 percent of the number
776 of licensed beds in the facility being expanded, whichever is
777 greater.

778 1. In addition to any other documentation required by the
779 agency, a request for exemption submitted under this paragraph
780 must certify that:

781 a. The facility has not had any class I or class II
782 deficiencies within the 30 months preceding the request.

783 b. The prior 12-month average occupancy rate for the

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784 nursing home beds at the facility meets or exceeds 94 percent.

785 c. Any beds authorized for the facility under this
786 paragraph before the date of the current request for an
787 exemption have been licensed and operational for at least 12
788 months.

789 2. The timeframes and monitoring process specified in s.
790 408.040 (2) (a)-(c) apply to any exemption issued under this
791 paragraph.

792 3. The agency shall count beds authorized under this
793 paragraph as approved beds in the published inventory of nursing
794 home beds until the beds are licensed.

795 ~~(k) For the establishment of:~~

796 1. ~~A Level II neonatal intensive care unit with at least 10~~
797 ~~beds, upon documentation to the agency that the applicant~~
798 ~~hospital had a minimum of 1,500 births during the previous 12~~
799 ~~months;~~

800 2. ~~A Level III neonatal intensive care unit with at least~~
801 ~~15 beds, upon documentation to the agency that the applicant~~
802 ~~hospital has a Level II neonatal intensive care unit of at least~~
803 ~~10 beds and had a minimum of 3,500 births during the previous 12~~
804 ~~months; or~~

805 3. ~~A Level III neonatal intensive care unit with at least 5~~
806 ~~beds, upon documentation to the agency that the applicant~~
807 ~~hospital is a verified trauma center pursuant to s.~~
808 ~~395.4001(15), and has a Level II neonatal intensive care unit,~~
809
810 ~~if the applicant demonstrates that it meets the requirements for~~
811 ~~quality of care, nurse staffing, physician staffing, physical~~
812 ~~plant, equipment, emergency transportation, and data reporting~~

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813 ~~found in agency certificate of need rules for Level II and Level~~
814 ~~III neonatal intensive care units and if the applicant commits~~
815 ~~to the provision of services to Medicaid and charity patients at~~
816 ~~a level equal to or greater than the district average. Such a~~
817 ~~commitment is subject to s. 408.040.~~

818 ~~(l) For the addition of mental health services or beds if~~
819 ~~the applicant commits to providing services to Medicaid or~~
820 ~~charity care patients at a level equal to or greater than the~~
821 ~~district average. Such a commitment is subject to s. 408.040.~~

822 ~~(i)~~ (m) For replacement of a licensed nursing home on the
823 same site, or within 5 miles of the same site if within the same
824 subdistrict, if the number of licensed beds does not increase
825 except as permitted under paragraph (d) ~~(e)~~.

826 ~~(j)~~ (n) For consolidation or combination of licensed nursing
827 homes or transfer of beds between licensed nursing homes within
828 the same planning district, by nursing homes with any shared
829 controlled interest within that planning district, if there is
830 no increase in the planning district total number of nursing
831 home beds and the site of the relocation is not more than 30
832 miles from the original location.

833 ~~(k)~~ (o) For beds in state mental health treatment facilities
834 defined in s. 394.455 and state mental health forensic
835 facilities operated under chapter 916.

836 ~~(l)~~ (p) For beds in state developmental disabilities centers
837 as defined in s. 393.063.

838 ~~(m)~~ (q) For the establishment of a health care facility or
839 project that meets all of the following criteria:

840 1. The applicant was previously licensed within the past 21
841 days as a health care facility or provider that is subject to

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842 subsection (1).

843 2. The applicant failed to submit a renewal application and
844 the license expired on or after January 1, 2015.

845 3. The applicant does not have a license denial or
846 revocation action pending with the agency at the time of the
847 request.

848 4. The applicant's request is for the same service type,
849 district, service area, and site for which the applicant was
850 previously licensed.

851 5. The applicant's request, if applicable, includes the
852 same number and type of beds as were previously licensed.

853 6. The applicant agrees to the same conditions that were
854 previously imposed on the certificate of need or on an exemption
855 related to the applicant's previously licensed health care
856 facility or project.

857 7. The applicant applies for initial licensure as required
858 under s. 408.806 within 21 days after the agency approves the
859 exemption request. If the applicant fails to apply in a timely
860 manner, the exemption expires on the 22nd day following the
861 agency's approval of the exemption.

862
863 ~~Notwithstanding subparagraph 1., an applicant whose license~~
864 ~~expired between January 1, 2015, and the effective date of this~~
865 ~~act may apply for an exemption within 30 days of this act~~
866 ~~becoming law.~~

867 (4) REQUESTS FOR EXEMPTION.—A request for exemption under
868 subsection (3) may be made at any time and is not subject to the
869 batching requirements of this section. The request shall be
870 supported by such documentation as the agency requires by rule.

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871 The agency shall assess a fee of \$250 for each request for
872 exemption submitted under subsection (3).

873 (5) NOTIFICATION.—Health care facilities and providers must
874 provide to the agency notification of+

875 ~~(a)~~ replacement of a health care facility when the proposed
876 project site is located in the same district and on the existing
877 site or within a 1-mile radius of the replaced health care
878 facility, if the number and type of beds do not increase.

879 ~~(b) The termination of a health care service, upon 30 days'~~
880 ~~written notice to the agency.~~

881 ~~(c) The addition or delicensure of beds.~~ Notification ~~under~~
882 ~~this subsection~~ may be made by electronic, facsimile, or written
883 means at any time before the described action has been taken.

884 Section 15. Effective July 1, 2024, section 408.0361,
885 Florida Statutes, is repealed.

886 Section 16. Section 408.037, Florida Statutes, is amended
887 to read:

888 408.037 Application content.—

889 ~~(1) Except as provided in subsection (2) for a general~~
890 ~~hospital,~~ An application for a certificate of need must contain:

891 (a) A detailed description of the proposed project and
892 statement of its purpose and need in relation to the district
893 health plan.

894 (b) A statement of the financial resources needed by and
895 available to the applicant to accomplish the proposed project.
896 This statement must include:

897 1. A complete listing of all capital projects, including
898 new health facility development projects and health facility
899 acquisitions applied for, pending, approved, or underway in any

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900 state at the time of application, regardless of whether or not
901 that state has a certificate-of-need program or a capital
902 expenditure review program pursuant to s. 1122 of the Social
903 Security Act. The agency may, by rule, require less-detailed
904 information from major health care providers. This listing must
905 include the applicant's actual or proposed financial commitment
906 to those projects and an assessment of their impact on the
907 applicant's ability to provide the proposed project.

908 2. A detailed listing of the needed capital expenditures,
909 including sources of funds.

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

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

923 ~~(2) An application for a certificate of need for a general~~
924 ~~hospital must contain a detailed description of the proposed~~
925 ~~general hospital project and a statement of its purpose and the~~
926 ~~needs it will meet. The proposed project's location, as well as~~
927 ~~its primary and secondary service areas, must be identified by~~
928 ~~zip code. Primary service area is defined as the zip codes from~~

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929 ~~which the applicant projects that it will draw 75 percent of its~~
930 ~~discharges. Secondary service area is defined as the zip codes~~
931 ~~from which the applicant projects that it will draw its~~
932 ~~remaining discharges. If, subsequent to issuance of a final~~
933 ~~order approving the certificate of need, the proposed location~~
934 ~~of the general hospital changes or the primary service area~~
935 ~~materially changes, the agency shall revoke the certificate of~~
936 ~~need. However, if the agency determines that such changes are~~
937 ~~deemed to enhance access to hospital services in the service~~
938 ~~district, the agency may permit such changes to occur. A party~~
939 ~~participating in the administrative hearing regarding the~~
940 ~~issuance of the certificate of need for a general hospital has~~
941 ~~standing to participate in any subsequent proceeding regarding~~
942 ~~the revocation of the certificate of need for a hospital for~~
943 ~~which the location has changed or for which the primary service~~
944 ~~area has materially changed. In addition, the application for~~
945 ~~the certificate of need for a general hospital must include a~~
946 ~~statement of intent that, if approved by final order of the~~
947 ~~agency, the applicant shall within 120 days after issuance of~~
948 ~~the final order or, if there is an appeal of the final order,~~
949 ~~within 120 days after the issuance of the court's mandate on~~
950 ~~appeal, furnish satisfactory proof of the applicant's financial~~
951 ~~ability to operate. The agency shall establish documentation~~
952 ~~requirements, to be completed by each applicant, which show~~
953 ~~anticipated provider revenues and expenditures, the basis for~~
954 ~~financing the anticipated cash-flow requirements of the~~
955 ~~provider, and an applicant's access to contingency financing. A~~
956 ~~party participating in the administrative hearing regarding the~~
957 ~~issuance of the certificate of need for a general hospital may~~

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958 ~~provide written comments concerning the adequacy of the~~
959 ~~financial information provided, but such party does not have~~
960 ~~standing to participate in an administrative proceeding~~
961 ~~regarding proof of the applicant's financial ability to operate.~~
962 ~~The agency may require a licensee to provide proof of financial~~
963 ~~ability to operate at any time if there is evidence of financial~~
964 ~~instability, including, but not limited to, unpaid expenses~~
965 ~~necessary for the basic operations of the provider.~~

966 (2)~~(3)~~ The applicant must certify that it will license and
967 operate the health care facility. For an existing health care
968 facility, the applicant must be the licenseholder of the
969 facility.

970 Section 17. Paragraphs (c) and (d) of subsection (3),
971 paragraphs (b) and (c) of subsection (5), and paragraph (d) of
972 subsection (6) of section 408.039, Florida Statutes, are amended
973 to read:

974 408.039 Review process.—The review process for certificates
975 of need shall be as follows:

976 (3) APPLICATION PROCESSING.—

977 ~~(c) Except for competing applicants, in order to be~~
978 ~~eligible to challenge the agency decision on a general hospital~~
979 ~~application under review pursuant to paragraph (5)(c), existing~~
980 ~~hospitals must submit a detailed written statement of opposition~~
981 ~~to the agency and to the applicant. The detailed written~~
982 ~~statement must be received by the agency and the applicant~~
983 ~~within 21 days after the general hospital application is deemed~~
984 ~~complete and made available to the public.~~

985 ~~(d) In those cases where a written statement of opposition~~
986 ~~has been timely filed regarding a certificate of need~~

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987 ~~application for a general hospital, the applicant for the~~
988 ~~general hospital may submit a written response to the agency.~~
989 ~~Such response must be received by the agency within 10 days of~~
990 ~~the written statement due date.~~

991 (5) ADMINISTRATIVE HEARINGS.—

992 (b) Hearings shall be held in Tallahassee unless the
993 administrative law judge determines that changing the location
994 will facilitate the proceedings. The agency shall assign
995 proceedings requiring hearings to the Division of Administrative
996 Hearings of the Department of Management Services within 10 days
997 after the time has expired for requesting a hearing. Except upon
998 unanimous consent of the parties or upon the granting by the
999 administrative law judge of a motion of continuance, hearings
1000 shall commence within 60 days after the administrative law judge
1001 has been assigned. ~~For an application for a general hospital,~~
1002 ~~administrative hearings shall commence within 6 months after the~~
1003 ~~administrative law judge has been assigned, and a continuance~~
1004 ~~may not be granted absent a finding of extraordinary~~
1005 ~~circumstances by the administrative law judge.~~ All parties,
1006 except the agency, shall bear their own expense of preparing a
1007 transcript. In any application for a certificate of need which
1008 is referred to the Division of Administrative Hearings for
1009 hearing, the administrative law judge shall complete and submit
1010 to the parties a recommended order as provided in ss. 120.569
1011 and 120.57. The recommended order shall be issued within 30 days
1012 after the receipt of the proposed recommended orders or the
1013 deadline for submission of such proposed recommended orders,
1014 whichever is earlier. The division shall adopt procedures for
1015 administrative hearings which shall maximize the use of

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1016 stipulated facts and shall provide for the admission of prepared
1017 testimony.

1018 (c) In administrative proceedings challenging the issuance
1019 or denial of a certificate of need, only applicants considered
1020 by the agency in the same batching cycle are entitled to a
1021 comparative hearing on their applications. Existing health care
1022 facilities may initiate or intervene in an administrative
1023 hearing upon a showing that an established program will be
1024 substantially affected by the issuance of any certificate of
1025 need, whether reviewed under s. 408.036(1) or (2), to a
1026 competing proposed facility or program within the same district.
1027 ~~With respect to an application for a general hospital, competing~~
1028 ~~applicants and only those existing hospitals that submitted a~~
1029 ~~detailed written statement of opposition to an application as~~
1030 ~~provided in this paragraph may initiate or intervene in an~~
1031 ~~administrative hearing. Such challenges to a general hospital~~
1032 ~~application shall be limited in scope to the issues raised in~~
1033 ~~the detailed written statement of opposition that was provided~~
1034 ~~to the agency. The administrative law judge may, upon a motion~~
1035 ~~showing good cause, expand the scope of the issues to be heard~~
1036 ~~at the hearing. Such motion shall include substantial and~~
1037 ~~detailed facts and reasons for failure to include such issues in~~
1038 ~~the original written statement of opposition.~~

1039 (6) JUDICIAL REVIEW.—

1040 ~~(d) The party appealing a final order that grants a general~~
1041 ~~hospital certificate of need shall pay the appellee's attorney's~~
1042 ~~fees and costs, in an amount up to \$1 million, from the~~
1043 ~~beginning of the original administrative action if the appealing~~
1044 ~~party loses the appeal, subject to the following limitations and~~

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1045 ~~requirements:~~

1046 ~~1. The party appealing a final order must post a bond in~~
1047 ~~the amount of \$1 million in order to maintain the appeal.~~

1048 ~~2. Except as provided under s. 120.595(5), in no event~~
1049 ~~shall the agency be held liable for any other party's attorney's~~
1050 ~~fees or costs.~~

1051 Section 18. Subsection (1) of section 408.043, Florida
1052 Statutes, is amended to read:

1053 408.043 Special provisions.—

1054 ~~(1) OSTEOPATHIC ACUTE CARE HOSPITALS.—When an application~~
1055 ~~is made for a certificate of need to construct or to expand an~~
1056 ~~osteopathic acute care hospital, the need for such hospital~~
1057 ~~shall be determined on the basis of the need for and~~
1058 ~~availability of osteopathic services and osteopathic acute care~~
1059 ~~hospitals in the district. When a prior certificate of need to~~
1060 ~~establish an osteopathic acute care hospital has been issued in~~
1061 ~~a district, and the facility is no longer used for that purpose,~~
1062 ~~the agency may continue to count such facility and beds as an~~
1063 ~~existing osteopathic facility in any subsequent application for~~
1064 ~~construction of an osteopathic acute care hospital.~~

1065 Section 19. Subsection (3) of section 408.808, Florida
1066 Statutes, is amended to read:

1067 408.808 License categories.—

1068 (3) INACTIVE LICENSE.—An inactive license may be issued to
1069 a hospital or a health care provider subject to the certificate-
1070 of-need provisions in part I of this chapter when the provider
1071 is currently licensed, does not have a provisional license, and
1072 will be temporarily unable to provide services but is reasonably
1073 expected to resume services within 12 months. Such designation

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1074 may be made for a period not to exceed 12 months but may be
1075 renewed by the agency for up to 12 additional months upon
1076 demonstration by the licensee of the provider's progress toward
1077 reopening. However, if after 20 months in an inactive license
1078 status, a statutory rural hospital, as defined in s. 395.602,
1079 has demonstrated progress toward reopening, but may not be able
1080 to reopen prior to the inactive license expiration date, the
1081 inactive designation may be renewed again by the agency for up
1082 to 12 additional months. For purposes of such a second renewal,
1083 if construction or renovation is required, the licensee must
1084 have had plans approved by the agency and construction must have
1085 already commenced pursuant to s. 408.032(4); however, if
1086 construction or renovation is not required, the licensee must
1087 provide proof of having made an enforceable capital expenditure
1088 greater than 25 percent of the total costs associated with the
1089 hiring of staff and the purchase of equipment and supplies
1090 needed to operate the facility upon opening. A request by a
1091 licensee for an inactive license or to extend the previously
1092 approved inactive period must be submitted to the agency and
1093 must include a written justification for the inactive license
1094 with the beginning and ending dates of inactivity specified, a
1095 plan for the transfer of any clients to other providers, and the
1096 appropriate licensure fees. The agency may not accept a request
1097 that is submitted after initiating closure, after any suspension
1098 of service, or after notifying clients of closure or suspension
1099 of service, unless the action is a result of a disaster at the
1100 licensed premises. For the purposes of this section, the term
1101 "disaster" means a sudden emergency occurrence beyond the
1102 control of the licensee, whether natural, technological, or

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1103 manmade, which renders the provider inoperable at the premises.
1104 Upon agency approval, the provider shall notify clients of any
1105 necessary discharge or transfer as required by authorizing
1106 statutes or applicable rules. The beginning of the inactive
1107 license period is the date the provider ceases operations. The
1108 end of the inactive license period shall become the license
1109 expiration date. All licensure fees must be current, must be
1110 paid in full, and may be prorated. Reactivation of an inactive
1111 license requires the approval of a renewal application,
1112 including payment of licensure fees and agency inspections
1113 indicating compliance with all requirements of this part,
1114 authorizing statutes, and applicable rules.

1115 Section 20. Except as otherwise expressly provided in this
1116 act, this act shall take effect July 1, 2021.