

**HOUSE OF REPRESENTATIVES STAFF ANALYSIS
FINAL BILL ANALYSIS**

BILL #: CS/CS/HB 449 Alzheimer's Disease

SPONSOR(S): Health & Human Services Committee and Children, Families & Seniors Subcommittee, Willhite and others

TIED BILLS: IDEN./SIM. BILLS: CS/SB 860

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Children, Families & Seniors Subcommittee	15 Y, 0 N, As CS	Raya	Brazzell
2) Health Care Appropriations Subcommittee	8 Y, 0 N	Nobles	Clark
3) Health & Human Services Committee	16 Y, 0 N, As CS	Raya	Calamas

FINAL HOUSE FLOOR ACTION: 114 Y's 0 N's **GOVERNOR'S ACTION:** Approved

SUMMARY ANALYSIS

CS/CS/HB 449 passed the House on March 27, 2019, and subsequently passed the Senate on April 26, 2019.

In Florida, an estimated 540,000 individuals have Alzheimer's disease. The Alzheimer's Disease Advisory Committee advises the Department of Elder Affairs (DOEA) on matters regarding individuals with Alzheimer's disease and their caretakers. The committee is composed of ten members appointed by the Governor.

CS/CS/HB 449 requires the Alzheimer's Disease Advisory Committee to submit an annual report including recommendations on Alzheimer's disease policy to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the Secretary of Elder Affairs by September 1 of each year. The bill also requires DOEA to use the committee's report to review the Alzheimer's disease state plan and to submit an updated state plan to the Governor, the President of the Senate, and the Speaker of the House of Representatives every three years, beginning November 1, 2020.

The bill increases the membership of the committee to 15 members with the addition of a first responder and appointees of the President of the Senate and Speaker of the House of Representatives.

The bill establishes a memory disorder clinic at Miami Jewish Health System in Miami-Dade County and removes the requirement that memory disorder clinics be funded before June 30, 1995, to avoid decreased funding due solely to additions of memory disorder clinics to s. 430.502(2), F.S.

The bill does not have a fiscal impact on state or local governments.

The bill was approved by the Governor on June 26, 2019, chapter 2019-147, Laws of Florida. The effective date of this bill is July 1, 2019.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Background

Alzheimer's Disease

Alzheimer's disease is a form of dementia, a general term for memory loss. It is a progressive brain disorder that damages and eventually destroys brain cells, leading to memory loss and changes in the functions of the brain.¹ Alzheimer's disease accounts for 60 to 80 percent of dementia cases.² Alzheimer's disease is a progressive disease in which dementia symptoms worsen gradually over time. In the early stages of Alzheimer's disease, memory loss is mild, but in late-stage Alzheimer's, individuals lose the ability to carry on a conversation and respond to their environment.³ Currently, there is no cure for Alzheimer's disease, but treatments that can temporarily slow the worsening of symptoms do exist.⁴

There are an estimated 5.7 million people in the United States with Alzheimer's disease, including 5.5 million people aged 65 and older and 200,000 individuals under age 65 who have younger-onset Alzheimer's disease.⁵ By 2050, the number of people aged 65 and older with Alzheimer's disease in the U.S. is expected to nearly triple to a projected 13.8 million people.⁶

Florida has an increasing number of individuals with Alzheimer's disease. An estimated 540,000 Floridians have Alzheimer's disease.⁷ The projected number of Floridians with Alzheimer's disease is estimated to increase by 33.3% to 720,000 individuals by 2025.⁸

Alzheimer's Disease Initiative

Section 430.503, F.S. creates the Alzheimer's Disease Initiative within the Department of Elder Affairs (DOEA).⁹ The Alzheimer's Disease Initiative is a \$27 million program operating statewide that provides services to individuals and families affected by Alzheimer's disease.¹⁰ The initiative includes the following four programs administered by DOEA:¹¹

- Respite care and other support services for caregivers,
- Memory Disorder Clinics,
- Specialized Alzheimer's Adult Day Care Centers, which provide specialized services for clients with Alzheimer's disease, and

¹ Alzheimer's Association, *What is Alzheimer's?*, http://www.alz.org/alzheimers_disease_what_is_alzheimers.asp (last visited Feb. 11, 2019).

² Id.

³ Id.

⁴ Id.

⁵ Alzheimer's Association, *2018 Alzheimer's Disease Facts and Figures*, available at <https://www.alz.org/media/HomeOffice/Facts%20and%20Figures/facts-and-figures.pdf> (last visited Feb. 11, 2019).

⁶ Id.

⁷ Alzheimer's Association, *Alzheimer's Statistics: Florida*, available at https://alz.org/getmedia/4d0840b6-0baa-4b97-8a0e-1775cfbf44a4/statesheet_florida (last visited Feb. 11, 2019).

⁸ Id.

⁹ S. 430.503(1), F.S.

¹⁰ Florida Department of Elder Affairs, Agency Analysis of 2019 House Bill 449, p. 2 (Feb. 7, 2019).

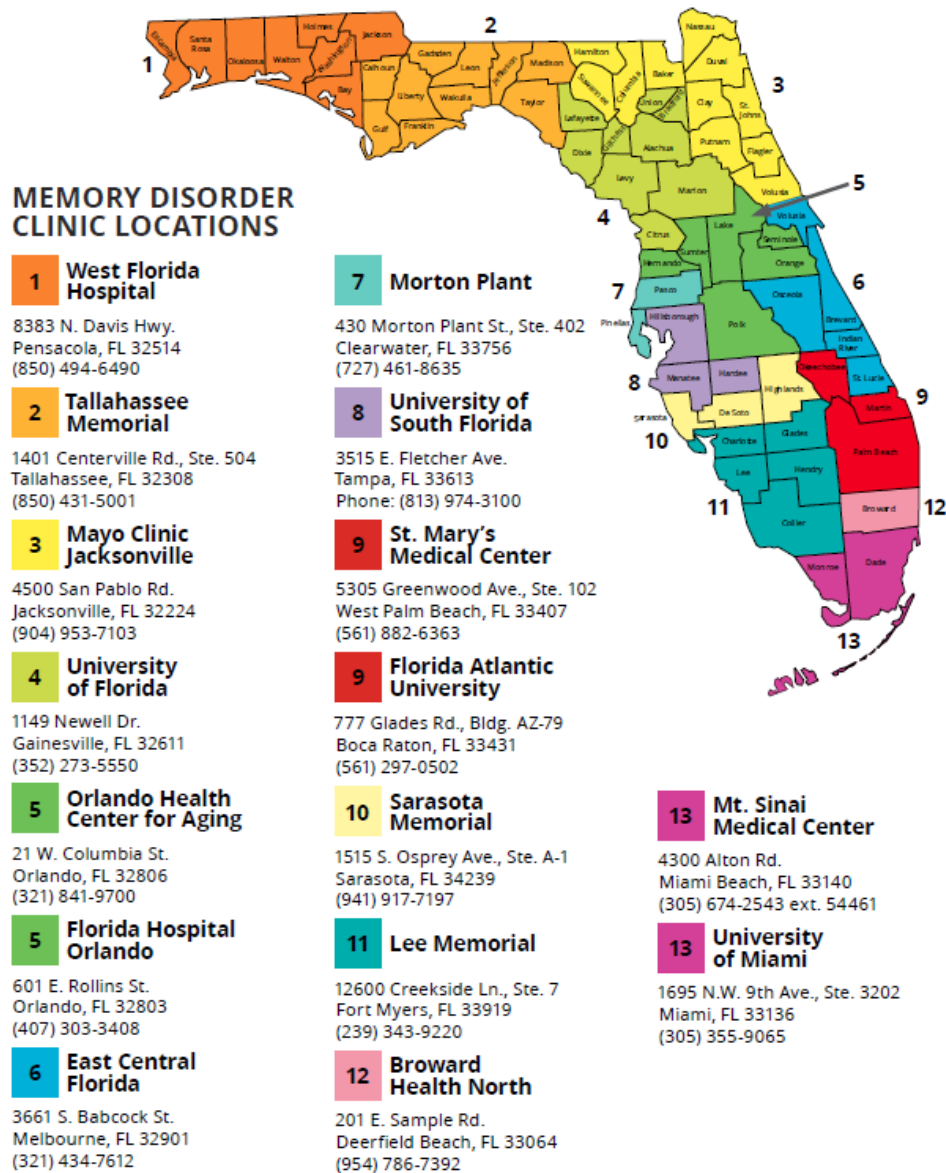
¹¹ Florida Department of Elder Affairs, *Alzheimer's Disease Initiative*, <http://elderaffairs.state.fl.us/english/alz.php> (last visited Feb. 11, 2019).

- The Florida Alzheimer’s Brain Bank, which is a service-and research-oriented network of statewide regional sites. The intent of the Brain Bank program is to collect and study the brains of deceased patients who had been clinically diagnosed with dementia.¹²

Memory Disorder Clinics

Section 430.502(1), F.S., designates 16 memory disorder clinics (MDCs)¹³ that provide comprehensive assessments, diagnostic services, and treatment to individuals who exhibit symptoms of Alzheimer’s disease and related memory disorders. The MDCs operate in 13 distinct service areas.¹⁴

MDC Service Areas and Locations¹⁵



¹² Florida Department of Elder Affairs, *The Florida Brain Bank*, <http://elderaffairs.state.fl.us/doea/BrainBank/index.php> (last visited Feb. 11, 2019).

¹³ S. 430.502(1), F.S.

¹⁴ Florida Department of Elder Affairs, *Summary of Programs and Services 2019*, available at http://elderaffairs.state.fl.us/doea/pubs/pubs/sops2019/2019_SOPS_A.pdf (last visited Feb. 15, 2019).

¹⁵ Id.

MDCs also develop training programs and materials, and conduct training for caregivers, respite service providers, and health care professionals in the care of persons with Alzheimer's disease and related memory disorders.¹⁶ In addition, MDCs conduct service-related research projects through model day care programs and respite care programs.¹⁷ MDCs are established at medical schools, teaching hospitals, and public and private not-for-profit hospitals throughout the state in accordance with section s. 430.502, F.S. MDCs served 9,753 clients in 2017-2018, and the MDCs are projected to serve 10,516 clients in 2018-2019.¹⁸

MDCs receive performance-based funding from the General Revenue Fund.¹⁹ Generally, the legislature appropriates funding for whole Alzheimer's Disease Initiative program and DOEA determines the distribution amounts for the MDCs without legislative direction. For example, the 2018-2019 General Appropriations Act (GAA) provided \$26,916,231 from the General Revenue Fund to the Alzheimer's Disease Initiative, but did not direct specific amounts to individual MDCs.²⁰ The 2017-2018 GAA also provided \$25,026,148 from the General Revenue Fund to the Alzheimer's Disease Initiative without specific reference to the individual MDCs.²¹ At times, the legislature has designated a specific appropriation for a new MDC, which amount is included (but not specifically identified) in the base total in the future years.²²

To receive base level funding, MDCs must meet minimum performance measures established by DOEA. Fifteen of the MDCs receive \$222,801 in annual base level funding.²³ One MDC, Mt. Sinai, receives \$294,469 in annual base level funding.²⁴ Incentive funding, subject to legislative approval, is available for MDCs that meet additional performance measures established by DOEA.²⁵ Performance measures are established by DOEA in its annual contracts with the MDCs.²⁶

Section 430.502(1), F.S., expressly prohibits decreasing funding for MDCs funded as of June 30, 1995,²⁷ solely to accommodate subsequent MDC additions.²⁸ The following clinics were funded before June 30, 1995, and, therefore, are protected from a redistribution of base funding under the statute:²⁹

- University of Florida,
- University of South Florida,
- University of Miami,
- Mount Sinai Medical Center,
- North Broward Regional Medical Center,
- Florida Institute of Technology, and

¹⁶ Florida Department of Elder Affairs, *Alzheimer's Disease Initiative*, <http://elderaffairs.state.fl.us/english/alz.php> (last visited Feb. 11, 2019).

¹⁷ *Id.*

¹⁸ *Supra* note 14.

¹⁹ S. 430.502(3) and (4), F.S.; Florida Department of Elder Affairs, Agency Analysis of 2017 House Bill 883 (Mar. 9, 2017).

²⁰ Conference Committee Report for enrolled House Bill 5001, 2018-2019 General Appropriations Act, Specific Appropriation 394.

²¹ Conference Committee Report for enrolled Senate Bill 2500, 2017-2018 General Appropriations Act, Specific Appropriation 391.

²² See, e.g., Conference Committee Report for enrolled House Bill 5001, 2018-2019 General Appropriations Act, Specific Appropriation 394, which provided a specific line item for the new MDC at the Florida Hospital in Orange County.

²³ Email from Scott Read, Director of Legislative Affairs, Department of Elder Affairs, RE: Funding amounts for memory disorder clinics (Feb. 18, 2019).

²⁴ *Id.*

²⁵ *Id.*

²⁶ S. 430.502(3) and (4), F.S.; *Id.*

²⁷ Prior to 1995, MDCs were established at each of the three medical schools in the state, major private nonprofit research-oriented teaching hospital and in a public hospital that is operated by an independent special hospital taxing district that governs multiple hospitals and is located in a county with a population greater than 800,000 persons. See s. 37, CH. 95-418 L.O.F.

²⁸ S. 430.502(1), F.S. This provision does not apply to the legislature's determination of base funding, or any future direction it may choose to provide as to distribution by DOEA: the legislature may choose to appropriate funds in any amount in any given year, and may choose to hold any MDC harmless from a funding reduction caused by a redistribution to benefit a new MDC, regardless of when the preexisting MDC began receiving state funds.

²⁹ Rule 58D-1.002, F.A.C., as adopted March 28, 1995.

- Mayo Clinic Jacksonville.

Current clinics that were funded after June 30, 1995, and are not statutorily protected from base funding redistributions, include:

- West Florida Hospital,
- Tallahassee Memorial,
- Orlando Health Center for Aging,
- Florida Hospital Orlando,
- Morton Plant,
- St. Mary's Medical Center,
- Florida Atlantic University,
- Sarasota Memorial, and
- Lee Memorial.

This provision limits DOEA's discretion as to how to distribute the base funds. In practice, it appears DOEA does not redistribute funds at all when a new MDC is created without new base funding for it; rather, DOEA funds the new MDC only when new base funding is available for it, effectively holding all preexisting MDCs harmless, regardless of when they were authorized in statute.³⁰ Each year, DOEA distributes the same amount historically appropriated to each MDC³¹.

Alzheimer's Disease Advisory Committee

Section 430.501, F.S., establishes the Alzheimer's Disease Advisory Committee to advise DOEA on legislative, programmatic, and administrative matters regarding individuals with Alzheimer's disease and their caretakers. The committee is established within DOEA and composed of 10-members appointed by the Governor, which must reflect the following representation³² :

- At least four members must be persons licensed pursuant to ch.458 or 459, F.S., or hold a Ph.D. degree and be currently involved in research on Alzheimer's disease;
- At least four persons who have been caregivers of victims of Alzheimer's disease; and
- Whenever possible, a gerontologist, a geriatric psychiatrist, a geriatrician, a neurologist, a social worker and a registered nurse.

Committee members are appointed to four-year staggered terms. The chair is elected by the committee and serves a one-year term. The committee may establish subcommittees as necessary to carry out the functions of the committee. Currently, the committee has four standing subcommittees regarding clinical services, home and community based care, education and research, and legislative advocacy.³³

Purple Ribbon Task Force

Chapter 2012-172, Laws of Florida, created the Purple Ribbon Task Force. The task force was composed of 18 members with 6 members appointed by the Governor, 6 members appointed by the Speaker of the House of Representatives, and 6 members appointed by the President of the Senate.³⁴

³⁰ See, e.g., Conference Committee Report for enrolled House Bill 5001, 2018-2019 General Appropriations Act, Specific Appropriation 394, which provided a specific line item for the new MDC at the Florida Hospital in Orange County, which was added to s. 430.502(2), F.S., the year before by Ch. 2017-146, Laws of Fla., and which DOEA did not fund until the appropriation was made.

³¹ See, ADI Allocation, Fiscal Years 2007-2008 - 2018-2019, Department of Elder Affairs, May 15, 2019, on file with Health and Human Services Committee staff. DOEA seems apparently maintains the amount originally directed in proviso when the MDC was created, if any, although this direction expired with that year's GAA

³² S. 430.501, F.S.

³³ Alzheimer's Disease Advisory Committee, *2009-2016 Summary of Accomplishments*, available at http://elderaffairs.state.fl.us/doea/alz/ADI_Accomplishments.pdf (last visited Feb. 11, 2019).

³⁴ Ch. 2012-172, Laws of Fla.

The law required the task force to conduct an interim study regarding Alzheimer's disease in the state.³⁵ This study required the task force to:³⁶

- Assess the current and future impact of Alzheimer's disease on the state;
- Examine existing industries, services, and resources that address the needs of persons with Alzheimer's disease;
- Develop a strategy to mobilize a state response to Alzheimer's disease; and
- Gather information on state trends and policy regarding Alzheimer's disease.

Additionally, the law required the task force to submit a report in the form of an Alzheimer's disease state plan.³⁷ The 2013 completed report by the task force is the State Plan on Alzheimer's Disease and Related Forms of Dementia.³⁸ The state report included the task force's findings and recommendations. Upon submission of this report, pursuant to law, the Purple Ribbon Task force terminated.

Effect of Proposed Changes

CS/CS/HB 449 requires the Alzheimer's Disease Advisory Committee to submit an annual report to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the Secretary of Elder Affairs by September 1 of each year. The report must include recommendations on Alzheimer's disease policy, all state-funded Alzheimer's disease efforts, and proposed updates to the Alzheimer's disease state plan.

DOEA is required to review and update the Alzheimer's disease state plan, which must address the issues contained within the state plan initially created by the 2012 the Purple Ribbon Task Force report. For example, the state plan must include an assessment on the current and future impact of Alzheimer's disease, an examination of existing resources available to persons living with Alzheimer's disease, and other information regarding Alzheimer's disease trends and policies in the state.

DOEA must use the report submitted by the Alzheimer's Disease Advisory Committee and collaborate with other organizations and professionals when updating the state plan. DOEA must submit the updated state plan every three years, beginning November 1, 2020, to the Governor, the President of the Senate, and the Speaker of the House of Representatives.

The bill increases the membership of the Alzheimer's Disease Advisory Committee to 15 members. The bill also requires the Senate President and House Speaker to each appoint two members, to include a sitting member of each chamber, and adds a first responder to the gubernatorial appointments.

The bill establishes a memory disorder clinic at Miami Jewish Health System in Miami-Dade County.³⁹

It also removes the requirement that memory disorder clinics be funded before June 30, 1995, to avoid decreased funding due solely to additions of memory disorder clinics to the list provided in s. 430.502(2), F.S. This means that the following clinics, and any others subsequently established and funded, would be statutorily protected from funding reductions due to the funding of additional clinics:

- West Florida Hospital,
- Tallahassee Memorial,
- Orlando Health Center for Aging,
- Florida Hospital Orlando,

³⁵ Id.

³⁶ Id.

³⁷ Id.

³⁸ Florida Department of Elder Affairs, *Purple Ribbon Task Force State Plan on Alzheimer's Disease and Related Forms of Dementia*, available at <https://www.alz.org/media/Documents/florida-state-plan-august-2013.pdf> (last visited Feb. 11, 2019).

³⁹ No appropriation was provided for this new MDC in the 2019-2020 GAA.

- Morton Plant,
- St. Mary's Medical Center,
- Florida Atlantic University,
- Sarasota Memorial, and
- Lee Memorial.

This will likely not impact the total funding amount distributed to the MDCs. As the legislature increases the total Alzheimer's Disease Initiative funding amount each time a new MDC is established, the MDCs have not yet been at risk of having their funding decreased.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The bill requires the DOEA to update the Alzheimer's disease state plan every three years based on the report submitted by the Alzheimer's Disease Advisory Committee and to administratively support the Committee. The additional workload and costs to the DOEA will be minimal and can be absorbed within existing department resources.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.