

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: PCS/CS/SB 1370 (651134)

INTRODUCER: Appropriations Committee (Recommended by Appropriations Subcommittee on Health and Human Services); Health Policy Committee; and Senator Harrell

SUBJECT: Patient Safety Culture Surveys

DATE: February 26, 2020

REVISED: _____

| | ANALYST | STAFF DIRECTOR | REFERENCE | ACTION |
|----|-----------------|----------------|------------|--------------------------|
| 1. | <u>Looke</u> | <u>Brown</u> | <u>HP</u> | <u>Fav/CS</u> |
| 2. | <u>McKnight</u> | <u>Kidd</u> | <u>AHS</u> | <u>Recommend: Fav/CS</u> |
| 3. | <u>McKnight</u> | <u>Kynoch</u> | <u>AP</u> | <u>Pre-meeting</u> |

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

PCS/CS/SB 1370 amends several sections of law to require each hospital and ambulatory surgical center (ASC), including facilities operating exclusively as state facilities, to conduct a patient safety culture survey at least biennially. The bill specifies that facilities must use the Hospital Survey on Patient Safety Culture developed by the federal Agency for Healthcare Research and Quality, requires the survey to be anonymous, allows facilities to contract for the administration of the survey, and requires each facility to submit survey data to the Agency for Health Care Administration (AHCA).

The bill requires the Florida Center for Health Information and Transparency (Florida Center) to customize the survey with additional questions and to collect, compile, and publish aggregated survey data.

The bill authorizes one full-time equivalent (FTE) position with an associated salary rate of 46,560, and \$75,306 in recurring funds and \$87,171 in nonrecurring funds from the Health Care Trust Fund, in Fiscal Year 2020-2021 to the AHCA to implement the bill. See Section V.

The bill takes effect July 1, 2020.

II. Present Situation:

Health Care Facility Regulation

Hospitals

Hospitals are regulated by the Agency for Health Care Administration (AHCA) under ch. 395, F.S., and the general licensure provisions of part II, of ch. 408, F.S. Hospitals offer a range of health care services with beds for use beyond 24 hours by individuals requiring diagnosis, treatment, or care.¹ Hospitals must make regularly available, at a minimum, clinical laboratory services, diagnostic X-ray services, and treatment facilities for surgery or obstetrical care, or other definitive medical treatment.²

Ambulatory Surgical Centers

An ambulatory surgical center (ASC) is a facility, which is not a part of a hospital, with the primary purpose of providing elective surgical care, in which the patient is admitted and discharged within 24 hours.³ ASCs are licensed and regulated by the AHCA under the same regulatory framework as hospitals.⁴

AHCA Regulation of Hospitals and ASCs

There are 306 licensed hospitals and 479 licensed ASCs in the State of Florida.⁵ As part of state and federal regulatory oversight, the AHCA conducts onsite inspections of hospitals and ASCs to evaluate factors such as:

- Management and administration;
- Nursing services;
- Social services;
- Dietary services;
- Laboratory services; and
- Compliance with state and federal fire safety codes.

The AHCA's regulatory inspections occur periodically, according to specific guidelines for each facility type, and to investigate complaints and serious incidents. The AHCA also conducts annual risk management inspections in each licensed hospital. When deficiencies are found, a report is generated to the facility for corrective action. When necessary, the AHCA staff conducts follow-up surveys or recommend sanctions, fines, and de-certifications when appropriate.

Section 1865(a)(1) of the Social Security Act permits providers and suppliers "accredited" by an approved national accreditation organization (AO) to be exempt from routine surveys by state survey agencies to determine compliance with Medicare conditions. Accreditation by an AO is

¹ Section 395.002(12), F.S.

² *Id.*

³ Section 395.002(3), F.S.

⁴ Sections 395.001-1065, F.S., and Part II, Chapter 408, F.S.

⁵ Agency for Health Care Administration, *House Bill 763 Analysis* (December 4, 2019) (on file with the Senate Committee on Health Policy).

voluntary and is not required for Medicare certification or participation in the Medicare program. Hospitals and ASCs, when accredited, are deemed exempt from the AHCA routine inspections. Currently, 285 hospitals and 404 ASCs are accredited.⁶

Adverse Incidents

The AHCA manages serious patient injury reporting, tracking, trending, and problem resolution programs in hospitals, ASCs, assisted living facilities, nursing homes, and certain health maintenance organizations, as directed by the Florida Statutes. The term “adverse incident” is defined in s. 395.0197(5), F.S., for purposes of reporting to the AHCA from hospitals and ASCs. Section 395.0197(5), F.S., also provides a list of adverse incidents, whether occurring in the licensed facility or arising from health care prior to admission in the licensed facility, that must be reported by the facility to the AHCA within 15 calendar days after its occurrence.

The definition and the list are not identical. Due to this inconsistency, some facilities have communicated uncertainty to the AHCA about whether or not to report certain incidents. This feedback indicates that some hospitals may be under-reporting some incidents while others may be over-reporting. During calendar year 2018, 15 hospitals were cited by the AHCA for failure to submit adverse incident reports while no ASCs were cited.⁷

Adverse incidents are self-reported by the facilities once they determine that an incident meets the statutory definition. The AHCA receives and reviews more than 5,000 adverse incident reports annually. The most frequently reported outcomes from hospitals and ASCs are patient death, a patient requiring surgery that is unrelated to their admitting diagnosis, and surgery to remove a foreign object from a previous surgery. The AHCA publishes quarterly and annual statistics for adverse incidents as required by law. The number of adverse incidents reported from hospitals and ASCs over the previous five calendar years are shown in the following table:⁸

| Adverse Incidents Reported to the AHCA | | |
|---|------------------|-------------|
| Calendar Year | Hospitals | ASCs |
| 2019* | 617 | 70 |
| 2018 | 636 | 77 |
| 2017 | 520 | 62 |
| 2016 | 470 | 58 |
| 2015 | 483 | 69 |
| 2014 | 427 | 80 |

**12-month estimate based on 11 months of data*

Patient Safety Culture Surveys

Organizational culture refers to the beliefs, values, and norms shared by staff throughout the organization that influence their actions and behaviors. Patient safety culture is the extent to

⁶ *Supra* note 5.

⁷ *Id.*

⁸ *Id.*

which these beliefs, values, and norms support and promote patient safety.⁹ Patient safety culture can be measured by determining what is rewarded, supported, expected, and accepted in an organization as it relates to patient safety.¹⁰ In a safe culture, employees are guided by an organization-wide commitment to safety in which each member upholds his or her own safety norms and those of co-workers.

Agency for Healthcare Research and Quality Hospital and ASC Patient Safety Culture Survey

In 2004, the federal Agency for Healthcare Research and Quality (AHRQ) released the Hospital Survey on Patient Safety Culture (SOPS 1.0), a staff survey designed to help hospitals assess the culture of safety in their institutions by measuring how their staff perceive various aspects of patient safety culture.¹¹ The survey occurs once every two years and has since been implemented in hundreds of hospitals across the United States and in other countries.

In 2018, the federal AHRQ began developing a new version of the survey, with the goal of shortening the survey.¹² A pilot test was conducted with 25 hospitals, the data from which were used to examine the survey's reliability. In 2019, the federal AHRQ released a new version of the survey, the SOPS 2.0.¹³

The survey asks respondents to indicate to what degree they agree or disagree with a statement, how often something occurs, or provide a specific number or grade. Excerpts of the survey follow.

- Teamwork
 - In this unit, we work together as an effective team.
 - During busy times, staff in this unit help each other.
 - There is a problem with disrespectful behavior by those working in this unit.
 - When one area in this unit gets really busy, others help out.
- Supervisor/Manager, or Clinical Leader Support for Patient Safety
 - My supervisor/manager or clinical leader seriously considers staff suggestions for improving patient safety.
 - My supervisor/manager or clinical leader wants us to work faster during busy times, even if it means taking shortcuts.
 - My supervisor/manager or clinical leader takes action to address patient safety concerns that are brought to their attention.
- Hospital Management Support for Patient Safety

⁹ U.S. Department of Health and Human Services, Agency for Healthcare Research and Quality, *2018 User Database Report-Hospital Survey on Patient Safety Culture*, p. 3, (March 2018) available at <https://www.ahrq.gov/sites/default/files/wysiwyg/sops/quality-patient-safety/patientsafetyculture/2018hospitalsopsreport.pdf> (last viewed Feb. 6, 2020).

¹⁰ *Id.*

¹¹ U.S. Department of Health and Human Services, Agency for Healthcare Research and Quality, *Hospital Survey on Patient Safety Culture*, (March 2018) available at <http://www.ahrq.gov/professionals/quality-patient-safety/patientsafetyculture/hospital/index.html> (last viewed Feb. 6, 2020).

¹² U.S. Department of Health and Human Services, Agency for Healthcare Research and Quality, *Pilot Test Results from the 2019 AHRQ Surveys on Patient Safety Culture (SOPS) Hospital Survey Version 2.0*, p. 2, (September 2019) available at <http://www.ahrq.gov/sites/default/files/wysiwyg/sops/surveys/hospital/hsops2-pilot-results-parti.pdf> (last viewed Feb. 6, 2020).

¹³ The survey is available at <http://www.ahrq.gov/sops/surveys/hospital/index.html> (last viewed Feb. 6, 2020).

- Hospital management provides adequate resources to improve patient safety.
- The actions of hospital management show that patient safety is a top priority.
- Hospital management seems interested in patient safety only after an adverse event happens.
- Communication Openness
 - In this unit, staff speak up if they see something that may negatively affect patient care.
 - When staff in this unit see someone with more authority doing something unsafe for patients, they speak up.
 - In this unit, staff are afraid to ask questions when something does not seem right.
- Handoffs and Information Exchange
 - When transferring patients from one unit to another, important information is often left out.
 - During shift changes, important patient care information is often left out.
 - During shift changes, there is adequate time to exchange all key patient care information.
- Patient Safety Grade- Poor, Fair, Good, Very Good, Excellent
 - How would you rate your unit/work area on patient safety?¹⁴

The federal AHRQ developed a comparative database on the survey, composed of data from U.S. hospitals that administered the survey and voluntarily submitted the data.¹⁵ The database allows hospitals to compare their patient safety culture survey results to those of other hospitals in support of patient safety culture improvement.¹⁶ The federal AHRQ utilizes the database to publish a biennial report presenting non-identifiable statistics on the patient safety culture of all participating hospitals. In 2018, 630 hospitals submitted survey results to the database. However, only 306 of those hospitals submitted surveys in 2016. As a result, to identify trends, comparisons can only be drawn from the data submitted by those 306 hospitals.¹⁷

The federal AHRQ also developed the Ambulatory Surgery Center Survey on Patient Safety Culture in response to interest from ASCs in assessing patient safety culture in their facilities. This survey is designed specifically for ASC staff and asks for their opinions about the culture of patient safety in their facility.¹⁸ In 2014, the federal AHRQ conducted a pilot study on the use of the Patient Safety Culture survey in 59 ASCs.¹⁹ The pilot study was intended to help ASCs assess the extent to which their culture emphasizes the importance of patient safety by viewing the patient safety culture survey results of the ASCs participating in the study.²⁰ The study was also used to prove the reliability and structure of the questions and items contained in the

¹⁴ *Id.*

¹⁵ The database is available at <http://www.ahrq.gov/sops/databases/hospital/index.html> (last viewed Feb. 6, 2020).

¹⁶ U.S. Department of Health and Human Services, Agency for Healthcare Research and Quality, *2018 User Database Report-Hospital Survey on Patient Safety Culture*, at p. 1, available at <https://www.ahrq.gov/sites/default/files/wysiwyg/sops/quality-patient-safety/patientsafetyculture/2018hospitalsopsreport.pdf> (last viewed Feb. 6, 2020).

¹⁷ *Id.* at p. 29.

¹⁸ The survey is available at <https://www.ahrq.gov/sops/surveys/asc/index.html>. (last viewed Feb. 6, 2020).

¹⁹ U.S. Department of Health and Human Services, Agency for Healthcare Research and Quality, *Results From the 2014 AHRQ Ambulatory Surgery Center Survey on Patient Safety Culture Pilot Study*, (April 2015) available at https://www.ahrq.gov/sites/default/files/wysiwyg/professionals/quality-patient-safety/patientsafetyculture/asc/resources/asc_pilotstudy.pdf (last viewed Feb. 6, 2020).

²⁰ *Id.* at p. 1.

survey. Based on the testing and input from the federal AHRQ and a technical expert panel, the survey was determined to be reliable and it was made available for industry use.

Florida Center for Health Information and Transparency

The Florida Center for Health Information and Transparency (Florida Center) provides a comprehensive health information system (information system) that includes the collection, compilation, coordination, analysis, indexing, dissemination, and utilization of health-related data. The Florida Center is housed within the AHCA.²¹

Offices within the Florida Center, which serve different functions, are:

- Data Collection and Quality Assurance, which collects patient discharge data from all licensed acute care hospitals (including psychiatric and comprehensive rehabilitation units), comprehensive rehabilitation hospitals, ambulatory surgical centers and emergency departments.
- Risk Management and Patient Safety, which conducts in-depth analyses of reported incidents to determine what happened and how the facility responded to the incident.
- Data Dissemination and Communication, which maintains the AHCA's health information website, provides technical assistance to data users, and creates consumer brochures and other publications.
- Health Information Exchange and Policy Analysis, which monitors innovations in health information technology, informatics, and the exchange of health information and provides a clearinghouse of technical resources on health information exchange, electronic prescribing, privacy and security, and other relevant issues.²²

The Florida Center electronically collects patient data from every Florida licensed inpatient hospital, ASC, emergency department, and comprehensive rehabilitation hospital on a quarterly basis. The data is validated for accuracy and maintained in three major databases: the hospital inpatient database, the ambulatory surgery database, and the emergency department database.

- The hospital inpatient database contains records for each patient stay at Florida acute care facilities, including long-term care hospitals and psychiatric hospitals. These records contain extensive patient information including discharge records, patient demographics, admission information, medical information, and charge data. This database also includes comprehensive inpatient rehabilitation data on patient-level discharge information from Florida's licensed freestanding comprehensive inpatient rehabilitation hospitals and acute care hospital distinct part rehabilitation units.²³
- The ambulatory surgery database contains "same-day surgery" data on reportable patient visits to Florida health care facilities, including freestanding ambulatory surgery centers, short-term acute care hospitals, lithotripsy centers, and cardiac catheterization laboratories. Ambulatory surgery data records include, but are not limited to, patient demographics, medical information, and charge data.²⁴

²¹ Section 408.05, F.S.

²² See *Florida Center for Health Information and Transparency*, available at <http://ahca.myflorida.com/SCHS/> (last visited on Feb. 11, 2020).

²³ See s. 408.061, F.S., and ch. 59E-7, F.A.C.

²⁴ See s. 408.061, F.S., and ch. 59B-9, F.A.C.

- The emergency department database collects reports of all patients who visited an emergency department, but were not admitted for inpatient care. Reports are electronically submitted to the AHCA and include the hour of arrival, the patient's chief complaint, principal diagnosis, race, ethnicity, and external causes of injury.²⁵

The Florida Center maintains www.FloridaHealthFinder.gov, which was established to assist consumers in making informed health care decisions and lead to improvements in quality of care in Florida. The website provides a wide array of search and comparative tools to the public that allows easy access to information on hospitals, ambulatory surgery centers, emergency departments, hospice providers, physician volume, health plans, nursing homes, and prices for prescription drugs in Florida.

The website also provides tools to researchers and professionals to allow specialized data queries, but requires users to have some knowledge of medical coding and terminology. Some of the features and data available on the website include a multimedia encyclopedia and symptoms navigator, hospital and ASC performance data, data on mortality, complication, and infection rates for hospitals, and a facility/provider locator.

The Florida Center also runs Florida Health Price Finder,²⁶ which provides consumers with the ability to research and compare health care costs in Florida at the national, state, and local levels. Supported by a database of more than 15 million lines of insurance claim data sourced directly from Florida insurers, the website displays costs as Care Bundles representing the typical set of services a patient receives as part of treatment for specific medical conditions. Care Bundles are broken down into logical steps, which may include one or more procedures and tests and the 295 care bundles currently available on Florida Health Price Finder account for 90 percent of consumer searches on national pricing websites.

III. Effect of Proposed Changes:

Section 1 amends s. 395.1012, F.S., to require that each hospital and ASC²⁷ must, at least biennially, conduct a patient safety culture survey using the Hospital Survey on Patient Safety Culture developed by the federal AHRQ. The facility:

- Must conduct the survey anonymously to encourage completion of the survey by staff working at the facility;
- May contract for administration of the survey;
- Must submit the survey data to the AHCA in a format specified in rule and including the survey participation rate;
- May develop an internal action plan between surveys to identify measures to improve the survey and submit the plan to the AHCA

Section 3 amends s. 408.05, F.S., to require the Florida Center to collect, compile, and publish patient safety culture survey data and designate the use of updated versions of the survey as they occur. The Florida Center is also required to:

²⁵ *Id.*

²⁶ See <https://pricing.floridahealthfinder.gov/#!> (last visited Feb. 11, 2020).

²⁷ Including hospitals and ASCs operating exclusively as state facilities.

- Customize the survey to:
 - Generate data regarding the likelihood of a respondent to seek care for the respondent and the respondent's family at the surveying facility, both in general and within the respondent's specific unit or work area; and
 - Revise the units or work areas identified in the survey to include a pediatric cardiology patient care unit and a pediatric cardiology surgical services unit.
- Publish the survey results for each facility, in the aggregate, by composite measure as defined in the survey and the units or work areas within the facility.

Sections 2 and 4 amend ss. 395.1055 and 408.061, F.S., respectively, to make conforming and cross-reference changes.

Section 5 authorizes one full-time equivalent (FTE) position with an associated salary rate of 46,560, and \$75,306 in recurring funds and \$87,171 in nonrecurring funds from the Health Care Trust Fund, to the AHCA to implement the provisions of the bill.

Section 6 provides an effective date of July 1, 2020.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Hospitals and ASCs that are required to complete and submit a patient safety culture survey or surveys under PCS/CS/SB 1370 will incur an indeterminate cost to fulfill that requirement.

C. Government Sector Impact:

The AHCA has not provided a fiscal impact estimate for SB 1370 or CS/SB 1370. However, under HB 763, which is similar to CS/SB 1370, the AHCA reported²⁸ that it will be required to collect, compile, and prepare the survey results for publication. Data collection will require developing new information technology applications or infrastructure, or both, to accept the survey data files electronically from each of, at least, 776 facilities. Survey data collection must include identity verification to ensure that the party submitting data on behalf of a facility is properly authorized to do so, along with a validation process to ensure that submitted data files are complete and meet required specifications.

The AHCA also reported that, under HB 763, its staff will be required to compile the submitted data for publication. Due to the number of facilities reporting, the AHCA estimates the need for one full-time analyst to perform these functions and to monitor and report facility compliance. The costs associated with internal development of a reporting portal for facilities to submit their survey data are estimated based on known development costs associated with recent and relatively similar reporting projects. The secure data submission portal will need to include identity verification, validation of data specifications, documentation of the date and time of submission, and reporting requirements. The costs for the AHCA to build such a system were estimated at \$60,000 in the first year.

Publication of survey findings or scores at the facility level will require custom programming to the AHCA's existing consumer transparency website, FloridaHealthFinder.gov. The development of new transparency tools in recent years have had associated vendor costs ranging from \$6,400 to \$30,000, depending on the size and scope of the new function or tool. The publication of the patient safety culture survey data would be a significant endeavor, requiring the AHCA's contracted vendor to create search functionality, publication, and integration of results for all of the state's licensed hospitals and ASCs. The AHCA's rough estimate of associated programming and web-design costs was approximately \$25,000 in the first year and \$2,000 recurring annually thereafter.

The AHCA estimated the need for one analyst to manage the survey vendor contract, perform data analysis functions, monitor facility compliance, and analyze and report noncompliant facilities to the AHCA licensure staff for regulatory follow-up as needed. Comparable contracts managed by the AHCA are administered by a Government Analyst II level staff member. The AHCA reported that the patient safety culture survey program

²⁸ *Supra* note 5.

would be a significant implementation, and, in order for it to be successful, the program will require, at a minimum, a dedicated contract manager who also has data analysis skills and experience.

The bill appropriates one full-time equivalent position and \$75,306 in recurring funds and \$87,171 in nonrecurring funds from the Health Care Trust Fund, to the AHCA to implement the bill in Fiscal Year 2020-2021.²⁹

VI. Technical Deficiencies:

None.

VII. Related Issues:

The AHCA recommends that hospitals and ASCs be required under the bill to contract with an independent third-party organization to administer the surveys in order to ensure anonymity of responses and encourage honesty from respondents. Under this recommendation, each facility would be required to capture and provide data from a statistically valid sample of employees in order to ensure that findings are representative of the facility as a whole.³⁰

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 395.1012, 395.1055, 408.05, and 408.061.

IX. Additional Information:

- A. **Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

Recommended CS/CS by Appropriations Subcommittee on Health and Human Services on February 18, 2020:

The committee substitute authorizes a position and an appropriation.

CS by Health Policy on February 11, 2020:

The CS replaces requirements in the underlying bill with the requirement that each hospital and ASC conduct a patient safety culture survey at least biennially. The CS eliminates the exemption for facilities operating exclusively as state facilities.

The CS specifies that facilities must use the Hospital Survey on Patient Safety Culture developed by the federal Agency for Healthcare Research and Quality, requires the survey to be anonymous, allows facilities to contract for the administration of the survey, and requires that each facility must submit survey data to the AHCA.

The bill requires the Florida Center to customize the survey with additional questions and to collect, compile, and publish aggregated survey data.

²⁹ *Id.*

³⁰ *Id.*

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
