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

A bill to be entitled

2 An act relating to freestanding emergency departments; 3 amending s. 395.002, F.S.; defining and revising 4 terms; amending s. 395.003, F.S.; deleting an obsolete 5 provision relating to a prohibition on new emergency 6 departments located off the premises of licensed 7 hospitals; amending s. 395.1041, F.S.; prohibiting a 8 freestanding emergency department from holding itself 9 out to the public as an urgent care center; providing 10 an exception; requiring a freestanding emergency department to clearly identify itself as a hospital 11 12 emergency department using certain signage; requiring a freestanding emergency department to post signs in 13 14 certain locations which contain specified statements; 15 providing requirements for such signs; providing requirements for the advertisement of freestanding 16 emergency departments; requiring the Agency for Health 17 18 Care Administration to post information on its website 19 describing the differences between a freestanding 20 emergency department and an urgent care center; requiring the agency to update such information on its 21 22 website at least annually; requiring hospitals to post 23 a link to such information on their websites; 24 requiring certain freestanding emergency departments 25 to provide an emergency room billing acknowledgement 26 form to patients under certain circumstances; 27 requiring that the form contain a specified heading

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28	and statement; amending s. 627.6405, F.S.; deleting
29	legislative findings and intent; requiring health
30	insurers to post certain information regarding
31	appropriate use of emergency care services on their
32	websites and update such information at least
33	annually; revising the definition of the term
34	"emergency care"; amending ss. 385.211, 390.011,
35	394.4787, 395.701, 400.9935, 409.905, 409.975,
36	468.505, 627.64194, and 765.101, F.S.; conforming
37	cross-references; providing an effective date.
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39	Be It Enacted by the Legislature of the State of Florida:
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41	Section 1. Present subsections (10) through (32) of section
42	395.002, Florida Statutes, are redesignated as subsections (11)
43	through (33), respectively, a new subsection (10) is added to
44	that section, and present subsections (10), (27), and (29) are
45	amended, to read:
46	395.002 DefinitionsAs used in this chapter:
47	(10) "Freestanding emergency department" means a facility
48	that:
49	(a) Provides emergency services and care;
50	(b) Is owned and operated by a licensed hospital and
51	operates under the license of the hospital; and
52	(c) Is located on separate premises from the hospital.
53	(11) (10) "General hospital" means any facility which meets
54	the provisions of subsection $(13)$ $(12)$ and which regularly makes
55	its facilities and services available to the general population.
56	(28) (27) "Specialty hospital" means any facility which

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57 meets the provisions of subsection (13) (12), and which 58 regularly makes available either:

59 (a) The range of medical services offered by general 60 hospitals, but restricted to a defined age or gender group of 61 the population;

62 (b) A restricted range of services appropriate to the 63 diagnosis, care, and treatment of patients with specific categories of medical or psychiatric illnesses or disorders; or 64

65 (c) Intensive residential treatment programs for children 66 and adolescents as defined in subsection (16) (15).

(30) (29) "Urgent care center" means a facility or clinic 67 68 that provides immediate but not emergent ambulatory medical care 69 to patients. The term includes an offsite emergency department 70 of a hospital that is presented to the general public in any 71 manner as a department where immediate and not only emergent 72 medical care is provided. The term also includes:

73 (a) An offsite facility of a facility licensed under this chapter, or a joint venture between a facility licensed under 74 75 this chapter and a provider licensed under chapter 458 or 76 chapter 459, that does not require a patient to make an 77 appointment and is presented to the general public in any manner 78 as a facility where immediate but not emergent medical care is 79 provided.

80 (b) A clinic organization that is licensed under part X of 81 chapter 400, maintains three or more locations using the same or 82 a similar name, does not require a patient to make an 83 appointment, and holds itself out to the general public in any 84 manner as a facility or clinic where immediate but not emergent 85 medical care is provided.

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86	Section 2. Paragraph (c) of subsection (1) of section
87	395.003, Florida Statutes, is amended to read:
88	395.003 Licensure; denial, suspension, and revocation
89	(1)
90	(c) Until July 1, 2006, additional emergency departments
91	located off the premises of licensed hospitals may not be
92	authorized by the agency.
93	Section 3. Paragraph (m) is added to subsection (3) of
94	section 395.1041, Florida Statutes, to read:
95	395.1041 Access to emergency services and care
96	(3) EMERGENCY SERVICES; DISCRIMINATION; LIABILITY OF
97	FACILITY OR HEALTH CARE PERSONNEL
98	(m)1. A freestanding emergency department may not hold
99	itself out to the public as an urgent care center, unless that
100	site is operating in accordance with s. 395.107 and provides
101	urgent care services that are not billed at emergency department
102	rates, and must clearly identify itself as a hospital emergency
103	department using, at a minimum, prominent lighted external
104	signage that includes the word "EMERGENCY" in conjunction with
105	the name of the hospital.
106	2. A freestanding emergency department shall conspicuously
107	post signs at locations that are readily accessible to and
108	visible by patients outside the entrance to the facility and in
109	patient waiting areas which state the following: "THIS IS A
110	HOSPITAL EMERGENCY DEPARTMENT." Unless the freestanding
111	emergency department shares a location and a public entrance
112	with an urgent care center, the signs must also state the
113	following: "THIS IS NOT AN URGENT CARE CENTER. HOSPITAL
114	EMERGENCY DEPARTMENT RATES ARE BILLED FOR OUR SERVICES." The

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115 signs must also specify the facility's average facility fee, if 116 any, and notify the public that the facility or a physician 117 providing medical care at the facility may be an out-of-network 118 provider. The signs must be at least 2 square feet in size and 119 the text must be in at least 36-point type. A freestanding 120 emergency department that shares a location and public entrance 121 with an urgent care center that operates in accordance with s. 122 395.107 and does not bill patients at emergency department rates 123 may also state "AND URGENT CARE SERVICES" in addition to any 124 signage requirements required by this paragraph.

125 3. Except as provided in this paragraph, any advertisement 126 for a freestanding emergency department that does not provide 127 and bill for urgent care services in accordance with s. 395.107 128 must include the following statement: "This emergency department 129 is not an urgent care center. It is part of (insert hospital 130 name) and its services and care are billed at hospital emergency department rates." Any billboard advertising a freestanding 131 132 emergency department that does not provide and bill for urgent 133 care services in accordance with s. 395.107 which measures at 134 least 200 square feet must include the following statement in 135 clearly legible contrasting color text at least 15 inches high: 136 "(INSERT NAME OF HOSPITAL) EMERGENCY DEPARTMENT. THIS IS NOT AN 137 URGENT CARE CENTER."

138 <u>4.a. The agency shall post information on its website which</u> 139 provides a description of the differences between a freestanding 140 <u>emergency department and an urgent care center. Such description</u> 141 must include:

142(I) At least two examples illustrating the impact on both143insured and insurer paid amounts from the inappropriate use of

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144 nonemergent services and care in a hospital emergency department setting compared to the use of nonemergent services and care in 145 146 an urgent care center; 147 (II) An interactive tool to locate local urgent care 148 centers; and 149 (III) What to do in the event of a true emergency. 150 b. The agency shall update the information required in sub-151 subparagraph a. at least annually. Each hospital shall post a 152 link to such information in a prominent location on its website. 153 5. A freestanding emergency department that provides and 154 bills for urgent care services in accordance with s. 395.107 155 shall provide an emergency room billing acknowledgement form to 156 a patient receiving emergency medical treatment from the 157 emergency department after a medical screening examination is 158 conducted and stabilizing care is provided to the patient. The 159 form must have a heading that reads, "Your visit today will be 160 billed as an emergency room visit" and must contain the following statement: "I, (insert patient's name), understand 161 162 that today's visit will be BILLED AS AN EMERGENCY ROOM VISIT. I 163 certify that the (insert hospital name) has not withheld, 164 delayed, or conditioned a medical screening examination or 165 stabilizing care based upon me signing or refusing to sign this 166 form or based upon any payment related concerns. I understand 167 that I may qualify for financial assistance if I am unable to 168 pay for my care today." 169 Section 4. Section 627.6405, Florida Statutes, is amended 170 to read: 627.6405 Decreasing inappropriate utilization of emergency 171 172 care.-

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173 (1) The Legislature finds and declares it to be of vital 174 importance that emergency services and care be provided by 175 hospitals and physicians to every person in need of such care, 176 but with the double-digit increases in health insurance premiums, health care providers and insurers should encourage 177 178 patients and the insured to assume responsibility for their treatment, including emergency care. The Legislature finds that 179 inappropriate utilization of emergency department services 180 181 increases the overall cost of providing health care and these 182 costs are ultimately borne by the hospital, the insured patients, and, many times, by the taxpayers of this state. 183 Finally, the Legislature declares that the providers and 184 185 insurers must share the responsibility of providing alternative 186 treatment options to urgent care patients outside of the 187 emergency department. Therefore, it is the intent of the 188 Legislature to place the obligation for educating consumers and creating mechanisms for delivery of care that will decrease the 189 190 overutilization of emergency service on health insurers and 191 providers. 192 (2) A health insurer insurers shall post provide on its

193 <u>website</u> their websites information regarding appropriate 194 utilization of emergency care services which shall include, but 195 <u>need</u> not be limited to:...

196 <u>(a)</u> A list of alternative urgent care contracted 197 providers<u>;</u>

198 (b) The types of services offered by these providers;
199 (c) A comparison of statewide average in-network and out200 of-network urgent care center and freestanding emergency
201 department charges for the 30 most common urgent care center

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202 services;

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203 (d) At least two examples illustrating the impact on 204 insured and insurer paid amounts of inappropriate utilization of 205 nonemergent services and care in a hospital emergency department 206 setting compared to utilization of nonemergent services and care 207 in an urgent care center;

#### 208 (e) An interactive tool to locate local in-network and out-209 of-network urgent care centers; and

(f) What to do in the event of a true emergency.

#### 212 <u>Health insurers shall update the information required in this</u> 213 <u>subsection on its website at least annually.</u>

214 <u>(2)(3)</u> Health insurers shall develop community emergency 215 department diversion programs. Such programs may include, at the 216 discretion of the insurer, but not be limited to, enlisting 217 providers to be on call to insurers after hours, coordinating 218 care through local community resources, and providing incentives 219 to providers for case management.

220 (3) (4) As a disincentive for insureds to inappropriately 221 use emergency department services for nonemergency care, health insurers may require higher copayments for urgent care or 222 223 primary care provided in an emergency department and higher 224 copayments for use of out-of-network emergency departments. 225 Higher copayments may not be charged for the utilization of the 226 emergency department for emergency care. For the purposes of 227 this section, the term "emergency care" has the same meaning as 228 the term "emergency services and care" as defined provided in s. 229 395.002(9) s. 395.002 and includes shall include services 230 provided to rule out an emergency medical condition.

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231 Section 5. Subsection (2) of section 385.211, Florida 232 Statutes, is amended to read:

233 385.211 Refractory and intractable epilepsy treatment and 234 research at recognized medical centers.-

235 (2) Notwithstanding chapter 893, medical centers recognized 236 pursuant to s. 381.925, or an academic medical research 237 institution legally affiliated with a licensed children's 238 specialty hospital as defined in s. 395.002(28) s. 395.002(27) 239 that contracts with the Department of Health, may conduct 240 research on cannabidiol and low-THC cannabis. This research may include, but is not limited to, the agricultural development, 241 242 production, clinical research, and use of liquid medical 243 derivatives of cannabidiol and low-THC cannabis for the 244 treatment for refractory or intractable epilepsy. The authority for recognized medical centers to conduct this research is 245 246 derived from 21 C.F.R. parts 312 and 316. Current state or 247 privately obtained research funds may be used to support the activities described in this section. 248

249 Section 6. Subsection (7) of section 390.011, Florida 250 Statutes, is amended to read:

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390.011 Definitions.—As used in this chapter, the term: (7) "Hospital" means a facility as defined in s.

253 <u>395.002(13)</u> <del>s. 395.002(12)</del> and licensed under chapter 395 and 254 part II of chapter 408.

255 Section 7. Subsection (7) of section 394.4787, Florida 256 Statutes, is amended to read:

257 394.4787 Definitions; ss. 394.4786, 394.4787, 394.4788, and 258 394.4789.—As used in this section and ss. 394.4786, 394.4788, and 394.4789:

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260 (7) "Specialty psychiatric hospital" means a hospital 261 licensed by the agency pursuant to s. 395.002(28) s. 395.002(27) and part II of chapter 408 as a specialty psychiatric hospital. 262 263 Section 8. Paragraph (c) of subsection (1) of section 264 395.701, Florida Statutes, is amended to read: 265 395.701 Annual assessments on net operating revenues for 266 inpatient and outpatient services to fund public medical 267 assistance; administrative fines for failure to pay assessments 268 when due; exemption.-269 (1) For the purposes of this section, the term: 270 (c) "Hospital" means a health care institution as defined 271 in s. 395.002(13) s. 395.002(12), but does not include any 272 hospital operated by a state agency. 273 Section 9. Paragraph (i) of subsection (1) of section 274 400.9935, Florida Statutes, is amended to read: 275 400.9935 Clinic responsibilities.-276 (1) Each clinic shall appoint a medical director or clinic 277 director who shall agree in writing to accept legal 278 responsibility for the following activities on behalf of the 279 clinic. The medical director or the clinic director shall: 280 (i) Ensure that the clinic publishes a schedule of charges 281 for the medical services offered to patients. The schedule must 282 include the prices charged to an uninsured person paying for 2.8.3 such services by cash, check, credit card, or debit card. The 284 schedule may group services by price levels, listing services in 285 each price level. The schedule must be posted in a conspicuous place in the reception area of any clinic that is considered an 286 287 urgent care center as defined in s. 395.002(30)(b) s. 288 395.002(29) (b) and must include, but is not limited to, the 50

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289 services most frequently provided by the clinic. The posting may 290 be a sign that must be at least 15 square feet in size or through an electronic messaging board that is at least 3 square 291 292 feet in size. The failure of a clinic, including a clinic that 293 is considered an urgent care center, to publish and post a 294 schedule of charges as required by this section shall result in a fine of not more than \$1,000, per day, until the schedule is 295 296 published and posted.

297 Section 10. Subsection (8) of section 409.905, Florida 298 Statutes, is amended to read:

299 409.905 Mandatory Medicaid services.-The agency may make 300 payments for the following services, which are required of the state by Title XIX of the Social Security Act, furnished by 301 302 Medicaid providers to recipients who are determined to be eligible on the dates on which the services were provided. Any 303 304 service under this section shall be provided only when medically 305 necessary and in accordance with state and federal law. Mandatory services rendered by providers in mobile units to 306 307 Medicaid recipients may be restricted by the agency. Nothing in 308 this section shall be construed to prevent or limit the agency 309 from adjusting fees, reimbursement rates, lengths of stay, number of visits, number of services, or any other adjustments 310 necessary to comply with the availability of moneys and any 311 312 limitations or directions provided for in the General 313 Appropriations Act or chapter 216.

(8) NURSING FACILITY SERVICES.—The agency shall pay for 24hour-a-day nursing and rehabilitative services for a recipient in a nursing facility licensed under part II of chapter 400 or in a rural hospital, as defined in s. 395.602, or in a Medicare

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318 certified skilled nursing facility operated by a hospital, as 319 defined by s. 395.002(11) s. 395.002(10), that is licensed under part I of chapter 395, and in accordance with provisions set 320 321 forth in s. 409.908(2)(a), which services are ordered by and provided under the direction of a licensed physician. However, 322 323 if a nursing facility has been destroyed or otherwise made 324 uninhabitable by natural disaster or other emergency and another 325 nursing facility is not available, the agency must pay for 326 similar services temporarily in a hospital licensed under part I 327 of chapter 395 provided federal funding is approved and 328 available. The agency shall pay only for bed-hold days if the 329 facility has an occupancy rate of 95 percent or greater. The agency is authorized to seek any federal waivers to implement 330 331 this policy.

332 Section 11. Paragraph (b) of subsection (1) of section333 409.975, Florida Statutes, is amended to read:

334 409.975 Managed care plan accountability.—In addition to 335 the requirements of s. 409.967, plans and providers 336 participating in the managed medical assistance program shall 337 comply with the requirements of this section.

(1) PROVIDER NETWORKS.-Managed care plans must develop and maintain provider networks that meet the medical needs of their enrollees in accordance with standards established pursuant to s. 409.967(2)(c). Except as provided in this section, managed care plans may limit the providers in their networks based on credentials, quality indicators, and price.

(b) Certain providers are statewide resources and essential
providers for all managed care plans in all regions. All managed
care plans must include these essential providers in their

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347 networks. Statewide essential providers include:

1. Faculty plans of Florida medical schools.

349 2. Regional perinatal intensive care centers as defined in350 s. 383.16(2).

351 3. Hospitals licensed as specialty children's hospitals as
352 defined in s. 395.002(28) s. 395.002(27).

4. Accredited and integrated systems serving medically complex children which comprise separately licensed, but commonly owned, health care providers delivering at least the following services: medical group home, in-home and outpatient nursing care and therapies, pharmacy services, durable medical equipment, and Prescribed Pediatric Extended Care.

360 Managed care plans that have not contracted with all statewide 361 essential providers in all regions as of the first date of 362 recipient enrollment must continue to negotiate in good faith. 363 Payments to physicians on the faculty of nonparticipating 364 Florida medical schools shall be made at the applicable Medicaid 365 rate. Payments for services rendered by regional perinatal 366 intensive care centers shall be made at the applicable Medicaid 367 rate as of the first day of the contract between the agency and 368 the plan. Except for payments for emergency services, payments 369 to nonparticipating specialty children's hospitals shall equal 370 the highest rate established by contract between that provider 371 and any other Medicaid managed care plan.

372 Section 12. Paragraph (1) of subsection (1) of section373 468.505, Florida Statutes, is amended to read:

374 375 468.505 Exemptions; exceptions.-

(1) Nothing in this part may be construed as prohibiting or

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376	restricting the practice, services, or activities of:
377	(1) A person employed by a nursing facility exempt from
378	licensing under <u>s. 395.002(13)</u> <del>s. 395.002(12)</del> , or a person
379	exempt from licensing under s. 464.022.
380	Section 13. Paragraph (b) of subsection (1) of section
381	627.64194, Florida Statutes, is amended to read:
382	627.64194 Coverage requirements for services provided by
383	nonparticipating providers; payment collection limitations
384	(1) As used in this section, the term:
385	(b) "Facility" means a licensed facility as defined in <u>s.</u>
386	<u>395.002(17)</u> s. 395.002(16) and an urgent care center as defined
387	in s. 395.002.
388	Section 14. Subsection (2) of section 765.101, Florida
389	Statutes, is amended to read:
390	765.101 DefinitionsAs used in this chapter:
391	(2) "Attending physician" means the physician who has
392	primary responsibility for the treatment and care of the patient
393	while the patient receives such treatment or care in a hospital
394	as defined in <u>s. 395.002(13)</u> <del>s. 395.002(12)</del> .
395	Section 15. This act shall take effect July 1, 2021.