FLORIDA HOUSE OF REPRESENTATIVES FINAL BILL ANALYSIS

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BILL #: CS/HB 1353 COMPANION BILL: SB 1412 (Calatayud)

TITLE: Home Health Care Services

SPONSOR(S): Franklin

LINKED BILLS: None

RELATED BILLS: None

FINAL HOUSE FLOOR ACTION: 115 Y'S 0 N'S GOVERNOR'S ACTION: Approved

SUMMARY

Effect of the Bill:

The bill amends licensure requirements for home health agencies. It removes geographic restrictions to allow a home health agency administrator to manage up to five agencies that have the same controlling interest, regardless of location. It also allows contracted staff, instead of only direct employees, to perform initial admission visits, service evaluation visits, and discharge visits.

The bill also revises criteria used by the Agency for Health Care Administration in awarding designations to home health agencies under The Excellence in Home Health Program, to accommodate all types of home health agencies.

Fiscal or Economic Impact:

None

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ANALYSIS

EFFECT OF THE BILL:

Home Health Agencies

Home Health Agency Administrators

Current law authorizes an administrator to manage more than one, and up to five home health agencies, if all five home health agencies have identical controlling interests and are located within one agency geographic service area, or within an immediately contiguous county.

The bill removes the geographic restrictions to allow a home health agency administrator to manage up to five agencies that have the same controlling interests, regardless of where they are located in the state. (Section 1)

Home Health Agency Direct and Contract Employees

Current law requires certain home health visits to be provided by a licensed registered nurse who must be directly employed by the home health agency, including the initial admission visit, all service evaluation visits, and the discharge visit. A contracted registered nurse is not permitted to provide such visits.

The bill allows a home health agency to utilize a contracted registered nurse to perform initial admission visits, service evaluation visits, and discharge visits. (Section $\underline{2}$)

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The Excellence in Home Health Program

To encourage participation in The Excellence in Home Health Program, the bill revises the criteria that the Agency for Health Care Administration (AHCA) must use in awarding designations to home health agencies under the program.

Specifically, the bill requires AHCA to adopt rules to establish criteria that are adaptable to all types of home health agencies, regardless of payor type, patient population, or service designation. The bill removes criteria that exclude home health agencies that only provide non-skilled care, and replaces such criteria with criteria specific to home health agencies based on whether they provide skilled nursing services or not. (Section 3)

The bill was approved by the Governor on June 5, 2025, ch. 2025-127, L.O.F., and will become effective on July 1, 2025.

RULEMAKING:

AHCA will have to update rule 59A-8.0248, F.A.C., to reflect the revised criteria for awards under the Excellence in Home Health Program.

Lawmaking is a legislative power; however, the Legislature may delegate a portion of such power to executive branch agencies to create rules that have the force of law. To exercise this delegated power, an agency must have a grant of rulemaking authority and a law to implement.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Home Health Agencies

A home health agency is an organization that provides medical services to an individual in the individual's home or place of residence. Home health services include: 2

- Nursing care;
- Physical, occupational, respiratory, or speech therapy;
- Home health aide services;
- Homemaker and companion services
- Dietetics and nutrition; and
- Medical supplies.

Home health agencies are licensed and regulated by the Agency for Health Care Administration. Currently, there are 2,638 licensed home health agencies in Florida.³

Home Health Agency Personnel

Home health agencies provide skilled nursing services and unskilled home health aide services.

Skilled nursing services must be provided by a registered nurse, licensed practical nurse, speech-language pathologist or audiologist, or by an occupational therapist, respiratory therapist, or physical therapist.⁴

⁴ S. <u>400.462(32), F.S.</u>

¹ S. 400.462(15), F.S.

² S. <u>400.462(19)</u>, F.S., and rule 59A-8.0095, F.A.C.

³ Florida Health Finder, Facility/Provider, Search by Location, Home Health Agency, available at https://quality.healthfinder.fl.gov/Facility-Provider/HHA?&type=1 (last visited March 14, 2025).

Unskilled services may be provided by home health aides and certified nursing assistants⁵ (CNAs). These services, which must be delegated by and under the supervision of a registered nurse, include:⁶

- Assisting the patient or client with personal hygiene, ambulation, eating, dressing, toileting, physical transfer, and other personal care activities; and
- Assisting the patient with self-administration of medication.

Direct Employees and Contract Employees

Home health agency personnel can be either direct employees⁷ or persons under contract with a home health agency.⁸ However, the initial admission visit, all service evaluation visits, and the discharge visit must be provided by a licensed registered nurse directly employed by the home health agency.⁹ Services provided by individuals under contract with a home health agency must be monitored and managed by the admitting home health agency.¹⁰

Administrators

A home health agency administrator must be a direct employee, who is a licensed physician, physician assistant, or registered nurse, or have at least one year of supervisory or administrative experience in home health care or in a hospital, nursing home, or an assisted living facility.¹¹

Current law authorizes an administrator to manage more than one, and up to five home health agencies, if all five home health agencies have identical controlling interests¹² and are located within one agency geographic service area¹³, or within an immediately contiguous county.¹⁴ As a result, a home health agency must hire another administrator if they want to provide home health services in a county that is located in a separate geographic service area and does not directly border the county where the home health agency is located.

For example, a home health agency located in Orange County would have to hire a separate administrator if they wanted to provide home health services in Marion County, despite being separated by a distance of approximately 12 miles at their closest points. The AHCA geographic service areas are illustrated in the map below.¹⁵

⁵ 464.201(5), F.S. CNAs provide care and assist individuals with tasks relating to the activities of daily living, such as those associated with personal care, nutrition and hydration, maintaining mobility, toileting, safety, cleaning, end-of-life care, cardiopulmonary resuscitation, emergency care, and administering certain medications if delegated by a registered nurse.

⁶ Rule 59A-8.002(3), F.S.

⁷ S. <u>400.462(10)</u>, <u>F.S.</u> "Direct employee" means an employee for whom one of the following entities pays withholding taxes: a home health agency; a management company that has a contract to manage the home health agency on a day-to-day basis; or an employee leasing company that has a contract with the home health agency to handle the payroll and payroll taxes for the home health agency.

⁸ S. <u>400.462(16), F.S.</u>

⁹ S. 400.487(5), F.S.

¹⁰ Id.

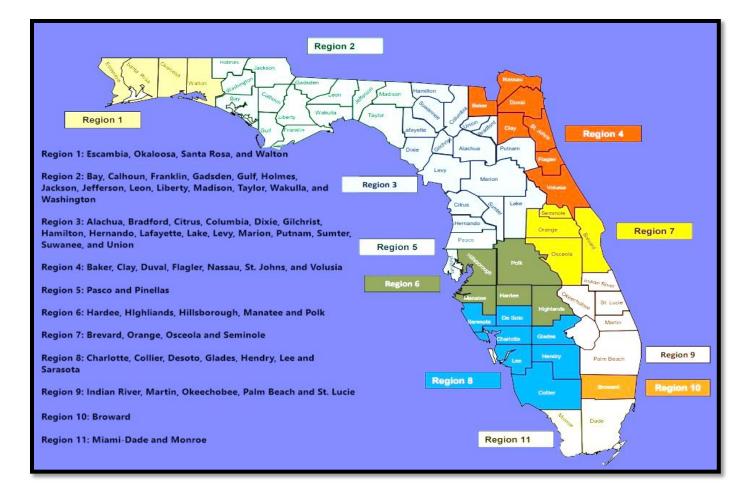
¹¹ S. 400.462(1), F.S.

¹² S. <u>408.803(7)</u>, F.S. "Controlling interest" means: the applicant or licensee; a person or entity that serves as an officer of, is on the board of directors of, or has a 5 percent or greater ownership interest in the applicant or licensee; or a person or entity that serves as an officer of, is on the board of directors of, or has a 5 percent or greater ownership interest in the management company or other entity, related or unrelated, with which the applicant or licensee contracts to manage the provider. CNAs provide essentially the same care and services as home health aides, but they generally work in nursing homes, assisted living facilities, other community-based settings, or hospitals.

¹³ Rule 59A-8.002(12), F.A.C. "Geographic service area" means one or more counties within a health service planning district as defined in <u>s. 408.032(5)</u>, F.S., in which the home health agency may send its personnel to provide home health services to patients in their places of residence. *See also* <u>s. 408.032(5)</u>, F.S., which establishes the 11 health service planning districts (geographic service areas).

¹⁴ S. 400.476(1)(a), F.S.

¹⁵ Rule 59A-8.002, F.A.C., contains the minimum standards for home health agencies and defines a "geographic service area" as one or more counties within a health service planning district as defined in <u>s. 408.032(5), F.S.</u> The 11 health service planning districts established in <u>s. 408.032(5), F.S.</u>, are the same as the former Statewide Medicaid Managed Care regions. *See https://ahca.myflorida.com/content/download/5999/file/SMMC Region Map.pdf* (last visited May 12, 2025).



The Excellence in Home Health Program

The Excellence in Home Health Program was created by the legislature in 2020 to issue award designations to high performing home health agencies. A home health agency that is awarded under the Program can use the designation in their advertising and marketing. 16

A home health agency must meet the certain criteria to be eligible to apply for the award designation. The home health agency must have been actively licensed and operating for at least 24 months and have had no licensure denials, revocations, or serious deficiencies during the preceding 24 months. To qualify for the award, an applicant must:

- Provide targeted in-service training for employees;
- Demonstrate evidence of employee satisfaction through information obtained directly from employees;
- Demonstrate evidence of a stable workforce by submitting evidence of an effective recruitment and retention program, keeping turnover rates below 50 percent or ensuring that at least 50 percent of staff members have been employed for a minimum of one year; and
- Develop, implement, and maintain a continuous quality improvement (CQI) program consistent with national industry standards;
- Develop quantitative metric tools to capture and calculate data related to the CQI program's components, which must demonstrate that the applicant ranks at or above the top 95th percentile state-wide for:
 - o Patient improvement in the activities of daily living;
 - Prevention of medication errors;
 - o Patient or client willingness to recommend the home health agency to family and friends;

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¹⁶ S. <u>400.52(5), F.S.</u> A home health agency may not use the award designation in their advertising and marketing if they: have not been awarded the designation; fail to renew the award upon expiration of the award designation; or if they have undergone a change in ownership that does not qualify for an exception.

- Patient or client satisfaction with the communication and interaction between the home health agency and the patient or client;
- o Prevention of unplanned patient or client emergency care for wound infections;
- o Prevention of unplanned patient or client admission or readmission to an acute care hospital.

To date, no home health agencies have received the award designation from AHCA. According to the Home Care Association of Florida, 27 of the 28 total applicants to the program since its inception have withdrawn their applications due to overly complex data reporting requirements.¹⁷

UMP TO SUMMARY ANALYSIS RELEVANT INFORMATION

¹⁷ Home Care Association of Florida, Issue Brief: Empowering the Excellence in Home Health Award Program, on file with staff of the Health Care Facilities & Systems Subcommittee.