

House Bill No. 2319

An act relating to rural hospitals; amending ss. 395.602 and 408.07, F.S.; revising the definition of the term “rural hospital”; amending s. 409.9116, F.S.; revising eligibility for funding under the disproportionate share/financial assistance program for rural hospitals; providing an effective date.

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

Section 1. Paragraph (e) of subsection (2) of section 395.602, Florida Statutes, is amended to read:

395.602 Rural hospitals.—

(2) DEFINITIONS.—As used in this part:

(e) “Rural hospital” means an acute care hospital licensed under this chapter, having 100 or fewer licensed beds and an emergency room, ~~located in an area defined as rural by the United States Census, and which is:~~

1. The sole provider within a county with a population density of no greater than 100 persons per square mile; ~~or~~

2. An acute care hospital, in a county with a population density of no greater than 100 persons per square mile, which is at least 30 minutes of travel time, on normally traveled roads under normal traffic conditions, from any other acute care hospital within the same county; ~~or~~

3. A hospital supported by a tax district or subdistrict whose boundaries encompass a population of 100 persons or fewer per square mile; ~~or~~

4. A hospital in a constitutional charter county with a population of over 1 million persons that has imposed a local option health service tax pursuant to law and in an area that was directly impacted by a catastrophic event on August 24, 1992, for which the Governor of Florida declared a state of emergency pursuant to chapter 125, and has 120 beds or less that serves an agricultural community with an emergency room utilization of no less than 20,000 visits and a Medicaid in-patient utilization rate greater than 15 percent; ~~or~~

5. A hospital with a service area that has a population of 100 persons or fewer per square mile. As used in this subparagraph, the term “service area” means the fewest number of zip codes that account for 75 percent of the hospital’s discharges for the most recent 5-year period, based on information available from the hospital inpatient discharge database in the State Center for Health Statistics at the Agency for Health Care Administration; or

6. A hospital designated as a Critical Access Hospital by the Department of Health in accordance with federal regulations and state requirements.

Population densities used in this paragraph must be based upon the most recently completed United States census.

Section 2. Subsection (42) of section 408.07, Florida Statutes, is amended to read:

408.07 Definitions.—As used in this chapter, with the exception of ss. 408.031-408.045, the term:

(42) “Rural hospital” means an acute care hospital licensed under chapter 395, having 100 or fewer licensed beds and an emergency room, ~~located in an area defined as rural by the United States Census, and which is:~~

(a) The sole provider within a county with a population density of no greater than 100 persons per square mile;

(b) An acute care hospital, in a county with a population density of no greater than 100 persons per square mile, which is at least 30 minutes of travel time, on normally traveled roads under normal traffic conditions, from another acute care hospital within the same county; ~~or~~

(c) A hospital supported by a tax district or subdistrict whose boundaries encompass a population of 100 persons or fewer per square mile;:-

(d) A hospital with a service area that has a population of 100 persons or fewer per square mile. As used in this paragraph, the term “service area” means the fewest number of zip codes that account for 75 percent of the hospital’s discharges for the most recent 5-year period, based on information available from the hospital inpatient discharge database in the State Center for Health Statistics at the Agency for Health Care Administration; or

(e) A hospital designated as a Critical Access Hospital by the Department of Health in accordance with federal regulations and state requirements.

Population densities used in this subsection must be based upon the most recently completed United States census.

Section 3. Subsection (7) of section 409.9116, Florida Statutes, is amended to read:

409.9116 Disproportionate share/financial assistance program for rural hospitals.—In addition to the payments made under s. 409.911, the Agency for Health Care Administration shall administer a federally matched disproportionate share program and a state-funded financial assistance program for statutory rural hospitals. The agency shall make disproportionate share payments to statutory rural hospitals that qualify for such payments and financial assistance payments to statutory rural hospitals that do not qualify for disproportionate share payments. The disproportionate share program payments shall be limited by and conform with federal requirements. In fiscal year 1993-1994, available funds shall be distributed in one payment, as soon as practicable after the effective date of this act. In subsequent fiscal years, funds shall be distributed quarterly in each fiscal year for which an appropriation is made. Notwithstanding the provisions of s. 409.915,

counties are exempt from contributing toward the cost of this special reimbursement for hospitals serving a disproportionate share of low-income patients.

(7) This section ~~only applies~~ only to hospitals that were defined as statutory rural hospitals, or their successor-in-interest hospital, prior to July 1, 1998. Any additional hospital that is defined as a statutory rural hospital, or its successor-in-interest hospital, on or after July 1, 1998, is not eligible for programs under this section unless additional funds are appropriated each fiscal year specifically to the rural hospital disproportionate share and financial assistance programs in an amount necessary to prevent any hospital, or its successor-in-interest hospital, eligible for the programs prior to July 1, 1998, from incurring a reduction in payments because of the eligibility of an additional hospital to participate in the programs. A hospital, or its successor-in-interest hospital, which received funds pursuant to this section before July 1, 1998, and which qualifies under s. 395.602(2)(e), shall be included in the programs under this section and is not required to seek additional appropriations under this subsection.

Section 4. This act shall take effect July 1, 2000.

Approved by the Governor June 5, 2000.

Filed in Office Secretary of State June 5, 2000.