CHAPTER 2006-261

House Bill No. 7073

An act relating to health care information: providing a short title: providing purpose: amending s. 408.05. F.S.: renaming the State Center for Health Statistics: revising criteria for collection and use of certain health-related data; providing responsibilities of the Agency for Health Care Administration: providing for agency consultation with the State Consumer Health Information and Policy Advisory Council for the dissemination of certain consumer information: requiring the Florida Center for Health Information and Policy Analysis to provide certain technical assistance services: authorizing the agency to monitor certain grants; removing a provision that establishes the Comprehensive Health Information System Trust Fund as the repository of certain funds: renaming the State Comprehensive Health Information System Advisory Council; providing for duties and responsibilities of the State Consumer Health Information and Policy Advisory Council: providing for membership, terms. officers, and meetings; amending s. 408,061, F.S.; providing for health care providers to submit additional data to the agency; correcting a reference; amending s. 408.062, F.S.; revising provisions relating to availability of specified information on the agency's Internet website; requiring a report; removing an obsolete provision; authorizing the agency to develop an electronic health information network: amending ss. 20.42, 381.001, 395.602, 395.6025, 408.07. and 408.18, F.S.: conforming references to changes made by the act: amending ss. 381.026, 395.301, 627.6499, and 641.54, F.S.; conforming a cross-reference; amending s. 465.0244, F.S.; conforming a cross-reference: providing responsibility of the Agency for Health Care Administration for security of certain data and backup systems; providing requirements for a secure storage facility; providing an effective date

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

- Section 1. This act may be cited as the "Coordinated Health Care Information and Transparency Act of 2006."
- Section 2. The purpose of this act is to provide better coordination of health information for purposes of public health, policy analysis, and transparency of consumer health care information.
 - Section 3. Section 408.05, Florida Statutes, is amended to read:
- 408.05 <u>Florida</u> State Center for Health <u>Information and Policy Analysis</u> Statistics.—
- (1) ESTABLISHMENT.—The agency shall establish a <u>Florida State</u> Center for Health <u>Information and Policy Analysis</u> <u>Statistics</u>. The center shall establish a comprehensive health information system to provide for the collection, compilation, coordination, analysis, indexing, dissemination, and

utilization of both purposefully collected and extant health-related data and statistics. The center shall be staffed with public health experts, biostatisticians, information system analysts, health policy experts, economists, and other staff necessary to carry out its functions.

- (2) <u>HEALTH-RELATED DATA</u> <u>STATISTICS.</u>—The comprehensive health information system operated by the <u>Florida</u> <u>State</u> Center for Health <u>Information and Policy Analysis</u> <u>Statistics</u> shall <u>identify the best available data sources and coordinate the compilation of extant health-related data and statistics and purposefully collect data on:</u>
- (a) The extent and nature of illness and disability of the state population, including life expectancy, the incidence of various acute and chronic illnesses, and infant and maternal morbidity and mortality.
- (b) The impact of illness and disability of the state population on the state economy and on other aspects of the well-being of the people in this state.
 - (c) Environmental, social, and other health hazards.
- (d) Health knowledge and practices of the people in this state and determinants of health and nutritional practices and status.
- (e) Health resources, including physicians, dentists, nurses, and other health professionals, by specialty and type of practice and acute, long-term care and other institutional care facility supplies and specific services provided by hospitals, nursing homes, home health agencies, and other health care facilities.
 - (f) Utilization of health care by type of provider.
- (g) Health care costs and financing, including trends in health care prices and costs, the sources of payment for health care services, and federal, state, and local expenditures for health care.
 - (h) Family formation, growth, and dissolution.
- (i) The extent of public and private health insurance coverage in this state.
 - (j) The quality of care provided by various health care providers.
- (3) COMPREHENSIVE HEALTH INFORMATION SYSTEM.—In order to produce comparable and uniform health information and statistics <u>for the development of policy recommendations</u>, the agency shall perform the following functions:
- (a) Coordinate the activities of state agencies involved in the design and implementation of the comprehensive health information system.
- (b) Undertake research, development, and evaluation respecting the comprehensive health information system.

- (c) Review the statistical activities of <u>state agencies to ensure</u> the Department of Health to assure that they are consistent with the comprehensive health information system.
- (d) Develop written agreements with local, state, and federal agencies for the sharing of health-care-related data or using the facilities and services of such agencies. State agencies, local health councils, and other agencies under state contract with the Department of Health shall assist the center in obtaining, compiling, and transferring health-care-related data maintained by state and local agencies. Written agreements must specify the types, methods, and periodicity of data exchanges and specify the types of data that will be transferred to the center.
- (e) The agency shall Establish by rule the types of data collected, compiled, processed, used, or shared. Decisions regarding center data sets should be made based on consultation with the <u>State Consumer Comprehensive</u> Health Information <u>and Policy System</u> Advisory Council and other public and private users regarding the types of data which should be collected and their uses.
- (f) The center shall establish standardized means for collecting health information and statistics under laws and rules administered by the agency.
- (f)(g) Establish minimum health-care-related data sets which are necessary on a continuing basis to fulfill the collection requirements of the center and which shall be used by state agencies in collecting and compiling health-care-related data. The agency shall periodically review ongoing health care data collections of the Department of Health and other state agencies to determine if the collections are being conducted in accordance with the established minimum sets of data.
- (g)(h) Establish advisory standards to ensure assure the quality of health statistical and epidemiological data collection, processing, and analysis by local, state, and private organizations.
- (h)(i) Prescribe standards for the publication of health-care-related data reported pursuant to this section which ensure the reporting of accurate, valid, reliable, complete, and comparable data. Such standards should include advisory warnings to users of the data regarding the status and quality of any data reported by or available from the center.
- (i)(j) Prescribe standards for the maintenance and preservation of the center's data. This should include methods for archiving data, retrieval of archived data, and data editing and verification.
- (j)(k) Ensure that strict quality control measures are maintained for the dissemination of data through publications, studies, or user requests.
- (\underline{k}) (1) Develop, in conjunction with the State <u>Consumer Comprehensive</u> Health Information <u>and Policy System</u> Advisory Council, and implement a long-range plan for making available <u>health care quality measures performance outcome</u> and financial data that will allow consumers to compare health care services. The <u>health care quality measures performance outcomes</u> and financial data the agency must make available shall include, but

is not limited to, pharmaceuticals, physicians, health care facilities, and health plans and managed care entities. The agency shall submit the initial plan to the Governor, the President of the Senate, and the Speaker of the House of Representatives by January 1, 2006, and shall update the plan and report on the status of its implementation annually thereafter. The agency shall also make the plan and status report available to the public on its Internet website. As part of the plan, the agency shall identify the process and timeframes for implementation, any barriers to implementation, and recommendations of changes in the law that may be enacted by the Legislature to eliminate the barriers. As preliminary elements of the plan, the agency shall:

- 1. Make available patient-safety indicators, inpatient quality indicators. and performance outcome and patient charge data collected from health care facilities pursuant to s. 408.061(1)(a) and (2). The terms "patient-safety indicators" and "inpatient quality indicators" shall be as defined by the Centers for Medicare and Medicaid Services, the National Quality Forum, the Joint Commission on Accreditation of Healthcare Organizations, the Agency for Healthcare Research and Quality, the Centers for Disease Control and Prevention, or a similar national entity that establishes standards to measure the performance of health care providers, or by other states. The agency shall determine which conditions, and procedures, health care quality measures performance outcomes, and patient charge data to disclose based upon input from the council. When determining which conditions and procedures are to be disclosed, the council and the agency shall consider variation in costs, variation in outcomes, and magnitude of variations and other relevant information. When determining which health care quality measures performance outcomes to disclose, the agency:
- a. Shall consider such factors as volume of cases; average patient charges; average length of stay; complication rates; mortality rates; and infection rates, among others, which shall be adjusted for case mix and severity, if applicable.
- b. May consider such additional measures that are adopted by the Centers for Medicare and Medicaid Studies, National Quality Forum, the Joint Commission on Accreditation of Healthcare Organizations, the Agency for Healthcare Research and Quality, <u>Centers for Disease Control and Prevention</u>, or a similar national entity that establishes standards to measure the performance of health care providers, or by other states.

When determining which patient charge data to disclose, the agency shall consider such measures as average charge, average net revenue per adjusted patient day, average cost per adjusted patient day, and average cost per admission, among others.

2. Make available performance measures, benefit design, and premium cost data from health plans licensed pursuant to chapter 627 or chapter 641. The agency shall determine which health care quality measures performance outcome and member and subscriber cost data to disclose, based upon input from the council. When determining which data to disclose, the agency shall consider information that may be required by either individual or

group purchasers to assess the value of the product, which may include membership satisfaction, quality of care, current enrollment or membership, coverage areas, accreditation status, premium costs, plan costs, premium increases, range of benefits, copayments and deductibles, accuracy and speed of claims payment, credentials of physicians, number of providers, names of network providers, and hospitals in the network. Health plans shall make available to the agency any such data or information that is not currently reported to the agency or the office.

Determine the method and format for public disclosure of data reported pursuant to this paragraph. The agency shall make its determination based upon input from the State Consumer Comprehensive Health Information and Policy System Advisory Council. At a minimum, the data shall be made available on the agency's Internet website in a manner that allows consumers to conduct an interactive search that allows them to view and compare the information for specific providers. The website must include such additional information as is determined necessary to ensure that the website enhances informed decisionmaking among consumers and health care purchasers, which shall include, at a minimum, appropriate guidance on how to use the data and an explanation of why the data may vary from provider to provider. The data specified in subparagraph 1. shall be released no later than January 1, 2006, for the reporting of infection rates, and no later than October 1, 2005, for mortality rates and complication rates. The data specified in subparagraph 2. shall be released no later than October 1, 2006.

(4) TECHNICAL ASSISTANCE.—

- (a) The center shall provide technical assistance to persons or organizations engaged in health planning activities in the effective use of statistics collected and compiled by the center. The center shall also provide the following additional technical assistance services:
- <u>1.(a)</u> Establish procedures identifying the circumstances under which, the places at which, the persons from whom, and the methods by which a person may secure data from the center, including procedures governing requests, the ordering of requests, timeframes for handling requests, and other procedures necessary to facilitate the use of the center's data. To the extent possible, the center should provide current data timely in response to requests from public or private agencies.
- <u>2.(b)</u> Provide assistance to data sources and users in the areas of database design, survey design, sampling procedures, statistical interpretation, and data access to promote improved health-care-related data sets.
- <u>3.(e)</u> Identify health care data gaps and <u>provide technical assistance to</u> seek cooperative agreements with other public or private organizations for meeting documented health care data needs.
- $\underline{4.(d)}$ Assist other organizations in developing statistical abstracts of their data sets that could be used by the center.

- <u>5.(e)</u> Provide statistical support to state agencies with regard to the use of databases maintained by the center.
- <u>6.(f)</u> To the extent possible, respond to multiple requests for information not currently collected by the center or available from other sources by initiating data collection.
- <u>7.(g)</u> Maintain detailed information on data maintained by other local, state, federal, and private agencies in order to advise those who use the center of potential sources of data which are requested but which are not available from the center.
- <u>8.(h)</u> Respond to requests for data which are not available in published form by initiating special computer runs on data sets available to the center.
- 9. Monitor innovations in health information technology, informatics, and the exchange of health information and maintain a repository of technical resources to support the development of a health information network.
- (b) The agency shall administer, manage, and monitor grants to not-for-profit organizations, regional health information organizations, public health departments, or state agencies that submit proposals for planning, implementation, or training projects to advance the development of a health information network. Any grant contract shall be evaluated to ensure the effective outcome of the health information project.
- (c) The agency shall initiate, oversee, manage, and evaluate the integration of health care data from each state agency that collects, stores, and reports on health care issues and make that data available to any health care practitioner through a state health information network.
- (5) PUBLICATIONS; REPORTS; SPECIAL STUDIES.—The center shall provide for the widespread dissemination of data which it collects and analyzes. The center shall have the following publication, reporting, and special study functions:
- (a) The center shall publish and make available periodically to agencies and individuals health statistics publications of general interest, including health plan consumer reports and health maintenance organization member satisfaction surveys HMO report cards; publications providing health statistics on topical health policy issues; publications that provide health status profiles of the people in this state; and other topical health statistics publications.
- (b) The center shall publish, make available, and disseminate, promptly and as widely as practicable, the results of special health surveys, health care research, and health care evaluations conducted or supported under this section. Any publication by the center must include a statement of the limitations on the quality, accuracy, and completeness of the data.
- (c) The center shall provide indexing, abstracting, translation, publication, and other services leading to a more effective and timely dissemination of health care statistics.

- The center shall be responsible for publishing and disseminating an annual report on the center's activities.
- The center shall be responsible, to the extent resources are available, for conducting a variety of special studies and surveys to expand the health care information and statistics available for health policy analyses, particularly for the review of public policy issues. The center shall develop a process by which users of the center's data are periodically surveyed regarding critical data needs and the results of the survey considered in determining which special surveys or studies will be conducted. The center shall select problems in health care for research, policy analyses, or special data collections on the basis of their local, regional, or state importance; the unique potential for definitive research on the problem; and opportunities for application of the study findings.
- (6) PROVIDER DATA REPORTING.—This section does not confer on the agency the power to demand or require that a health care provider or professional furnish information, records of interviews, written reports, statements, notes, memoranda, or data other than as expressly required by law.

BUDGET; FEES; TRUST FUND.— (7)

- The Legislature intends that funding for the Florida State Center for Health Information and Policy Analysis Statistics be appropriated from the General Revenue Fund.
- The Florida State Center for Health Information and Policy Analysis Statistics may apply for and receive and accept grants, gifts, and other payments, including property and services, from any governmental or other public or private entity or person and make arrangements as to the use of same, including the undertaking of special studies and other projects relating to health-care-related topics. Funds obtained pursuant to this paragraph may not be used to offset annual appropriations from the General Revenue Fund.
- (c) The center may charge such reasonable fees for services as the agency prescribes by rule. The established fees may not exceed the reasonable cost for such services. Fees collected may not be used to offset annual appropriations from the General Revenue Fund.
- (d) The agency shall establish a Comprehensive Health Information System Trust Fund as the repository of all funds appropriated to, and fees and grants collected for, services of the State Center for Health Statistics, Any funds, other than funds appropriated to the center from the General Revenue Fund, which are raised or collected by the agency for the operation of the center and which are not needed to meet the expenses of the center for its current fiscal year shall be available to the agency in succeeding years.
- (8) STATE CONSUMER COMPREHENSIVE HEALTH INFORMA-TION AND POLICY SYSTEM ADVISORY COUNCIL.—
- (a) There is established in the agency the State Consumer Comprehensive Health Information and Policy System Advisory Council to assist the

center in reviewing the comprehensive health information system, including the identification, collection, standardization, sharing, and coordination of health-related data, fraud and abuse data, and professional and facility licensing data among federal, state, local, and private entities and to recommend improvements for purposes of public health, policy analysis, and transparency of consumer health care information such system. The council shall consist of the following members:

- 1. An employee of the Executive Office of the Governor, to be appointed by the Governor.
- 2. An employee of the Office of Insurance Regulation, to be appointed by the director of the office.
- 3. An employee of the Department of Education, to be appointed by the Commissioner of Education.
- 4. Ten persons, to be appointed by the Secretary of Health Care Administration, representing other state and local agencies, state universities, <u>business and health</u> the Florida Association of Business/Health coalitions, local health councils, professional health-care-related associations, consumers, and purchasers.
- (b) Each member of the council shall be appointed to serve for a term of 2 4 years following from the date of appointment, except the term of appointment shall end 3 years following the date of appointment for members appointed in 2003, 2004, and 2005. that A vacancy shall be filled by appointment for the remainder of the term, and each appointing authority retains the right to reappoint members whose terms of appointment have expired. and except that:
- 1. Three of the members initially appointed by the Director of Health Care Administration shall each be appointed for a term of 3 years.
- 2. Two of the members initially appointed by the Director of Health Care Administration shall each be appointed for a term of 2 years.
- 3. Two of the members initially appointed by the Director of Health Care Administration shall each be appointed for a term of 1 year.
- (c) The council may meet at the call of its chair, at the request of the <u>agency department</u>, or at the request of a majority of its membership, but the council must meet at least quarterly.
 - (d) Members shall elect a chair and vice chair annually.
- (e) A majority of the members constitutes a quorum, and the affirmative vote of a majority of a quorum is necessary to take action.
- (f) The council shall maintain minutes of each meeting and shall make such minutes available to any person.
- (g) Members of the council shall serve without compensation but shall be entitled to receive reimbursement for per diem and travel expenses as provided in s. 112.061.

- (h) The council's duties and responsibilities include, but are not limited to, the following:
- 1. To develop a mission statement, goals, and a plan of action based on the guiding principles specified in s. 282.3032 for the identification, collection, standardization, sharing, and coordination of health-related data across federal, state, and local government and private-sector entities.
- 2. To develop a review process to ensure cooperative planning among agencies that collect or maintain health-related data.
- 3. To create ad hoc issue-oriented technical workgroups on an as-needed basis to make recommendations to the council.
- (9) <u>APPLICATION TO OTHER AGENCIES.</u>—Nothing in this section shall limit, restrict, affect, or control the collection, analysis, release, or publication of data by any state agency pursuant to its statutory authority, duties, or responsibilities.
- Section 4. Paragraph (b) of subsection (1) and subsection (10) of section 408.061, Florida Statutes, are amended to read:
- 408.061 Data collection; uniform systems of financial reporting; information relating to physician charges; confidential information; immunity.—
- (1) The agency shall require the submission by health care facilities, health care providers, and health insurers of data necessary to carry out the agency's duties. Specifications for data to be collected under this section shall be developed by the agency with the assistance of technical advisory panels including representatives of affected entities, consumers, purchasers, and such other interested parties as may be determined by the agency.
- (b) Data to be submitted by health care providers may include, but are not limited to: professional organization and specialty board affiliations, Medicare and Medicaid participation, types of services offered to patients, amount of revenue and expenses of the health care provider, and such other data which are reasonably necessary to study utilization patterns. Data submitted shall be certified by the appropriate duly authorized representative or employee of the health care provider that the information submitted is true and accurate.
- (10) The agency shall be the primary source for collection and dissemination of health care data. No other agency of state government may gather data from a health care provider licensed or regulated under this chapter without first determining if the data is currently being collected by the agency and affirmatively demonstrating that it would be more cost-effective for an agency of state government other than the agency to gather the health care data. The <u>secretary director</u> shall ensure that health care data collected by the divisions within the agency is coordinated. It is the express intent of the Legislature that all health care data be collected by a single source within the agency and that other divisions within the agency, and all other agencies of state government, obtain data for analysis, regulation, and public dissemination purposes from that single source. Confidential information

may be released to other governmental entities or to parties contracting with the agency to perform agency duties or functions as needed in connection with the performance of the duties of the receiving entity. The receiving entity or party shall retain the confidentiality of such information as provided for herein.

Section 5. Paragraphs (h) and (j) of subsection (1) and subsections (2) and (5) of section 408.062, Florida Statutes, are amended to read:

408.062 Research, analyses, studies, and reports.—

- (1) The agency shall conduct research, analyses, and studies relating to health care costs and access to and quality of health care services as access and quality are affected by changes in health care costs. Such research, analyses, and studies shall include, but not be limited to:
- (h) The collection of a statistically valid sample of data on the retail prices charged by pharmacies for the 100 50 most frequently prescribed medicines from any pharmacy licensed by this state as a special study authorized by the Legislature to be performed by the agency quarterly. If the drug is available generically, price data shall be reported for the generic drug and price data of a brand-named drug for which the generic drug is the equivalent shall be reported. The agency shall make available on its Internet website for each pharmacy, no later than October 1, 2006 2005, drug prices for a 30-day supply at a standard dose. The data collected shall be reported for each drug by pharmacy and by metropolitan statistical area or region and updated quarterly.
- (i) The making available on its Internet website beginning no later than October 1, 2004, and in a hard-copy format upon request, of patient charge, volumes, length of stay, and performance outcome indicators collected from health care facilities pursuant to s. 408.061(1)(a) for specific medical conditions, surgeries, and procedures provided in inpatient and outpatient facilities as determined by the agency. In making the determination of specific medical conditions, surgeries, and procedures to include, the agency shall consider such factors as volume, severity of the illness, urgency of admission, individual and societal costs, and whether the condition is acute or chronic. Performance outcome indicators shall be risk adjusted or severity adjusted, as applicable, using nationally recognized risk adjustment methodologies or software consistent with the standards of the Agency for Healthcare Research and Quality and as selected by the agency. The website shall also provide an interactive search that allows consumers to view and compare the information for specific facilities, a map that allows consumers to select a county or region, definitions of all of the data, descriptions of each procedure, and an explanation about why the data may differ from facility to facility. Such public data shall be updated quarterly. The agency shall submit an annual status report on the collection of data and publication of health care quality measures performance outcome indicators to the Governor, the Speaker of the House of Representatives, the President of the Senate, and the substantive legislative committees with the first status report due January 1, 2005.

- (2) The agency may assess annually the caesarean section rate in Florida hospitals using the analysis methodology that the agency determines most appropriate. The data from this assessment shall be published periodically on the agency's Internet website. To assist the agency in determining the impact of this chapter on Florida hospitals' caesarean section rates, each provider hospital, as defined in s. 383.336, shall notify the agency of the date of implementation of the practice parameters and the date of the first meeting of the hospital peer review board created pursuant to this chapter. The agency shall use these dates in monitoring any change in provider hospital caesarean section rates. An annual report based on this monitoring and assessment shall be submitted to the Governor, the Speaker of the House of Representatives, and the President of the Senate by the agency, with the first annual report due January 1, 1993.
- (5) The agency shall develop and implement a strategy for the adoption and use of electronic health records, including the development of an electronic health information network for the sharing of electronic health records among health care facilities, health care providers, and health insurers. The agency may develop rules to facilitate the functionality and protect the confidentiality of electronic health records. The agency shall report to the Governor, the Speaker of the House of Representatives, and the President of the Senate on legislative recommendations to protect the confidentiality of electronic health records.
- Section 6. Subsection (3) of section 20.42, Florida Statutes, is amended to read:
 - 20.42 Agency for Health Care Administration.—
- (3) The department shall be the chief health policy and planning entity for the state. The department is responsible for health facility licensure, inspection, and regulatory enforcement; investigation of consumer complaints related to health care facilities and managed care plans; the implementation of the certificate of need program; the operation of the <u>Florida State Center for Health Information and Policy Analysis Statistics</u>; the administration of the Medicaid program; the administration of the contracts with the Florida Healthy Kids Corporation; the certification of health maintenance organizations and prepaid health clinics as set forth in part III of chapter 641; and any other duties prescribed by statute or agreement.
- Section 7. Subsection (3) of section 381.001, Florida Statutes, is amended to read:
 - 381.001 Legislative intent; public health system.—
- (3) It is, furthermore, the intent of the Legislature that the public health system include comprehensive planning, data collection, technical support, and health resource development functions. These functions include, but are not limited to, state laboratory and pharmacy services, the state vital statistics system, the <u>Florida State Center for Health Information and Policy Analysis Statistics</u>, emergency medical services coordination and support, and recruitment, retention, and development of preventive and primary health care professionals and managers.

Section 8. 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, which is:
- 1. The sole provider within a county with a population density of no greater than 100 persons per square mile;
- 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;
- 3. A hospital supported by a tax district or subdistrict whose boundaries encompass a population of 100 persons or fewer per square mile;
- 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 inpatient utilization rate greater than 15 percent;
- 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 <u>Florida State</u> Center for Health <u>Information and Policy Analysis</u> <u>Statistics</u> at the Agency for Health Care Administration; or
- 6. A hospital designated as a critical access hospital, as defined in s. 408.07(15).

Population densities used in this paragraph must be based upon the most recently completed United States census. A hospital that received funds under s. 409.9116 for a quarter beginning no later than July 1, 2002, is deemed to have been and shall continue to be a rural hospital from that date through June 30, 2012, if the hospital continues to have 100 or fewer licensed beds and an emergency room, or meets the criteria of subparagraph 4. An acute care hospital that has not previously been designated as a rural hospital and that meets the criteria of this paragraph shall be granted such designation upon application, including supporting documentation to the Agency for Health Care Administration.

Section 9. Section 395.6025, Florida Statutes, is amended to read:

395.6025 Rural hospital replacement facilities.—Notwithstanding the provisions of s. 408.036, a hospital defined as a statutory rural hospital in accordance with s. 395.602, or a not-for-profit operator of rural hospitals, is not required to obtain a certificate of need for the construction of a new hospital located in a county with a population of at least 15,000 but no more than 18,000 and a density of less than 30 persons per square mile, or a replacement facility, provided that the replacement, or new, facility is located within 10 miles of the site of the currently licensed rural hospital and within the current primary service area. As used in this section, 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 Florida State Center for Health Information and Policy Analysis Statisties at the Agency for Health Care Administration.

Section 10. Paragraph (d) of subsection (43) 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:

- (43) "Rural hospital" means an acute care hospital licensed under chapter 395, having 100 or fewer licensed beds and an emergency room, and which is:
- (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 Florida State Center for Health Information and Policy Analysis Statistics at the Agency for Health Care Administration; or

Population densities used in this subsection must be based upon the most recently completed United States census. A hospital that received funds under s. 409.9116 for a quarter beginning no later than July 1, 2002, is deemed to have been and shall continue to be a rural hospital from that date through June 30, 2012, if the hospital continues to have 100 or fewer licensed beds and an emergency room, or meets the criteria of s. 395.602(2)(e)4. An acute care hospital that has not previously been designated as a rural hospital and that meets the criteria of this subsection shall be granted such designation upon application, including supporting documentation, to the Agency for Health Care Administration.

Section 11. Paragraph (a) of subsection (4) of section 408.18, Florida Statutes, is amended to read:

408.18 Health Care Community Antitrust Guidance Act; antitrust noaction letter; market-information collection and education.—

- (4)(a) Members of the health care community who seek antitrust guidance may request a review of their proposed business activity by the Attorney General's office. In conducting its review, the Attorney General's office may seek whatever documentation, data, or other material it deems necessary from the Agency for Health Care Administration, the <u>Florida State</u> Center for Health <u>Information and Policy Analysis Statistics</u>, and the Office of Insurance Regulation of the Financial Services Commission.
- Section 12. Paragraph (c) of subsection (4) of section 381.026, Florida Statutes, is amended to read:
 - 381.026 Florida Patient's Bill of Rights and Responsibilities.—
- (4) RIGHTS OF PATIENTS.—Each health care facility or provider shall observe the following standards:
 - (c) Financial information and disclosure.—
- 1. A patient has the right to be given, upon request, by the responsible provider, his or her designee, or a representative of the health care facility full information and necessary counseling on the availability of known financial resources for the patient's health care.
- 2. A health care provider or a health care facility shall, upon request, disclose to each patient who is eligible for Medicare, in advance of treatment, whether the health care provider or the health care facility in which the patient is receiving medical services accepts assignment under Medicare reimbursement as payment in full for medical services and treatment rendered in the health care provider's office or health care facility.
- 3. A health care provider or a health care facility shall, upon request, furnish a person, prior to provision of medical services, a reasonable estimate of charges for such services. Such reasonable estimate shall not preclude the health care provider or health care facility from exceeding the estimate or making additional charges based on changes in the patient's condition or treatment needs.
- 4. Each licensed facility not operated by the state shall make available to the public on its Internet website or by other electronic means a description of and a link to the performance outcome and financial data that is published by the agency pursuant to s. 408.05(3)(k)(1). The facility shall place a notice in the reception area that such information is available electronically and the website address. The licensed facility may indicate that the pricing information is based on a compilation of charges for the average patient and that each patient's bill may vary from the average depending upon the severity of illness and individual resources consumed. The licensed facility may also indicate that the price of service is negotiable for eligible patients based upon the patient's ability to pay.
- 5. A patient has the right to receive a copy of an itemized bill upon request. A patient has a right to be given an explanation of charges upon request.

- Section 13. Subsection (10) of section 395.301, Florida Statutes, is amended to read:
- 395.301 Itemized patient bill; form and content prescribed by the agency.—
- (10) Each licensed facility shall make available on its Internet website a link to the performance outcome and financial data that is published by the Agency for Health Care Administration pursuant to s. 408.05(3)(k)(l). The facility shall place a notice in the reception area that the information is available electronically and the facility's Internet website address.
 - Section 14. Section 465.0244, Florida Statutes, is amended to read:
- 465.0244 Information disclosure.—Every pharmacy shall make available on its Internet website a link to the performance outcome and financial data that is published by the Agency for Health Care Administration pursuant to s. $408.05(3)(\underline{k})(\underline{l})$ and shall place in the area where customers receive filled prescriptions notice that such information is available electronically and the address of its Internet website.
- Section 15. Subsection (2) of section 627.6499, Florida Statutes, is amended to read:
 - 627.6499 Reporting by insurers and third-party administrators.—
- (2) Each health insurance issuer shall make available on its Internet website a link to the performance outcome and financial data that is published by the Agency for Health Care Administration pursuant to s. 408.05(3)(k)(1) and shall include in every policy delivered or issued for delivery to any person in the state or any materials provided as required by s. 627.64725 notice that such information is available electronically and the address of its Internet website.
- Section 16. Subsection (7) of section 641.54, Florida Statutes, is amended to read:

641.54 Information disclosure.—

- (7) Each health maintenance organization shall make available on its Internet website a link to the performance outcome and financial data that is published by the Agency for Health Care Administration pursuant to s. $408.05(3)(\underline{k})(\underline{l})$ and shall include in every policy delivered or issued for delivery to any person in the state or any materials provided as required by s. 627.64725 notice that such information is available electronically and the address of its Internet website.
- Section 17. For the purpose of protecting and ensuring the safety and security of the data held by the Agency for Health Care Administration, as described in s. 408.061, Florida Statutes, the agency shall be responsible for ensuring that data and data backup systems are housed at a secure facility that meets or exceeds the following requirements:

- (a) The facility must be located in the state;
- (b) The facility must be designated as a critical facility by the county emergency management agency, under s. 252.38, Florida Statutes, in the county where the facility is located:
- (c) The facility must be designed to withstand a category 5 hurricane and be outside the 500-year flood zone established by the Federal Emergency Management Agency;
- (d) The facility must have six or more tier-one telecommunication carriers deployed at the facility;
- (e) The facility must have commercial power supplied by at least two separate substation feeders and must be able to operate continuously for at least 5 days on its own power generation systems without refueling should such commercial power be interrupted; and
- (f) The facility has successfully undergone a Statement on Auditing Standards (SAS) No. 70 review, representing that the facility has been through an in-depth review of the security and information technology control process relating to its operation.

Section 18. This act shall take effect upon becoming a law.

Approved by the Governor June 20, 2006.

Filed in Office Secretary of State June 20, 2006.