

**HOUSE OF REPRESENTATIVES STAFF ANALYSIS**

**BILL #:** CS/HB 491 Teaching Nursing Homes  
**SPONSOR(S):** Health Care Regulation Policy Committee; Bogdanoff  
**TIED BILLS:** **IDEN./SIM. BILLS:** SB 816

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	<b>REFERENCE</b>	<b>ACTION</b>	<b>ANALYST</b>	<b>STAFF DIRECTOR</b>
1)	<u>Health Care Regulation Policy Committee</u>	<u>14 Y, 0 N, As CS</u>	<u>Shaw</u>	<u>Calamas</u>
2)	<u>Health &amp; Family Services Policy Council</u>	<u></u>	<u>Shaw</u>	<u>Gormley</u>
3)	<u></u>	<u></u>	<u></u>	<u></u>
4)	<u></u>	<u></u>	<u></u>	<u></u>
5)	<u></u>	<u></u>	<u></u>	<u></u>

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**SUMMARY ANALYSIS**

A teaching nursing home is a comprehensive multidisciplinary program of geriatric education and research in a nursing home facility. Presently, only one facility, the Miami Jewish Home and Hospital for the Aged at Douglas Gardens, is designated a teaching nursing home.

The bill revises the requirements for becoming a teaching nursing home which increases the number of facilities eligible for the designation. Under the revised requirements, the Miami Jewish Home and Hospital for the Aged at Douglas Gardens will remain eligible. Presently, Joseph L. Morse Geriatric Center, Inc., (MorseLife) in Palm Beach County, River Garden Hebrew Home for the Aged in Jacksonville, and Indian River Center in West Melbourne may also meet the requirements of the bill. In the future, other nursing homes may become eligible.

The bill will have no fiscal impact on state government.

The bill has an effective date of July 1, 2010.

## HOUSE PRINCIPLES

Members are encouraged to evaluate proposed legislation in light of the following guiding principles of the House of Representatives

- Balance the state budget.
- Create a legal and regulatory environment that fosters economic growth and job creation.
- Lower the tax burden on families and businesses.
- Reverse or restrain the growth of government.
- Promote public safety.
- Promote educational accountability, excellence, and choice.
- Foster respect for the family and for innocent human life.
- Protect Florida's natural beauty.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### **Present Situation**

###### *Teaching Nursing Home Pilot Program*

In 1999, the Legislature enacted a "Teaching Nursing Home Pilot Project" to implement a comprehensive multidisciplinary program of geriatric education and research in a nursing home facility designated by the Agency for Health Care Administration (AHCA) as a teaching nursing home.<sup>1</sup> To receive the designation, a nursing home licensed under chapter 400, F.S., must: have at least 400 licensed nursing home beds; have access to a resident senior population of sufficient size to support education, training, and research relating to geriatric care; and have a contractual relationship with a federally funded accredited geriatric research center in this state.<sup>2</sup> The facility must also have a valid accreditation, such as the accreditation awarded by the Joint Commission on Accreditation of Healthcare Organizations, and have a contractual relationship with a teaching hospital.<sup>3</sup>

The Miami Jewish Home and Hospital for the Aged at Douglas Gardens was licensed in July 2000 as a teaching nursing home, and it remains the only nursing home so designated. Since that time, the teaching nursing home has received \$5.2 million to implement the program; however, state funding was discontinued in the 2007-2008 fiscal year.

###### *General and Professional Liability Insurance*

Nursing homes must meet the requirements for licensure in Part II of Chapter 400, Florida Statutes. Among the requirements is that a nursing home must maintain general and professional liability insurance coverage that is in force at all times.<sup>4</sup> A state-designated teaching nursing home and its affiliated assisting assisted living facility may opt to meet this requirement by self insuring.<sup>5</sup> The teaching nursing home must demonstrate financial responsibility in a minimum amount of \$750,000.<sup>6</sup>

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<sup>1</sup> Ch. 99-394, L.O.F., creating s. 430.80, F.S.

<sup>2</sup> s. 430.80(1) and (2), F.S.

<sup>3</sup> *Id.*

<sup>4</sup> s. 400.101(1)(s), F.S.

<sup>5</sup> s. 430.80(3), F.S.

<sup>6</sup> *Id.*

## Gold Seal Program

The Goal Seal Program is an award and recognition program for nursing home facilities that demonstrate excellence in long-term care over a sustained period.

Section 400.235, F.S., sets the requirements for receiving a Goal Seal Award. The facility must:

- Demonstrate a high quality of care and have no Class I<sup>7</sup> or Class II<sup>8</sup> deficiencies within the 30 months preceding application for the program;
- Evidence financial soundness and stability;
- Participate in a consumer satisfaction process;
- Evidence the involvement of families and members of the community in the facility on a regular basis; have a stable workforce;
- Evidence an outstanding record regarding the number and types of substantiated complaints reported to the State Long-Term Care Ombudsman Council within the 30 months preceding application for the program; and
- Provide targeted in-service training to meet needs identified by internal or external quality assurance efforts.

### Effect of Proposed Changes

The bill amends s. 430.80, F.S., to revise the requirements for becoming a teaching nursing home. These changes increase the number of facilities eligible to be designated a teaching nursing home.

The bill makes the following changes to the designation requirements:

- The minimum number of licensed nursing home beds is reduced from 400 to 170.
- In lieu of participating in a nationally recognized accreditation program, the nursing home may possess a Gold Seal Award at the time of initial designation as a teaching nursing home.
- In lieu of having a contractual relationship with a federally-funded accredited geriatric research center, the nursing home may operate a geriatric research center itself.
- The nursing home need not have a formalized contractual relationship with an accredited hospital.

The Miami Jewish Home and Hospital for the Aged at Douglas Gardens will still qualify as a teaching nursing home. According to AHCA, there are currently 110 nursing homes with at least 170 beds. Of those only three currently have a Gold Seal Award: Joseph L. Morse Geriatric Center, Inc., (MorseLife) in Palm Beach County, River Garden Hebrew Home for the Aged in Jacksonville, and Indian River Center in West Melbourne. MorseLife and River Garden contend that they would meet the revised requirements to become a teaching nursing home.<sup>9</sup> AHCA does not have sufficient information to assess whether all three facilities meet the bill requirements.

### B. SECTION DIRECTORY:

**Section 1:** Amends s. 430.80, F.S., relating to teaching nursing homes.

**Section 2:** Amends s. 400.141, F.S., relating to the administration and management of nursing home facilities.

**Section 3:** Provides an effective date of July 1, 2010.

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<sup>7</sup> Class "I" violations are those conditions or occurrences related to the operation and maintenance of a provider or to the care of clients which AHCA determines present an imminent danger to the clients of the provider or a substantial probability that death or serious physical or emotional harm would result. See s. 408.813(2)(a), F.S.

<sup>8</sup> Class "II" violations are those conditions or occurrences related to the operation and maintenance of a provider or to the care of clients which AHCA determines directly threaten the physical or emotional health, safety, or security of the clients. See s. 408.813(2)(b), F.S.

<sup>9</sup> Testimony of the bill sponsor at the March 9, 2010, meeting of the Health Care Regulation Policy Committee.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

### C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

More Florida nursing homes may obtain the designation of a teaching nursing home which will allow them to self-insure.

### D. FISCAL COMMENTS:

State funding was discontinued for teaching nursing homes in the 2007-2008 fiscal year.

## III. COMMENTS

### A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not appear to require counties or municipalities to take an action requiring the expenditure of funds, reduce the authority that counties or municipalities have to raise revenue in the aggregate, nor reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

### B. RULE-MAKING AUTHORITY:

None.

### C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

## IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES

On March 9, 2010, the Health Care Regulation Policy Committee heard the bill and adopted one amendment. The original bill reduced the minimum number of licensed beds required for a nursing home to qualify as a teaching nursing home from 400 to 275. The amendment reduces the minimum number of required licensed beds to 170.

The bill was reported favorably as a Committee Substitute. This analysis reflects the Committee Substitute.