

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** CS/HB 1071 Health Care Accrediting Organizations

**SPONSOR(S):** Health Innovation Subcommittee; Antone

**TIED BILLS:** **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Health Innovation Subcommittee	11 Y, 0 N, As CS	Guzzo	Shaw
2) Health & Human Services Committee		Guzzo	Calamas

### SUMMARY ANALYSIS

The primary purpose of an accrediting organization is to assist providers, through private enterprise, with establishing policies and procedures to meet various local, state and federal regulations and national standards of practice. Accrediting organizations are referred to in current law, which affects a variety of state agencies and departments, including, but not limited to, the Agency for Health Care Administration, the Department of Health, the Department of Children and Families, and the Office of Insurance Regulation.

The proposed committee substitute amends several sections of statute to provide a standard definition of the term “accrediting organization” to consistently be applied among the various statutes in which the term is referenced.

Prior to 2012, s. 395.002, F.S., defined “accrediting organizations” as:

- The Joint Commission on Accreditation of Healthcare Organizations (now known as the Joint Commission);
- The American Osteopathic Association;
- The Commission on Accreditation of Rehabilitation Facilities; and
- The Accreditation Association for Ambulatory Health Care, Inc.

In 2012, the legislature amended s. 395.002, F.S., to change the definition of the term “accrediting organizations” to:

National accreditation organizations that are approved by the Centers for Medicare and Medicaid Services and whose standards incorporate comparable licensure regulations required by the state.

As a result, the term can now encompass a broad number of accrediting organizations, thus negating the need to refer to accrediting organizations individually in statute, while retaining the same level of regulatory compliance.

Currently, there are still several statutes that have different variations of the term “accrediting organizations”.

The bill amends 16 sections of statute to provide a uniform interpretation and application of the term “accrediting organizations”.

The bill does not appear to have a fiscal impact on state or local government.

The bill provides an effective date of July 1, 2013.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### **Present Situation**

The primary purpose of an accrediting organization is to assist providers, through private enterprise, with establishing policies and procedures to meet various local, state and federal regulations and national standards of practice. Generally, licensure statutes do not require participation with an accrediting organization, but often allow for the recognition of accreditation organizations as appropriate means of certification. There are several sections of Florida Statute that provide such references to accrediting organizations.

Prior to 2012, s. 395.002, F.S., defined “accrediting organizations” as the Joint Commission on Accreditation of Healthcare Organizations (now known as the Joint Commission), the American Osteopathic Association, the Commission on Accreditation of Rehabilitation Facilities (CARF), and the Accreditation Association for Ambulatory Health Care, Inc.

In 2012, the legislature amended<sup>1</sup> s. 395.002, F.S., to change the definition of the term “accrediting organizations” to national accreditation organizations that are approved by the Centers for Medicare and Medicaid Services and whose standards incorporate comparable licensure regulations required by the state. As a result, the term can now be interpreted to encompass a broad number of accrediting organizations, including, but not limited to, those specifically mentioned in the prior definition of accrediting organizations.

Accrediting organizations are referred to in current law, which affects a variety of state agencies and departments, including, but not limited to, the Agency for Health Care Administration, the Department of Health, the Department of Children and Families, and the Office of Insurance Regulation.

##### The Joint Commission

The Joint Commission is a non-profit organization that accredits and certifies more than 20,000 health care organizations and programs in the United States.<sup>2</sup> The Joint Commission was established in 1951 as the Joint Commission on Accreditation of Hospitals. In 1987, the organization changed its name to the Joint Commission on Accreditation of Healthcare Organizations in order to reflect an expanded scope of activities. In 2007, the Joint Commission on Accreditation of Healthcare Organizations shortened its name to the Joint Commission in order to refresh its brand identity.<sup>3</sup> Currently, the Florida Statutes refer to the Joint Commission on Accreditation of Healthcare Organizations.

##### The American Osteopathic Association – Healthcare Facilities Accreditation Program

The Healthcare Facilities Accreditation Program (HFAP) is a program that is authorized by the Centers for Medicare and Medicaid Services (CMS) to survey hospitals for compliance with the Medicare Conditions of Participation. HFAP has maintained its authority to survey hospitals for compliance with the Medicare Conditions of Participation and Coverage since 1965 and meets or exceeds the standards required by CMS/Medicare to provide accreditation to hospitals, ambulatory care/surgical facilities, mental health facilities, physical rehabilitation facilities, clinical laboratories and critical access hospitals. The HFAP also provides certification reviews for Primary Stroke Centers.<sup>4</sup> The HFAP facility

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<sup>1</sup> Chapter 2012-66, L.O.F.

<sup>2</sup> About the Joint Commission, found at: [http://www.jointcommission.org/about\\_us/about\\_the\\_joint\\_commission\\_main.aspx](http://www.jointcommission.org/about_us/about_the_joint_commission_main.aspx), last visited on Mar. 27, 2013.

<sup>3</sup> The Joint Commission History, found at: [http://www.jointcommission.org/assets/1/6/Joint\\_Commission\\_History.pdf](http://www.jointcommission.org/assets/1/6/Joint_Commission_History.pdf), last visited on Mar. 27, 2013

<sup>4</sup> HFAP Overview, found at <http://www.hfap.org/about/overview.aspx>, last visited on Mar. 27, 2013.

accreditation process consists of five basic steps including application, survey, reporting deficiencies, creating a plan of corrections/correct action response, and accreditation.<sup>5</sup>

### CARF International

What is now known as CARF International was founded in 1966 as the Commission on Accreditation of Rehabilitation Facilities when the National Association of Sheltered Workshops and Homebound Programs and the Association of Rehabilitation Centers agreed to pool their interests.<sup>6</sup> The CARF International is a nonprofit accreditor of health and human services providers in multiple areas including aging services, behavioral health, and medical rehabilitation. The CARF family of organizations currently accredits close to 50,000 programs in countries across the globe.<sup>7</sup> Currently, the Florida Statutes still refer to CARF as the Commission on Accreditation of Rehabilitation Facilities or something similar.

### **Effect of Proposed Changes**

The bill amends 16 sections of statute to provide a standard definition of the term “accrediting organization” to consistently be applied among the various statutes in which the term is referenced.

Specifically, the bill inserts language from the current definition of “accrediting organizations”, as appropriate, to clarify that the accrediting organization is “an accrediting organization whose standards incorporate comparable licensure regulations required by the state”. As a result, the term can now be interpreted to encompass a broad number of accrediting organizations, thus negating the need to refer to accrediting organizations individually in statute, while retaining the same level of regulatory compliance.

### **B. SECTION DIRECTORY:**

- Section 1:** Amends s. 154.11, F.S., relating to powers of the board of trustees.
- Section 2:** Amends s. 394.741, F.S., relating to accreditation requirements for providers of behavioral health care services.
- Section 3:** Amends s. 395.3038, F.S., relating to state-listed primary stroke centers and comprehensive stroke centers; and notification of hospitals.
- Section 4:** Amends s. 397.403, F.S., relating to license application.
- Section 5:** Amends s. 400.925, F.S., relating to definitions.
- Section 6:** Amends s. 400.9935, F.S., relating to clinic responsibilities.
- Section 7:** Amends s. 402.7306, F.S., relating to administrative monitoring of child welfare providers, and administrative, licensure, and programmatic monitoring of mental health and substance abuse service providers.
- Section 8:** Amends s. 408.05, F.S., relating to the Florida Center for Health Information and Policy Analysis.
- Section 9:** Amends s. 430.80, F.S., relating to implementation of a teaching nursing home pilot project.
- Section 10:** Amends s. 440.13, F.S., relating to medical services and supplies; penalty for violations; and limitations.
- Section 11:** Amends s. 627.645, F.S., relating to denial of health insurance claims restricted.
- Section 12:** Amends s. 627.668, F.S., relating to optional coverage for mental and nervous disorders required; and exceptions.
- Section 13:** Amends s. 627.669, F.S., relating to optional coverage required for substance abuse impaired persons, and exceptions.
- Section 14:** Amends s. 627.736, F.S., relating to required personal injury protection benefits; exclusions; priority; and claims.

<sup>5</sup> Accreditation by HFAP, found at <http://www.hfap.org/WhyHfap/workingwithhfap.aspx>, last visited on Mar. 27, 2013.

<sup>6</sup> History of CARF International, found at: <http://www.carf.org/About/History/>, last visited on Mar. 27, 2013.

<sup>7</sup> CARF International, found at: <http://www.carf.org/About/WhoWeAre/>, last visited on Mar. 27, 2013.

- Section 15:** Amends s. 641.495, F.S., relating to requirements for issuance and maintenance of certificate.
- Section 16:** Amends s. 766.1015, F.S., relating to civil immunity for members of or consultants to certain boards, committees, or other entities.
- Section 17:** Provides an effective date of July 1, 2013.

## **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:**

None.

### **D. FISCAL COMMENTS:**

None.

## **III. COMMENTS**

### **A. CONSTITUTIONAL ISSUES:**

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to affect county or municipal governments.

2. Other:

### **B. RULE-MAKING AUTHORITY:**

No additional rule-making authority is necessary to carry out the provisions of the bill.

### **C. DRAFTING ISSUES OR OTHER COMMENTS:**

None.

## **IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES**