



## Issue Spotlight: Free Market Health Care Reforms

Updated as of 4/14/2017

The Florida House is focused on increasing access to affordable and quality health care for all Floridians. To do so, we continuously look for ways to apply free market principles and practices to the health care arena. This means encouraging and supporting competition by eliminating unnecessary regulation and empowering patients with more information and more options whenever possible. This also means standing up to entrenched interests that benefit from maintaining the status quo.

Below are brief descriptions of bills that offer opportunities to advance our mission to increase access to affordable and quality health care. Please refer to bill texts and analyses for additional information on what each bill does and does not do.

### *Recovery Care Services – HB 145, Rep. Renner*

- Ambulatory surgical centers (ASCs) are non-hospital facilities that provide surgical care. In Florida, ASC patients must be admitted and discharged the same working day and are not permitted to stay overnight. ASCs have highly skilled staff and surgeons and are less expensive and more convenient than having surgery in a hospital.
- Federal Medicare reimbursement for care received in an ASC is generally limited to stays of no more than 24 hours. HB 145 changes the allowable length of stay in an ASC from less than one working day to no more than 24 hours, which is the federal Medicare length of stay standard.
- Recovery care centers (RCCs) provide post-surgical and post-diagnostic, short-term medical and general nursing care, support, and pain control for patients that do not require acute hospitalization. A RCC can be either freestanding or attached to an ASC or hospital, and often provide care to patients transferred from an ASC following surgery, which allows an ASC to perform more complex procedures. RCCs exist in some states, but not Florida.
- HB 145 creates a new license for a RCC, defined as a facility with the primary purpose of providing recovery care services, to which a patient is admitted and discharged within 72 hours, and which is not part of a hospital. The bill defines recovery care services as:
  - Postsurgical and post-diagnostic medical and general nursing care to patients for whom acute hospitalization is not required and an uncomplicated recovery is reasonably expected; and
  - Postsurgical rehabilitation services.
- Recovery care services do not include intensive care services, coronary care services, or critical care services.
- **STATUS:** Passed House Floor on 3/30/2017; Sent to Senate in Messages on 4/04/2017



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## ***Direct Primary Care Agreements – CS/HB 161, Rep. Burgess***

- Direct primary care (DPC) is a medical practice model that eliminates third party payers from the doctor-patient relationship. By contract, a patient or employer pays a monthly fee to the primary care provider for defined services. After paying the fee, a patient can utilize all services in the agreement at no extra charge.
- One of the most critical problems in health care is out of control and unjustifiable costs. High costs reduce access to medical services and coverage for all Floridians, especially the uninsured. Innovations like DPC cut costs by eliminating the administrative hassles of the third-party payer system and restoring the patient-physician relationship.
- CS/HB 161 provides that a DPC agreement and the act of entering into such an agreement are not insurance (including workers' compensation insurance) and not subject to regulation under the Florida Insurance Code (Code), including chapter 636, F.S. The bill also exempts a primary care provider, which includes a primary care group practice, or his or her agent, from any certification or licensure requirements under the Code for marketing, selling, or offering to sell a DPC agreement.
- Preventing DPC practices from being regulated like insurance will help expand its use.
- **STATUS:** Passed House Floor on 3/30/2017; Sent to Senate in Messages on 4/04/2017

## ***Patient Safety Culture Surveys – CS/HB 375, Rep. Grant, M.***

- A "patient safety culture survey" is a survey designed to measure the patient safety climate at a health care facility. The survey is completed by facility employees and asks about patient safety and quality of care at their place of employment.
- The surveys help hospitals identify and fix problems. If published, the survey data could also help potential patients make decisions about which facilities are best for their own care and the care of their families.
- CS/HB 375 requires the Agency for Health Care Administration (AHCA) to develop patient safety culture surveys to measure patient safety culture in hospitals and ASCs. The surveys will measure the frequency of adverse events, quality of handoffs and transitions, staff comfort in reporting a potential problem or error, the level of teamwork within hospital units and the facility as a whole, staff compliance with patient safety regulations and guidelines, staff's perception of facility support for patient safety, and staff's opinions on whether or not they would undergo a health care service or procedure at the facility.
- The bill requires facilities to annually conduct and submit the results of the patient safety culture survey to the Florida Center for Health Information and Transparency, and authorizes AHCA to adopt rules for the survey and submission process. Submission of the culture survey is a condition of licensure. AHCA must include the survey results in the health care quality measures available to the public.
- Requiring Florida hospitals and ASCs to complete the surveys and publishing the results will empower patients and increase quality.
- **STATUS:** Passed House Floor on 3/30/2017; Sent to Senate in Messages on 4/04/2017



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## *Prescription Drug Price Transparency – HB 589, Rep. Yarborough*

- MyFloridaRx.com is Florida’s prescription drug pricing website. The website includes 150 of the most commonly prescribed brand name drugs and associated generic equivalents and allows patients to compare prices of the drugs by location. You can search the website by county, city, and drug.
- HB 589 doubles the number of prescription drugs that must be posted to MyFloridaRx.com, from 150 to 300. Additionally, the bill codifies the current practice by which prescription drug pricing information is reported to AHCA, from quarterly to monthly. As a result, patients who query MyFloridaRx.com will have access to pricing information for more prescription drugs.
- More information provided to the public through MyFloridaRx.com will allow Floridians to make cost-effective choices for themselves and their families.
- Ultimately, drug price transparency empowers patients and lowers the costs of drugs by encouraging competition.
- **STATUS:** Passed House Floor on 3/30/2017; Sent to Senate in Messages on 4/04/2017