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PART I
COUNTY HEALTH DEPARTMENTS

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154.001 System of coordinated county health department services; legislative intent.—It is the intent of the Legislature to promote, protect, maintain, and improve the health and safety of all citizens and visitors of this state through a system of coordinated county health department services. The Legislature recognizes the unique partnership which necessarily exists between the state and its counties in meeting the public health needs of the state. To strengthen this partnership, the Legislature intends that the public health needs of the several counties be provided through contractual arrangements between the state and each county. The Legislature also recognizes the importance of meeting the educational needs of Florida's public health professionals.

History.—s. 3, ch. 83-177; s. 16, ch. 97-101.

154.01 County health department delivery system.—

(1) The several counties of the state may cooperate with the Department of Health in the establishment and maintenance of full-time county health departments in such counties for the promotion of the public's health, the control and eradication of preventable diseases, and the provision of primary health care for special populations.

(2) A functional system of county health department services shall be established which shall include the following three levels of service and be funded as follows:

(a) "Environmental health services" are those services which are organized and operated to protect the health of the general public by monitoring and regulating activities in the environment which may contribute to the occurrence or transmission of disease.

Environmental health services shall be supported by available federal, state, and local funds and shall include those services mandated on a state or federal level. Examples of environmental health services include, but are not limited to, food hygiene, safe drinking water supply, sewage and solid waste disposal, swimming pools, group care facilities,

migrant labor camps, toxic material control, radiological health, occupational health, and entomology.

(b) "Communicable disease control services" are those services which protect the health of the general public through the detection, control, and eradication of diseases which are transmitted primarily by human beings. Communicable disease services shall be supported by available federal, state, and local funds and shall include those services mandated on a state or federal level. Such services include, but are not limited to, epidemiology, sexually transmissible disease detection and control, immunization, tuberculosis control, and maintenance of vital statistics.

(c) "Primary care services" are acute care and preventive services that are made available to well and sick persons who are unable to obtain such services due to lack of income or other barriers beyond their control. These services are provided to benefit individuals, improve the collective health of the public, and prevent and control the spread of disease. Primary health care services are provided at home, in group settings, or in clinics. These services shall be supported by available federal, state, and local funds and shall include services mandated on a state or federal level. Examples of primary health care services include, but are not limited to: first contact acute care services; chronic disease detection and treatment; maternal and child health services; family planning; nutrition; school health; supplemental food assistance for women, infants, and children; home health; and dental services.

(3) The Department of Health shall enter into contracts with the several counties for the purposes of this part. All contracts shall be negotiated and approved by the appropriate local governing bodies on behalf of the department. In accordance with federal guidelines, the state may utilize federal funds for county health department services. A standard contract format shall be developed and used by the department in contract negotiations.

The contract shall include the three levels of county health department services outlined in subsection (2) above and shall contain a section which stipulates, for the contract year:

(a) All revenue sources, including federal, state, and local general revenue, fees, and other cash contributions, which shall be used by the county health department for county health department services;

(b) The types of services to be provided in each level of service;

(c) The estimated number of clients, where applicable, who will be served, by type of service;

(d) The estimated number of services, where applicable, that will be provided, by type of service;

(e) The estimated number of staff positions (full-time equivalent positions) who will work in each type of service area; and

(f) The estimated expenditures for each type of service and for each level of service.

The contract shall also provide for financial and service reporting for each type of service according to standard service and reporting procedures established by the department.

(4) The use and maintenance of county health department facilities and equipment shall be subject to the provisions of the contract between the Department of Health and each county. However, the counties may retain ownership of such facilities and equipment and the right to use such facilities and equipment as the need arises, to the extent that such use would not impose an unwarranted interference with the operation of the county health department pursuant to the provisions of the contract. In all cases, such facilities shall be used primarily for purposes related to public health. Ownership of county health department facilities and equipment may be relinquished by a county to the Department of Health by mutual consent of the parties in the contract.

(5) In order to provide for the effective delivery of health services in keeping with expanding needs or modernization, the Legislature may authorize funding for construction

or expansion projects to county health departments or other nonprofit primary health care providers who are under contract with the department. The department shall submit a list of construction or expansion needs arranged in order of priority to the Legislature in conjunction with each annual budget request. The priority list shall be based on the following criteria:

- (a) The capacity of the health facility to efficiently provide the full set of authorized services for the number of patients who can be served with available funds;
 - (b) The capacity of the health facility to meet the anticipated growth in demand for service over the next 10 years; and
 - (c) The adequacy of the facility to ensure patient and staff safety, provide privacy during eligibility determination and examination, and enable an efficient movement of patients through service areas.
- (6)(a) The department shall include the estimated cost of the construction or renovation of each county health department on the list. This cost must be based on a professional assessment of the square footage needed to meet the demand for service and the prevailing cost of construction in the county in which the county health department is to be built, including the cost of land, the cost for obtaining necessary permits, and the cost of outfitting the facility. Funds appropriated for construction and renovation of a county health department facility may only be released by the department if the board of county commissioners of the county for which funds have been appropriated agrees that any county health department facility which is constructed or renovated, in whole or in part, with funds appropriated under this section will be used only for county health department services, unless otherwise authorized by the department, that the county will not charge rent for use of the facility by the county health department, and that the county will not attempt to sell such facility without the concurrence of the department.
- (b) Any dispute arising under this subsection shall be resolved pursuant to chapter 120.

Funds appropriated by the Legislature for county health department construction or expansion projects shall be accounted for separately in the County Health Department Trust Fund from revenues appropriated for county health department services and under the terms and conditions established by the Legislature.

History.—s. 1, ch. 14906, 1931; CGL 1936 Supp. 2934(22); s. 7, ch. 22858, 1945; ss. 19, 35, ch. 69-106; s. 14, ch. 75-48; s. 29, ch. 77-147; s. 4, ch. 83-177; s. 5, ch. 88-235; s. 1, ch. 88-294; s. 1, ch. 89-311; s. 93, ch. 91-282; s. 76, ch. 91-297; s. 2, ch. 93-262; s. 17, ch. 97-101; s. 13, ch. 2003-1.

154.011 Primary care services.—

(1) It is the intent of the Legislature that all 67 counties offer primary care services through contracts, as required by s. 154.01(3), for Medicaid recipients and other qualified low-income persons. Therefore, the Department of Health is directed, to the extent that funds are appropriated, to develop a plan to implement a program in cooperation with each county. The department shall coordinate with the county's governing body. Such primary care programs shall be phased-in and made operational as additional resources are appropriated, and shall be subject to the following:

- (a) The department shall enter into contracts with the county governing body for the purpose of expanding primary care coverage. The county governing body shall have the option of organizing the primary care programs through county health departments or through county public hospitals owned and operated directly by the county. The department shall, as its first priority, maximize the number of counties participating in the primary care programs under this section, but shall establish priorities for funding based on need and the willingness of counties to participate. The department shall select counties for programs through a formal request-for-proposal process that requires compliance with program

standards for cost-effective quality care and seeks to maximize access throughout the county.

(b) Each county's primary care program may utilize any or all of the following options of providing services: offering services directly through the county health departments; contracting with individual or group practitioners for all or part of the service; or developing service delivery models which are organized through the county health departments but which utilize other service or delivery systems available, such as federal primary care programs or prepaid health plans. In addition, counties shall have the option of pooling resources and joining with neighboring counties in order to fulfill the intent of this section.

(c) Each primary care program shall conform to the requirements and specifications of the department, and shall at a minimum:

1. Adopt a minimum eligibility standard of at least 100 percent of the federal nonfarm poverty level.
2. Provide a comprehensive mix of preventive and illness care services.
3. Be family oriented and be easily accessible regardless of income, physical status, or geographical location.
4. Ensure 24-hour telephone access and offer evening and weekend clinic services.
5. Offer continuity of care over time.
6. Make maximum use of existing providers and closely coordinate its services and funding with existing federal primary care programs, especially in rural counties, to ensure efficient use of resources.
7. Have a sliding fee schedule based on income for eligible persons above 100 percent of the federal nonfarm poverty level.
8. Include quality assurance provisions and procedures for evaluation.
9. Provide early periodic screening diagnostic and treatment services for Medicaid-eligible children.
10. Fully utilize and coordinate with rural hospitals for outpatient services, including contracting for services when advisable in terms of cost-effectiveness and feasibility.

(2) The department shall monitor, measure, and evaluate the quality of care provided by each primary care program.

(3) It is the intent of the Legislature that each county primary care program include a broad range of preventive and acute care services which are actively coordinated through comprehensive medical management and, further, that the health and preventive services currently offered through the county health departments are fully integrated, to the extent possible, with the services provided by the primary care programs.

(4) Each county primary care program shall coordinate obstetrical services with the Improved Pregnancy Outcome Program. Financially eligible women at risk for adverse pregnancy outcomes due to any potential medical complication shall not be denied access to prenatal care. Potential medical complications may arise out of, but not be limited to, alcohol abuse, drug abuse, or delay in obtaining initial prenatal care. The inability of the primary care program to provide funding for hospitalization or other acute services shall not preclude an eligible patient from obtaining prenatal services.

(5) The department shall adopt rules to govern the operation of primary care programs authorized by this section. Such rules may include, but need not be limited to, requirements for income eligibility, income verification, continuity of care, client services, client enrollment and disenrollment, eligibility, intake, recordkeeping, coverage, quality control, quality of care, case management, a definition of income used to determine eligibility or sliding fees, and Medicaid participation and shall be developed by the State Health Officer. Rules governing services to clients under 21 years of age shall be developed in conjunction with children's medical services and shall at a minimum include preventive services as set forth in s. 627.6579.

History.—s. 4, ch. 87-92; ss. 2, 34, ch. 88-294; s. 54, ch. 91-282; s. 18, ch. 97-101; s. 2, ch. 2000-209; s. 1, ch. 2000-242; s. 4, ch. 2000-367.

154.02 County Health Department Trust Fund.—

(1) To enable counties to provide public health services and maintain public health equipment and facilities, each county in the state with a population exceeding 100,000, according to the last state census, may levy an annual tax not exceeding 0.5 mill; each county in the state with a population exceeding 40,000 and not exceeding 100,000, according to the last state census, may levy an annual tax not exceeding 1 mill; and each county in the state with a population not exceeding 40,000, according to the last state census, may levy an annual tax not exceeding 2 mills, on the dollar on all taxable property in such county, the proceeds of which tax, if so contracted with the state, shall be paid to the Chief Financial Officer. However, the board of county commissioners may elect to pay in 12 equal monthly installments. Such funds in the hands of the Chief Financial Officer shall be placed in the county health department trust funds of the county by which such funds were raised, and such funds shall be expended by the Department of Health solely for the purpose of carrying out the intent and object of the public health contract.

(2) The Chief Financial Officer shall maintain a full-time County Health Department Trust Fund which shall contain all state and local funds to be expended by county health departments. Such funds shall be expended by the Department of Health solely for the purposes of carrying out the intent and purpose of this part. Federal funds may be deposited in the trust fund.

(3) Funds from the County Health Department Trust Fund may be expended by the Department of Health for the respective county health departments in accordance with budgets and plans agreed upon by the county authorities of each county and the Department of Health.

(4) The County Health Department Trust Fund shall be governed as follows:

(a) Each county health department shall be accounted for separately within the trust fund;

(b) For each participating county, the trust fund shall be divided into three levels of service, one for each type of service to be provided pursuant to s. 154.01(2)(a), (b), and (c);

(c) Funds appropriated by the Legislature or any county for the purpose of providing county health department services, as defined in s. 154.01(2), shall be disbursed through the trust fund;

(d) Under no circumstances may there be transfers of funds between levels of service without the proper contract amendments unless the county health department director determines that an emergency exists wherein a time delay would endanger the public health and the State Health Officer has approved the transfer. The State Health Officer shall forward written evidence of his or her approval to the county health department within 30 days after the transfer; and

(e) Any surplus funds, including fees or accrued interest, remaining in any county health department account at the end of the fiscal year shall be credited to the state or county, as appropriate, in such amounts as may be determined by multiplying the surplus funds remaining in a program account by the percentage of funding provided by each governmental entity for the rendering of the particular health service for which such account was established. Such surplus funds may be applied toward the funding requirements of each participating governmental entity in the following year; however, in each such case, all surplus funds, including fees and accrued interest, shall remain in the trust fund and shall be accounted for in a manner which clearly illustrates the amount which has been credited to each participating governmental entity.

(5) Each fiscal quarter, the Department of Health shall render to each board of county commissioners providing funds to the trust fund, and to each county health department director or administrator, uniform financial statements of county health department account balances. It is the intent of the Legislature that these statements be uniform so that comparability between the same programs in separate county health departments may be enhanced. These uniform statements shall contain all useful and relevant information

concerning the operations of the county health departments and shall specifically contain the following information for each county:

- (a) The amount of funds expended year-to-date for each type of service within each of the three levels of service;
- (b) The revenue and cash balances year-to-date in each county health department trust fund;
- (c) The units of service and the number of clients served, where applicable, year-to-date for each type of service in each of the three levels of service;
- (d) The actual amount of revenue deposited in the trust fund year-to-date by the state and the county, by source, compared to the amount of revenue, by source, from the state and the county that was projected in the contract for the contract year; and
- (e) The final report for the contract year shall clearly state the amount of funds remaining in each county health department and the percentage of such funds that are credited to the state and the county.

(6) At a minimum, the trust fund shall consist of:

- (a) An operating reserve, consisting of 8.5 percent of the annual operating budget, maintained to ensure adequate cash flow from nonstate revenue sources.
- (b) An emergency reserve of \$500,000, derived from an annual assessment on county health department funds based upon their proportionate share of state general revenue, maintained for county health departments to respond to public health emergencies such as epidemics and natural disasters.
- (c) A fixed capital outlay reserve for nonrecurring expenses that are needed for the renovation and expansion of facilities, and for the construction of new and replacement facilities identified by the Department of Health in conjunction with the board of county commissioners in their annual state-county contract and approved by the State Surgeon General. These funds may not be used for construction projects unless there is a specific appropriation included in the General Appropriations Act for this purpose.

History.—s. 2, ch. 14906, 1931; CGL 1936 Supp. 2934(23); s. 19, ch. 29615, 1955; s. 2, ch. 61-119; ss. 19, 35, ch. 69-106; s. 1, ch. 72-323; s. 30, ch. 77-147; s. 5, ch. 83-177; s. 2, ch. 86-220; s. 3, ch. 88-294; s. 869, ch. 95-147; s. 14, ch. 96-403; s. 3, ch. 2001-53; s. 150, ch. 2003-261; s. 10, ch. 2008-6; s. 1, ch. 2009-57.

154.03 Cooperation with Department of Health and United States Government.—

(1) The county commissioners of any county may agree with the Department of Health upon the expenditure by the department in such county of any funds allotted for that purpose by the department or received by it for such purposes from private contributions or other sources, and such funds shall be paid to the Chief Financial Officer and shall form a part of the full-time county health department trust fund of such county; and such funds shall be expended by the department solely for the purposes of this chapter. The department is further authorized to arrange and agree with the United States Government, through its duly authorized officials, for the allocation and expenditure by the United States of funds of the United States in the study of causes of disease and prevention thereof in such full-time county health departments when and where established by the department under this part.

(2) Nothing in chapter 75-48, Laws of Florida, shall affect the powers and authorities granted to the several counties of the state and the county commissions thereof by chapter 154, except to substitute the Department of Health in place of the Division of Health as a party in interest in any agreements provided for in that chapter and except as provided in ss. 154.01 and 154.04.

History.—s. 3, ch. 14906, 1931; CGL 1936 Supp. 2934(24); s. 2, ch. 61-119; ss. 19, 35, ch. 69-106; s. 13, ch. 75-48; s. 31, ch. 77-147; s. 74, ch. 79-400; s. 6, ch. 83-177; s. 20, ch. 97-101; s. 151, ch. 2003-261.

154.04 Personnel of county health departments; duties; compensation.—

(1)(a) The personnel of a minimum county health department shall consist of a county health department director or administrator and a full-time public health nurse, a public health environmental specialist, and a clerk. All such personnel shall be selected from those especially trained in public health administration and practice, so far as the same shall relate to the duties of their respective positions.

(b) The county health department director shall be a physician licensed under chapter 458 or chapter 459 who is trained in public health administration and shall be appointed by the State Surgeon General after the concurrence of the boards of county commissioners of the respective counties. A county health department administrator trained in public health administration may be appointed by the State Surgeon General after the concurrence of the boards of county commissioners of the respective counties.

(c)1. A registered nurse or licensed physician assistant working in a county health department is authorized to assess a patient and order medications, provided that:

- a. No licensed physician is on the premises;
- b. The patient is assessed and medication ordered in accordance with rules promulgated by the department and pursuant to a protocol approved by a physician who supervises the patient care activities of the registered nurse or licensed physician assistant;
- c. The patient is being assessed by the registered nurse or licensed physician assistant as a part of a program approved by the department; and
- d. The medication ordered appears on a formulary approved by the department and is prepackaged and pre-labeled with dosage instructions and distributed from a source authorized under chapter 499 to repackage and distribute drugs, which source is under the supervision of a consultant pharmacist employed by the department.

2. Each county health department shall adopt written protocols which provide for supervision of the registered nurse or licensed physician assistant by a physician licensed pursuant to chapter 458 or chapter 459 and for the procedures by which patients may be assessed, and medications ordered and delivered, by the registered nurse or licensed physician assistant. Such protocols shall be signed by the supervising physician, the director of the county health department, and the registered nurse or licensed physician assistant.

3. Each county health department shall maintain and have available for inspection by representatives of the Department of Health all medical records and patient care protocols, including records of medications delivered to patients, in accordance with rules of the department.

4. The Department of Health shall adopt rules which establish the conditions under which a registered nurse or licensed physician assistant may assess patients and order and deliver medications, based upon written protocols of supervision by a physician licensed pursuant to chapter 458 or chapter 459, and which establish the formulary from which medications may be ordered.

5. The department shall require that a consultant pharmacist conduct a periodic inspection of each county health department in meeting the requirements of this paragraph.

6. A county health department may establish or contract with peer review committees or organizations to review the quality of communicable disease control and primary care services provided by the county health department.

(2) The personnel of the county health department shall be employed by the Department of Health. The compensation of such personnel shall be determined under the rules of the Department of Management Services. Such employees shall engage in the prevention of disease and the promotion of health under the supervision of the Department of Health. History.—s. 4, ch. 14906, 1931; CGL 1936 Supp. 2934(25); ss. 19, 35, ch. 69-106; s. 1, ch. 72-139; s. 2, ch. 72-323; s. 3, ch. 72-345; s. 14, ch. 75-48; s. 32, ch. 77-147; s. 7, ch. 83-177; s. 8, ch. 85-68; ss. 1, 2, ch. 86-83; s. 3, ch. 86-220; s. 4, ch. 88-294; s. 1, ch. 88-361; s. 2, ch. 89-311; ss. 2, 3, ch. 90-232; ss. 2, 3, ch. 90-295; s. 4, ch. 91-22; s. 76, ch. 92-279; s. 55, ch. 92-326; s. 8, ch. 94-218; s. 15, ch. 96-403; s. 10, ch. 97-237; s. 2, ch. 98-49; s. 4, ch. 98-279; s. 11, ch. 2008-6.

154.05 Cooperation and agreements between counties.—Counties may establish cooperative arrangements for shared county health departments in the following ways:

(1) Two or more counties may combine in the establishment and maintenance of a single full-time county health department for the counties which combine for that purpose; and, pursuant to such combination or agreement, such counties may cooperate with one another and the Department of Health and contribute to a joint fund in carrying out the purpose and intent of this chapter. The duration and nature of such agreement shall be evidenced by resolutions of the boards of county commissioners of such counties and shall be submitted to and approved by the department. In the event of any such agreement, a full-time county health department shall be established and maintained by the department in and for the benefit of the counties which have entered into such an agreement; and, in such case, the funds raised by taxation pursuant to this chapter by each such county shall be paid to the Chief Financial Officer for the account of the department and shall be known as the full-time county health department trust fund of the counties so cooperating. Such trust funds shall be used and expended by the department for the purposes specified in this chapter in each county which has entered into such agreement. In case such an agreement is entered into between two or more counties, the work contemplated by this chapter shall be done by a single full-time county health department in the counties so cooperating; and the nature, extent, and location of such work shall be under the control and direction of the department.

(2) The operations of two or more county health departments may be combined when the parties agree to the specific roles and responsibilities of each county and county health department. Such an agreement shall specify the roles and responsibilities of each county and county health department, including the method of governance and executive direction; the manner by which each county's public health needs will be addressed; an inventory of necessary facilities, equipment, and personnel; and any other needed infrastructure.

History.—s. 5, ch. 14906, 1931; CGL 1936 Supp. 2934(26); s. 2, ch. 61-119; ss. 19, 35, ch. 69-106; s. 33, ch. 77-147; s. 8, ch. 83-177; s. 21, ch. 97-101; s. 152, ch. 2003-261; s. 3, ch. 2012-184.

154.06 Fees and services rendered; authority.—

(1) The Department of Health may establish by rule fee schedules for public health services rendered through the county health departments. Such rules may include provisions for fee assessments, copayments, sliding fee scales, fee waivers, and fee exemptions. In addition, the department shall adopt by rule a uniform statewide fee schedule for all regulatory activities performed through the environmental health program. Each county may establish, and each county health department may collect, fees for primary care services, provided that a schedule of such fees is established by resolution of the board of county commissioners or by rule of the department, respectively. Fees for primary care services and communicable disease control services may not be less than Medicaid reimbursement rates unless otherwise required by federal or state law or regulation.

(2) All funds collected under this section shall be expended solely for the purpose of providing health services and facilities within the county served by the county health department. Fees collected by county health departments pursuant to department rules shall be deposited with the Chief Financial Officer and credited to the County Health Department Trust Fund. Fees collected by the county health department for public health services or personal health services shall be allocated to the state and the county based upon the pro rata share of funding for each such service. The board of county commissioners, if it has so contracted, shall provide for the transmittal of funds collected for its pro rata share of personal health services or primary care services rendered under the provisions of this section to the State Treasury for credit to the County Health Department Trust Fund, but in any event the proceeds from such fees may only be used to fund county health department services.

(3) The foregoing provisions notwithstanding, any county which charges fees for any services delivered through county health departments prior to July 1, 1983, and which has pledged or committed the fees yet to be collected toward the retirement of outstanding obligations relating to county health department facilities may be exempted from the provisions of subsection (1) until such commitment or obligation has been satisfied or discharged.

History.—ss. 1, 2, ch. 69-80; ss. 19, 35, ch. 69-106; s. 3, ch. 72-323; s. 34, ch. 77-147; s. 9, ch. 83-177; s. 3, ch. 89-311; s. 22, ch. 97-101; s. 11, ch. 97-237; s. 2, ch. 2000-242; s. 153, ch. 2003-261.

154.067 Child abuse and neglect cases; duties.—The Department of Health shall adopt a rule requiring every county health department, as described in s. 154.01, to adopt a protocol that, at a minimum, requires the county health department to:

(1) Incorporate in its health department policy a policy that every staff member has an affirmative duty to report, pursuant to chapter 39, any actual or suspected case of child abuse, abandonment, or neglect; and

(2) In any case involving suspected child abuse, abandonment, or neglect, designate, at the request of the department, a staff physician to act as a liaison between the county health department and the Department of Children and Family Services office that is investigating the suspected abuse, abandonment, or neglect, and the child protection team, as defined in s. 39.01, when the case is referred to such a team.

History.—s. 4, ch. 84-226; s. 1, ch. 93-260; s. 1, ch. 97-237; s. 129, ch. 98-403.

PART II COUNTY PUBLIC HEALTH TRUSTS

154.07 Public health trusts; creation.

154.08 Designated facilities; definition.

154.09 Governing body; composition.

154.10 Relationship with board of county commissioners.

154.11 Powers of board of trustees.

154.12 Legal status of public health trusts.

154.07 Public health trusts; creation.—There may be created in and for each county of the state a public body corporate and politic, to be known as the “public health trust” of such county, for the purpose of exercising the powers described herein with respect to “designated facilities” as that term is hereinafter defined. No trust created hereunder shall transact any business or exercise any powers until the governing body of the county of such trust shall, by proper resolution, declare that there is a need for such trust to function and shall appoint the members thereof.

History.—s. 1, ch. 73-102.

154.08 Designated facilities; definition.—

(1) The board of trustees of each public health trust is authorized to become the operator of, and governing body for, any designated facility. The term “designated facility” shall mean any county-owned or county-operated facility used in connection with the delivery of health care, the operation, governance, or maintenance of which has been designated by the governing body of such county for transfer to the public health trust of that county.

(2) Designated facilities may include, but shall not be limited to, the following: sanatoriums, clinics, ambulatory care centers, primary care centers, hospitals, rehabilitation centers, health training facilities, nursing homes, nurses’ residence buildings, infirmaries, outpatient clinics, mental health facilities, residences for the aged, rest homes, health care administration buildings, and parking facilities and areas serving health care facilities.

History.—s. 2, ch. 73-102.

154.09 Governing body; composition.—

(1) The governing body of each public health trust shall be a board of trustees consisting of not less than 7 nor more than 21 members, to be appointed for staggered terms of not

more than 4 years by the governing body of the county in which such trust is located from among the residents of the county in a manner to be determined by the governing body of the county.

(2) The governing body of the county in which a public health trust is located shall have the power to remove any member of the board of trustees for cause and to fill any vacancies that may occur during the term of any trustees for the remainder of such a term.

(3) Before entering upon the duties of the office, each member of the board of trustees shall take the prescribed oath of office. Each trustee shall give bond to the clerk of the governing body of the county for the faithful performance of the duties of said office, in a sum to be fixed by said governing body. The bond shall be issued by a surety company authorized to do business in the state as a surety. The premium on said bond shall be paid by the trust as part of the expense of the board of trustees.

(4) The board of trustees shall organize immediately after the members thereof are qualified, elect one of its members as a chair and one of its members as a vice chair, and designate a secretary who may or may not be a member of the board.

(5) Members of the board of trustees shall serve without compensation, but shall be entitled to necessary expenses incurred in the discharge of their duties.

(6) The board of trustees shall hold regular meetings in accordance with the bylaws of the public health trust, and the board may hold such other meetings as it deems necessary. All meetings of the board shall be public, and written minutes of the proceedings of each meeting shall be maintained by the board. All of the actions taken at said meetings shall be properly and promptly recorded.

History.—s. 3, ch. 73-102; s. 870, ch. 95-147.

154.10 Relationship with board of county commissioners.—At such time as the governing body of a county shall declare the need for a public health trust to function in such county, appoint a board of trustees, and designate health care facilities pursuant to the provisions of this part, said governing body shall be authorized to transfer to the public health trust any or all of the ownership, operation, governance, or maintenance of such designated facilities. The county governing body shall, by ordinance, by contract or lease with the public health trust, or by a combination of the foregoing, provide for each of the following:

(1) A method whereby the public health trust shall account to the county governing body for all receipts and expenditures of money.

(2) A method whereby the public health trust shall request, and the county governing body may approve, the appropriation and payment of county funds to support the lawful purposes of the trust.

(3) A method whereby the public health trust shall request, and said county governing body may effectuate, the issuance of bonds or the borrowing of money, pursuant to authority vested in said governing body of the county.

(4) Compliance by the public health trust with policies for countywide health care delivery as established by the county governing body.

(5) The preservation and continuation of the benefits of county employees who became employees of the public health trust, including, but not limited to, participation by such employees in the State and County Officers and Employees' Retirement System and the Florida Retirement System. The trust may provide social security for its employees pursuant to the provisions of chapter 650 and may bring its employees under the provisions of the Florida Retirement System as authorized by chapter 121.

(6) An appellate process to be available to employees against whom disciplinary or other official action has been taken.

(7) A procedure whereby the county governing body may approve or disapprove of contracts between the board of trustees and labor unions.

(8) A method whereby the county governing body may declassify facilities as "designated facilities" and provide for the county to assume the ownership, operation, governance, or maintenance of such facilities.

History.—s. 4, ch. 73-102.

154.11 Powers of board of trustees.—

(1) The board of trustees of each public health trust shall be deemed to exercise a public and essential governmental function of both the state and the county and in furtherance thereof it shall, subject to limitation by the governing body of the county in which such board is located, have all of the powers necessary or convenient to carry out the operation and governance of designated health care facilities, including, but without limiting the generality of, the foregoing:

(a) To sue and be sued; however, this provision shall not be construed to affect in any way the laws relating to governmental immunity.

(b) To have a seal and alter the same.

(c) To make and adopt bylaws and rules and regulations for the board's guidance and for the operation, governance, and maintenance of designated facilities not inconsistent with ordinances of the county.

(d) To make and execute contracts and other instruments necessary to exercise the powers of the board.

(e) To acquire by purchase or otherwise, and to hold title to, any property, real or personal, useful to the purposes of the board.

(f) To lease, either as lessee or lessor, or rent for any number of years and upon any terms and conditions real property, except that the board shall not lease or rent, as lessor, any real property except in accordance with the requirements of s. 125.35 [F. S. 1973].

(g) To appoint a chief executive officer of the trust and to remove such an appointee.

(h) To establish rates and charges for those using the facilities of, or receiving care or assistance from, the board and to collect money pursuant thereto.

(i) To accept gifts of money, services, or real or personal property.

(j) To appoint, remove, or suspend employees or agents of the board, fix their compensation, and adopt personnel and management policies.

(k) To provide for employee benefits, including, but not limited to, the benefits required by s. 154.10(5) and those benefits provided by s. 154.12(1).

(l) To cooperate with and contract with any governmental agency or instrumentality, federal, state, municipal, or county.

(m) To adopt and amend rules and regulations for the management and use of any properties under its control.

(n) To appoint originally the staff of physicians to practice in a designated facility owned or operated by the board and to approve the bylaws and rules to be adopted by the medical staff of a designated facility owned and operated by the board; such governing regulations shall provide, among other things, for the method of appointing additional staff members and for the removal of staff members.

(o) To employ certified public accountants to audit and analyze the records of the board and to prepare financial or revenue statements of the board; however, this paragraph shall not in any way affect any responsibility of the Auditor General pursuant to s. 11.45.

(p) To employ legal counsel.

(2) A public health trust shall have no power to impose any tax or issue bonds of any nature, nor shall it have the power to require the imposition of a tax or the issuance of any bond by the governing body of the county.

History.—ss. 5, 6, ch. 73-102; s. 39, ch. 2001-266; s. 1, ch. 2013-93.

154.12 Legal status of public health trusts.—

(1) Employees of a public health trust created pursuant to this part shall be considered to come within the terms of chapter 122 for purposes of inclusion in the State and County Officers and Employees' Retirement System and within the terms of chapter 121, for purposes of inclusion in the Florida Retirement System.

(2) Nothing contained in this part shall be deemed to provide an exclusive method by which counties may operate, govern, and maintain health care facilities, and counties shall

be authorized to utilize any other method or means authorized by law for this purpose. Nothing contained herein shall affect the continued validity and operation of hospital districts created by special acts.
History.—ss. 7, 8, 11, ch. 73-102; s. 3, ch. 2000-209.

PART III
HEALTH FACILITIES AUTHORITIES

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- 154.247 Financing of projects located outside of local agency.
- 154.201 Short title.—This part shall be known and cited as the “Health Facilities Authorities Law.”

History.—s. 1, ch. 74-323.

154.203 Findings and declaration of necessity.—It is declared that for the benefit of the people of this state, the increase of their commerce, welfare, and prosperity, and the improvement of their health and living conditions it is essential that the people of this state have access to adequate medical care and health facilities and that it is essential that health facilities within each county and municipality in the state be provided with appropriate additional means to assist in the development and maintenance of the public health. It is the purpose of this part to provide a measure of assistance and an alternate method to enable health facilities in each county and municipality of this state to provide the facilities and structures which are determined to be needed by the community to accomplish the purposes of this part. The necessity in the public interest of the provisions hereinafter enacted is hereby declared as a matter of legislative determination.

History.—s. 2, ch. 74-323.

154.205 Definitions.—The following terms, whenever used in this part, shall have the following meanings unless a different meaning clearly appears from the context:

- (1) "Areawide council" means an advisory comprehensive health planning council, as described and approved under all pertinent federal and state laws and rules and regulations.
- (2) "Authority" or "health facilities authority" means any of the public corporations created by s. 154.207 or any board, body, commission, or department of a county or municipality succeeding to the principal functions thereof or to whom the powers conferred upon each authority by this part shall be given by law.
- (3) "Bonds" or "revenue bonds" means revenue bonds of the authority issued under the provisions of this part, including revenue refunding bonds, notwithstanding that the same may be secured by mortgage or the full faith and credit of a health facility.
- (4) "Certificate of need" means a written advisory statement issued by the Agency for Health Care Administration, having as its basis a written advisory statement issued by an areawide council and, where there is no council, by the Agency for Health Care Administration, evidencing community need for a new, converted, expanded, or otherwise significantly modified health facility.
- (5) "Clerk" means the clerk of the local agency, or the officer of the local agency, charged with the duties customarily imposed upon the clerk thereof.
- (6) "Cost," as applied to a project or any portion thereof financed under the provisions of this part, embraces:
 - (a) All or any part of the cost of construction and acquisition of all real property, lands, structures, real or personal property rights, rights-of-way, franchises, easements, and interests acquired or used for a project.
 - (b) The cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be removed.
 - (c) The cost of all machinery and equipment.
 - (d) Financing charges and interest prior to, during, and for a reasonable period after, completion of such construction.
 - (e) Provisions for reserves for principal and interest and for extensions, enlargements, additions, and improvements.
 - (f) The cost of engineering, appraisal, architectural, accounting, financial, and legal services.
 - (g) The cost of plans, specifications, studies, surveys, and estimates of cost and revenues.
 - (h) Administrative expenses, including expenses necessary or incident to determining the feasibility or practicability of constructing the project.
 - (i) Such other expenses as may be necessary or incident to the construction and acquisition of the project, the financing of such construction and acquisition, and the placing of the project in operation.
- (7) "Governing body" means the board, commission, or other governing body of any local agency in which the general legislative powers of such local agency are vested.
- (8) "Health facility" means any private corporation organized not for profit and authorized by law to provide:
 - (a) Hospital services in accordance with chapter 395;
 - (b) Nursing home care services in accordance with chapter 400;
 - (c) Life care services in accordance with chapter 651;
 - (d) Services for the developmentally disabled under chapter 393;
 - (e) Services for the mentally ill under chapter 394;
 - (f) Assisted living services in accordance with chapter 429; or
 - (g) Hospice services in accordance with chapter 400.

The term also includes any private corporation organized not for profit which offers independent living facilities and services as part of a retirement community that provides nursing home care services or assisted living services on the same campus.

(9) "Local agency" means any county or municipality existing or hereafter created pursuant to the laws of this state.

(10) "Project" means any structure, facility, machinery, equipment, or other property suitable for use by a health facility in connection with its operations or proposed operations, including, without limitation, real property therefor; a clinic, computer facility, dining hall, firefighting facility, fire prevention facility, food service and preparation facility, health care facility, long-term care facility, hospital, interns' residence, laboratory, laundry, maintenance facility, nurses' residence, nursing home, nursing school, office, parking area, pharmacy, recreational facility, research facility, storage facility, utility, or X-ray facility, or any combination of the foregoing; and other structures or facilities related thereto or required or useful for health care purposes, the conducting of research, or the operation of a health facility, including facilities or structures essential or convenient for the orderly conduct of such health facility and other similar items necessary or convenient for the operation of a particular facility or structure in the manner for which its use is intended. "Project" shall not include such items as fuel, supplies, or other items which are customarily deemed to result in a current operating charge.

(11) "Real property" includes all lands, including buildings, structures, improvements, and fixtures thereon; any property of any nature appurtenant thereto or used in connection therewith; and every estate, interest, and right, legal or equitable, therein, including any such interest for a term of years.

History.—s. 3, ch. 74-323; s. 1, ch. 77-455; s. 1, ch. 78-115; s. 1, ch. 80-13; s. 5, ch. 88-294; s. 1, ch. 88-302; s. 6, ch. 89-527; s. 13, ch. 99-8; s. 1, ch. 2009-176.

154.207 Creation of health facilities authorities.—

(1) In each local agency there may be created a public body corporate and politic to be known as the " (name of local agency) Health Facilities Authority." Each of said authorities shall be constituted as a public instrumentality, and the exercise by an authority of the powers conferred by this part shall be deemed and held to be the performance of an essential public function. Each of said authorities shall not transact any business or exercise any power hereunder until and unless the governing body of the local agency by proper ordinance or resolution shall declare that there is a need for an authority to function in such local agency. The determination as to whether there is such need for an authority to function:

(a) May be made by the governing body on its own motion.

(b) May be made by the governing body upon the filing of a petition signed by 25 residents of the local agency asserting that there is need for an authority to function in such local agency and requesting that the governing body so declare.

(2) The governing body may abolish the authority at any time by ordinance or resolution. However, the authority shall not be abolished until such time as all bonded indebtedness incurred pursuant to this part has been paid.

(3) In any suit, action, or proceeding involving the validity or enforcement of, or relating to, any contract of the authority, the authority shall be conclusively deemed to have been established and authorized to transact business and exercise its powers hereunder by adoption of an ordinance or resolution by the governing body declaring the need for the authority. Such ordinance or resolution shall be sufficient if it declares that there is such a need for an authority in the local agency. A copy of such ordinance or resolution duly certified by the clerk shall be admissible in evidence in any suit, action, or proceeding.

(4) The governing body of the local agency shall designate five persons who are residents of the local agency as members of the authority created for said local agency. Of the members first appointed, one shall serve for 1 year, one for 2 years, one for 3 years, and two for 4 years; in each case until a successor is appointed and has qualified. Thereafter the governing body shall appoint, for terms of 4 years each, a member or members to succeed those whose terms expire. The governing body shall fill any vacancy for an unexpired term. A member of the authority shall be eligible for reappointment. Any member of the authority

may be removed by the governing body for misfeasance, malfeasance, or willful neglect of duty. Each member of the authority, before entering upon his or her duties, shall take and subscribe the oath or affirmation required by the State Constitution. A record of each oath shall be filed in the Department of State and with the clerk.

(5) The authority shall annually elect one of its members as chair and one as vice chair.

(6) The authority shall keep a record of its proceedings and shall be custodian of all books, documents, and papers filed with it and of its minute book or journal and official seal. The authority shall cause copies to be made of all its minutes and other records and documents and shall give certificates under its official seal to the effect that such copies are true copies, and all persons dealing with it may rely upon such certificates.

(7) Three members of the authority shall constitute a quorum, and the affirmative vote of a majority of the members present at a meeting of the authority shall be necessary for any action taken by an authority. However, any action may be taken by the authority with the unanimous consent of all of its members. No vacancy in the membership of the authority shall impair the right of a quorum to exercise all the rights and perform all the duties of the authority. Any action taken by the authority under the provisions of this part may be authorized by resolution at any regular or special meeting, and each such resolution shall take effect immediately and need not be published or posted. All meetings of the authority, as well as all records, books, documents, and papers, shall be open and available to the public in accordance with s. 286.011.

(8) The members of the authority shall receive no compensation for the performance of their duties hereunder, but each member shall be paid his or her necessary expenses incurred while engaged in the performance of such duties pursuant to s. 112.061.

(9) Any general or special law, rule or regulation, or ordinance of any local agency to the contrary notwithstanding, service as a member of an authority by a trustee, director, officer, or employee of a health facility shall not in and of itself constitute a conflict of interest. However, any member of the authority who is employed by, or receives income from, a health facility under consideration by the authority shall not vote on any matter related to such facility.

History.—s. 4, ch. 74-323; s. 871, ch. 95-147.

154.209 Powers of authority.—The purpose of the authority shall be to assist health facilities in the acquisition, construction, financing, and refinancing of projects in any incorporated or unincorporated area within the geographical limits of the local agency. For this purpose, the authority is authorized and empowered:

(1) To adopt an official seal and alter the same at pleasure.

(2) To maintain an office at such place or places in the local agency as it may designate.

(3) To sue and be sued in its own name and to plead and be impleaded.

(4) To acquire by purchase, lease, gift, or otherwise, or to obtain options for the acquisition of, any property, real or personal, improved or unimproved, for the acquisition, construction, operation, or maintenance of any project.

(5) To construct, acquire, own, lease, repair, maintain, extend, expand, improve, rehabilitate, renovate, furnish, and equip projects and to pay all or any part of the costs thereof from the proceeds of bonds of the authority or from any contribution, gift, or donation or other funds made available to the authority for such purpose.

(6) To make and execute agreements of lease, contracts, deeds, mortgages, notes, and other instruments necessary or convenient in the exercise of its powers and functions under this part.

(7) To sell, lease, exchange, mortgage, transfer, or otherwise dispose of, or to grant options for any such purposes with respect to any project, any real or personal property or interest therein.

(8) To pledge or assign any money, rents, charges, fees, or other revenues and any proceeds derived from sales of property, insurance, or condemnation awards.

(9) To fix, charge, and collect rents, fees, and charges for the use of any project.

- (10) To issue bonds for the purpose of providing funds to pay all or any part of the cost of any project and to issue refunding bonds.
- (11) To employ consulting engineers, architects, surveyors, attorneys, accountants, financial experts, and such other employees and agents as may be necessary in its judgment and to fix their compensation.
- (12) To acquire existing projects and to reimburse any health facility for the cost of such project in accordance with an agreement between the authority and the health facility. However, no such reimbursement shall exceed the total cost of the project as determined by the health facility and approved by the authority.
- (13) To acquire existing projects and to refund outstanding obligations, mortgages, or advances issued, made, or given by a health facility for the cost of such project.
- (14) To charge to, and equitably apportion among, health facilities its administrative costs and expenses incurred in the exercise of the powers and duties conferred by this part; and, if approved by a resolution of the health facilities authority, to donate any surplus funds that remain in its account at the end of the fiscal year after those costs and expenses are paid, which funds may include fees or accrued interest, to the governing body of the local agency that created the health facilities authority. The governing body must appropriate and disburse those funds to nonprofit human health service agencies.
- (15) To mortgage any project and the site thereof for the benefit of the holders of the bonds issued to finance such project.
- (16) To participate in and to issue bonds for the purpose of establishing and maintaining a self-insurance pool pursuant to s. 627.357 on behalf of a health facility or a group of health facilities in order to provide for the payment of judgments, settlements of claims, expenses, or loss and damage that arises or is claimed to have arisen from an act or omission of the health facility, its employees, or agents in the performance of health care or health-care-related functions.
- (17) To issue special obligation revenue bonds for the purpose of establishing and maintaining the self-insurance pool and to provide reserve funds in connection therewith, such bonds to be payable from funds available in the pool from time to time or from assessments against participating health facilities for the purpose of providing required contributions to the fund. With respect to the issuance of such bonds or notes the following provisions shall apply:
- (a) The bonds may be issued as serial bonds or as term bonds, or the authority in its discretion may issue bonds of both types.
- (b) The bonds shall be authorized by resolution of the members of the authority as requested by the board of directors of the self-insurance pool and shall bear such date or dates; mature at such time or times, not exceeding 10 years from their respective dates; bear interest at such rate or rates; be payable at such time or times; be in such denominations and form; and be executed in such manner and subject to such terms of redemption as the resolution or resolutions of the authority may provide.
- (c) No health facility shall at any time have more than one loan agreement outstanding for the purpose of obtaining bond proceeds with which to acquire liability coverage contracts from the self-insurance pool.
- (d) Any self-insurance pool funded pursuant to this section shall maintain excess insurance which provides specific and aggregate limits and a retention level determined in accordance with sound actuarial principles. The Office of Insurance Regulation of the Financial Services Commission may waive this requirement if the fund demonstrates that its operation is and will be actuarially sound without obtaining excess insurance.
- (e) Prior to the issuance of any bonds pursuant to this section for the purpose of acquiring liability coverage contracts from the self-insurance pool, the Office of Insurance Regulation shall certify that excess liability coverage for the health facility is reasonably unobtainable in the amounts provided by such pool or that the liability coverage obtained through acquiring contracts from the self-insurance pool, after taking into account costs of issuance of bonds

and any other administrative fees, is less expensive to the health facility than similar commercial coverage then reasonably available.

(18) To participate in and issue bonds and other forms of indebtedness for the purpose of establishing and maintaining an accounts receivable program on behalf of a health facility or group of health facilities. Notwithstanding any other provisions of this part, the structuring and financing of an accounts receivable program pursuant to this subsection shall constitute a project and may be structured for the benefit of health facilities within or outside the geographical limits of the local agency. An accounts receivable program may include the financing of accounts receivable acquired by a health facility from other not-for-profit health care corporations, whether or not controlled by or affiliated with the health facility and regardless of location within or outside the geographical limits of this state.

(19) To do all things necessary to carry out the purposes of this part.

History.—s. 5, ch. 74-323; s. 1, ch. 77-174; s. 5, ch. 87-237; s. 1, ch. 90-348; s. 82, ch. 91-45; s. 1, ch. 94-231; s. 1, ch. 98-273; s. 1, ch. 99-387; s. 154, ch. 2003-261.

154.211 Payment of expenses.—All expenses incurred in carrying out the provisions of this part shall be payable solely from funds provided under the provisions of this part, and no liability or obligation shall be incurred by an authority, a local agency, or the state hereunder beyond the extent to which moneys shall have been provided under the provisions of this part.

History.—s. 6, ch. 74-323.

154.213 Agreements of lease.—In undertaking any project pursuant to this part, the authority shall first obtain a valid certificate of need evidencing need for the project and a statement that the project serves a public purpose by advancing the commerce, welfare, and prosperity of the local agency and its people. No project financed under the provisions of this part shall be operated by the authority or any other governmental agency; however, the authority may temporarily operate or cause to be operated all or any part of a project to protect its interest therein pending any leasing of such project in accordance with the provisions of this part. The authority may lease a project or projects to a health facility for operation and maintenance in such manner as to effectuate the purposes of this part under an agreement of lease in form and substance not inconsistent herewith.

(1) Any such agreement of lease may provide, among other provisions, that:

(a) The lessee shall at its own expense operate, repair, and maintain the project or projects leased thereunder.

(b) The rent payable under the lease shall in the aggregate be not less than an amount sufficient to pay all of the interest, principal, and redemption premiums, if any, on the bonds that shall be issued by the authority to pay the cost of the project or projects leased thereunder.

(c) The lessee shall pay all costs incurred by the authority in connection with the acquisition, financing, construction, and administration of the project or projects leased, except as may be paid out of the proceeds of bonds or otherwise, including, but without being limited to: Insurance costs, the cost of administering the bond resolution authorizing such bonds and any trust agreement securing the bonds, and the fees and expenses of trustees, paying agents, attorneys, consultants, and others.

(d) The terms of the lease shall terminate not earlier than the date on which all such bonds and all other obligations incurred by the authority in connection with the project or projects leased thereunder shall be paid in full, including interest, principal, and redemption premiums, if any, or adequate funds for such payment shall be deposited in trust.

(e) The lessee's obligation to pay rent shall not be subject to cancellation, termination, or abatement by the lessee until such payment of the bonds or provision for such payment shall be made.

(2) Such lease agreement may contain such additional provisions as in the determination of the authority are necessary or convenient to effectuate the purposes of this part, including provisions for extensions of the term and renewals of the lease and vesting in the

lessee an option to purchase the project leased thereunder pursuant to such terms and conditions consistent with this part as shall be prescribed in the lease. Except as may otherwise be expressly stated in the agreement of lease, to provide for any contingencies involving the damaging, destruction, or condemnation of the project leased or any substantial portion thereof, such option to purchase may not be exercised unless all bonds issued for such project, including all principal, interest, and redemption premiums, if any, and all other obligations incurred by the authority in connection with such project, shall have been paid in full or sufficient funds shall have been deposited in trust for such payment. The purchase price of such project shall not be less than an amount sufficient to pay in full all of the bonds, including all principal, interest, and redemption premiums, if any, issued for the project then outstanding and all other obligations incurred by the authority in connection with such project.

History.—s. 7, ch. 74-323.

154.215 Construction contracts.—Contracts for the construction of any project shall be awarded by the authority upon a competitive or negotiated basis, as it determines will most effectively serve the purposes of this part. The authority may, by written contract, engage the services of the lessee or prospective lessee of any project in the construction of such project and may provide in such contract that the lessee or prospective lessee may act as an agent of, or an independent contractor for, the authority for the performance of the functions described therein, subject to such conditions and requirements consistent with the provisions of this part as shall be prescribed in such contract, including such functions as the acquisition of the site and other real property for such project; the preparation of plans, specifications, and contract documents; the award of construction and other contracts upon a competitive or negotiated basis; the construction of such project, or any part thereof, directly by such lessee or prospective lessee; the inspection and supervision of construction; the employment of engineers, architects, builders, and other contractors; and the provisions of money to pay the cost thereof pending reimbursement by the authority. Any such contract may provide that the authority may, out of proceeds of bonds, make advances to or reimburse the lessee or prospective lessee for its costs incurred in the performance of such functions and shall set forth the supporting documents required to be submitted to the authority and the reviews, examinations, and audits that shall be required in connection therewith to assure compliance with the provisions of this part and such contract.

History.—s. 8, ch. 74-323.

154.217 Notes of authority.—The authority is authorized from time to time to issue its negotiable notes for any corporate purposes and renew from time to time any notes by the issuance of new notes, whether the notes to be renewed have or have not matured. Except as otherwise provided herein or in s. 154.219, the maximum maturity of such notes, not including renewals thereof, shall not exceed 1 year. The notes may be authorized, sold, executed, and delivered in the same manner as bonds. All such notes shall be payable solely from the revenues of the authority, subject only to any contractual rights of the holders of any of its notes or other obligations then outstanding.

History.—s. 9, ch. 74-323.

154.219 Revenue bonds.—

(1) The authority is authorized from time to time to issue its negotiable revenue bonds for the purpose of paying all or any part of the cost of any project or projects for which a certificate of need has been obtained, or pursuant to subsections (12) and (13) of s. 154.209 for the purpose of paying all or any part of the cost of acquiring existing or completed health facilities projects. In anticipation of the sale of such revenue bonds, the authority may issue negotiable bond anticipation notes and may renew the same from time to time, but the maximum maturity of any such note, including renewals thereof, shall not exceed 5 years from the date of issue of the original note. Such notes shall be paid from any revenues of the authority available therefor and not otherwise pledged or from the proceeds of sale of the revenue bonds of the authority in anticipation of which they were

issued. The notes shall be issued in the same manner as the revenue bonds. Such notes and the resolution or resolutions authorizing the same may contain any provisions, conditions, or limitation which a bond resolution of the authority may contain.

(2) The revenue bonds and notes of every issue shall be payable solely out of revenues derived by the authority from the sale, operation, or leasing of any project or projects, subject only to any agreements with the holders of particular revenue bonds or notes pledging any particular revenues. Notwithstanding that revenue bonds and notes may be payable from a special fund, they shall be, and be deemed to be, for all purposes, negotiable instruments, subject only to the provisions of the revenue bonds and notes for registration.

(3) The revenue bonds may be issued as serial bonds or as term bonds, or the authority, in its discretion, may issue bonds of both types. The revenue bonds shall be authorized by resolution of the members of the authority and shall bear such date or dates; mature at such time or times, not exceeding 50 years from their respective dates; bear interest at such rate or rates; be payable at such time or times; be in such denominations; be in such form, either coupon or registered, or both; carry such registration privileges; be executed in such manner; be payable in lawful money of the United States at such place or places; and be subject to such terms of redemption, including redemption prior to maturity, as such resolution or resolutions may provide. The authority shall determine the form and manner of execution of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the bonds and the place or places of payment of principal and interest, which may be at any bank or trust company within or without the state. In case any officer whose signature, or a facsimile of whose signature, shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or facsimile shall nevertheless be valid and sufficient for all purposes the same as if the person had remained in office until such delivery. The authority shall also provide for the authentication of the bonds by a trustee or fiscal agent. The revenue bonds or notes may be sold at public or private sale for such price or prices as the authority shall determine. Pending preparation of the definitive bonds, the authority may issue interim receipts or certificates which shall be exchanged for such definitive bonds.

(4) Any resolution or resolutions authorizing any revenue bonds or any issue of revenue bonds may contain provisions which shall be a part of the contract with the holders of the revenue bonds to be authorized, as to:

(a) Pledging of all or any part of the revenues of a project to secure the payment of the revenue bonds or of any particular issue of revenue bonds, subject to such agreements with bondholders as may then exist.

(b) The rentals, fees, and other charges to be charged, the amounts to be raised in each year thereby, and the use and disposition of the revenues.

(c) The setting aside of reserves or sinking funds and the regulation and disposition thereof.

(d) Limitations on the right of the authority to restrict and regulate the use of the project.

(e) Limitations on the purpose to which the proceeds of sale of any issue of revenue bonds then or thereafter to be issued may be applied and pledging such proceeds to secure the payment of the revenue bonds or any issue of the revenue bonds.

(f) Limitations on the issuance of additional bonds, the terms upon which additional bonds may be issued and secured, and the refunding of outstanding bonds.

(g) The procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto, and the manner in which such consent may be given.

(h) Defining the acts or omissions to act which shall constitute a default in the duties of the authority to holders of its obligations and providing the rights and remedies of such holders in the event of a default.

(i) The mortgaging of a project and the site thereof for the purpose of securing the bondholders.

(5) Neither the members of the authority nor any person executing the revenue bonds or notes shall be liable personally on the revenue bonds or notes or be subject to any personal liability or accountability by reason of the issuance thereof.

History.—s. 10, ch. 74-323; s. 872, ch. 95-147.

154.221 Security of bondholders.—In the discretion of the authority, any bonds issued under the provisions of this part may be secured by a trust agreement by and between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the state. Such trust agreement or resolution providing for the issuance of such bonds may pledge or assign the fees, rents, charges, or proceeds from the sale of any project or part thereof, insurance proceeds, condemnation awards, and other funds and revenues to be received therefor, and may provide for the mortgaging of any project or any part thereof as security for repayment of the bonds. Such trust agreement or resolution providing for the issuance of such bonds shall contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority in relation to the acquisition of property and the construction, improvement, maintenance, repair, operation, and insurance of the project or projects in connection with which such bonds shall have been authorized; the fees, rents and other charges to be fixed and collected; the sale of any project, or part thereof, or other property; the terms and conditions for the issuance of additional bonds; and the custody, safeguarding, and application of all moneys. It shall be lawful for any bank or trust company incorporated under the laws of the state which may act as depository of the proceeds of bonds, revenues, or other money hereunder to furnish such indemnifying bonds or to pledge such securities as may be required by the authority. Any such trust agreement or resolution shall set forth the rights and remedies of the bondholders and of the trustee and may restrict the individual right of action by bondholders. In addition to the foregoing, any such trust agreement or resolution may contain such other provisions as the authority may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out the provisions of such trust agreement or resolution may be treated as a part of the cost of the project or projects in connection with which bonds are issued or as an expense of administration of such projects, as the case may be.

History.—s. 11, ch. 74-323.

154.223 Payment of bonds.—Revenue bonds issued under the provisions of this part shall not be deemed to constitute a debt, liability, or obligation of the local agency or the state or any political subdivision thereof, or a pledge of the faith and credit of the local agency or the state or any political subdivision thereof, but shall be payable solely from the revenues provided therefor. All such revenue bonds shall contain on the face thereof a statement to the effect that the authority shall not be obligated to pay the same or the interest thereon except from the revenues of the project or the portion thereof for which they are issued and that neither the faith and credit nor the taxing power of the local agency or of the state or of any political subdivision thereof is pledged to the payment of the principal of or the interest on such bonds. The issuance of revenue bonds under the provisions of this part shall not directly, indirectly, or contingently obligate the local agency or the state or any political subdivision thereof to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment.

History.—s. 12, ch. 74-323.

154.225 Revenues.—

(1) The authority is hereby authorized to fix and to collect fees, rents, and charges for the use of any project or projects and any part or section thereof. The authority may require that the lessee of any project or part thereof shall operate, repair, and maintain the project and bear the cost thereof and other costs of the authority in connection with the project or

projects leased as may be provided in the agreement of lease or other contract with the authority, in addition to other obligations imposed under such agreement or contract.

(2) The fees, rents, and charges shall be so fixed as to provide a fund sufficient to pay the principal of, and the interest on, such bonds as the same shall become due and payable and to create reserves, if any, deemed by the authority to be necessary for such purposes. The fees, rents, charges, and all other revenues and proceeds derived from the project or projects in connection with which the bonds of any issue shall have been issued, except such part thereof as may be necessary for such reserves or any expenditures as may be provided in the resolution authorizing the issuance of such bonds or in the trust agreement securing the same, shall be set aside at such regular intervals as may be specified in such resolution or such trust agreement in a sinking fund which is hereby pledged to, and charged with, the payment of the principal of and the interest on such bonds as the same shall become due and the redemption price or the purchase price of bonds retired by call or purchase as therein provided. Such pledge shall be valid and binding from the time when the pledge is made. The fees, rents, charges, and other revenues and moneys so pledged and thereafter received by the authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the authority, irrespective of whether such parties have notice thereof. The use and disposition of money to the credit of such sinking fund shall be subject to the provisions of the resolution authorizing the issuance of such bonds or of such trust agreement. Except as may otherwise be provided in the resolution or the trust agreement, the sinking fund shall be a fund for all such bonds without distinction or priority of one over another.

History.—s. 13, ch. 74-323.

154.227 Trust funds.—Notwithstanding any other provisions of law to the contrary, all money received pursuant to the provisions of this part, whether as proceeds from the sale of bonds, sale of property, insurance, or condemnation awards, or as revenues, shall be deemed to be trust funds, to be held and applied solely as provided in this part. The resolution authorizing the bonds of any issue or the trust agreement securing such bonds may provide that any of such moneys may be temporarily invested pending the disbursement thereof and shall provide that any officer with whom, or any bank or trust company with which, such moneys shall be deposited shall act as trustee of such moneys and shall hold and apply the same for the purposes hereof, subject to such regulations as this part and such resolution or trust agreement may provide.

History.—s. 14, ch. 74-323.

154.229 Remedies.—Any holder of bonds issued under the provisions of this part or of any of the coupons appertaining thereto, and the trustee under any trust agreement, except to the extent the rights herein given may be restricted by such trust agreement or the resolution authorizing the issuance of such bonds, may, either at law or in equity, by suit, action, mandamus, or other proceeding, protect and enforce any and all rights under the laws of this state or granted hereunder or under such trust agreement or resolution authorizing the issuance of such bonds, or under any agreement of lease or other contract executed by the authority pursuant to this part, and may enforce and compel the performance of all duties required by this part or by such trust agreement or resolution to be performed by any lessee or the authority or by any officer thereof, including the fixing, charging, and collecting of fees, rents, and charges.

History.—s. 15, ch. 74-323.

154.231 Negotiability of bonds.—All bonds issued under the provisions of this part shall have, and are hereby declared to have, all the qualities and incidents, including negotiability, of investment securities under the Uniform Commercial Code, but no provision of such code respecting the filing of a financing statement to perfect a security interest shall

be deemed necessary for, or applicable to, any security interest created in connection with the issuance of any such bonds.

History.—s. 16, ch. 74-323.

154.2331 Tax exemption.—

(1) The exercise of the powers granted by this part will be in all respects for the benefit of the people of this state, for the increase of their commerce, welfare, and prosperity, and for the improvement of their health and living conditions. Because the operation and maintenance of a project by a health facility will constitute the performance of an essential public function, neither the authority nor a hospital institution shall be required to pay any taxes or assessments upon or in respect of a project or any property acquired by the authority under the provisions of this part or upon the income therefrom, and any bonds issued under the provisions of this part, their transfer, and the income therefrom, including any profit made on the sale thereof, shall at all times be free from taxation of every kind by the state, the local agency, and municipalities and other political subdivisions in the state, except that such income shall be subject to the tax imposed pursuant to the provisions of chapter 220. Nothing in this section shall be construed as exempting from taxation or assessment the leasehold interest of any health facility organized for profit. If any project or any part thereof is occupied or operated by any health facility organized for profit pursuant to any contract or lease with the authority, the property interest created by such contract or lease shall be subject to taxation to the same extent as other privately owned property.

(2) Homes for the aged, or life care communities, however designated, which are financed through the sale of health facilities authority bonds, whether on a sale-leaseback arrangement, a sale-repurchase arrangement, or other financing arrangement, are exempt from ad valorem taxation only in accordance with the provisions of s. 196.1975.

History.—s. 1, ch. 84-138.

154.235 Refunding bonds.—

(1) The authority is hereby authorized to provide for the issuance of revenue bonds for the purpose of refunding any of its revenue bonds then outstanding, including the payment of any redemption premium thereon and any interest accrued or to accrue to the earliest or subsequent date of redemption, purchase, or maturity of such revenue bonds.

(2) The proceeds of any such revenue bonds issued for the purpose of refunding outstanding revenue bonds may, in the discretion of the authority, be applied to the purchase or retirement at maturity or redemption of such outstanding revenue bonds either on their earliest or any subsequent redemption date, or upon the purchase or at the maturity thereof, and may, pending such application, be placed in escrow to be applied to such purchase or retirement at maturity or redemption on such date as may be determined by the authority.

(3) Any such escrowed proceeds, pending such use, may be invested and reinvested in direct obligations of the United States, in any obligations of which the principal and interest are unconditionally guaranteed by the United States, in certificates of deposit or time deposits secured by direct obligations of the United States, or in any obligations of which the principal and interest are unconditionally guaranteed by the United States, maturing at such time or times as shall be appropriate to assure the prompt payment, as to principal, interest, and redemption premium, if any, of the outstanding revenue bonds to be so refunded. The interest, income, and profits, if any, earned or realized on any such investment may also be applied to the payment of the outstanding revenue bonds to be so refunded. After the terms of the escrow have been fully satisfied and carried out, any balance of such proceeds and interest, income, and profits, if any, earned or realized on the investments thereof may be returned to the authority for use by it in any lawful manner.

(4) All such revenue bonds issued for the purposes of refunding shall be subject to the provisions of this part in the same manner and to the same extent as other revenue bonds issued pursuant to this part.

History.—s. 18, ch. 74-323.

154.237 Legal investment.—Bonds issued by the authority under the provisions of this part are hereby made securities in which all public officers and public bodies of the state and its political subdivisions and all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees, and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. Such bonds are hereby made securities which may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the state for any purpose for which the deposit of bonds or obligations of the state is now or may hereinafter be authorized by law.

History.—s. 19, ch. 74-323.

154.238 Authorization to deal with financial institution which employs a member of the authority.—Notwithstanding any general or special law, rule, regulation, or ordinance to the contrary, including ss. 112.311-112.326, an authority may sell its bonds to a financial institution, as defined in s. 655.005, which employs a member of the authority as an officer, director, or employee and may appoint a financial institution to serve as trustee or cotrustee under a trust indenture relating to bonds issued under this part, notwithstanding the fact that an officer, director, or employee of the financial institution which is interested in purchasing or serving as trustee or cotrustee for a proposed or outstanding bond issue shall vote on any matter related to such bond issue after the interest of the financial institution in such bond issue becomes known to the officer, director, or employee.

History.—s. 4, ch. 81-321; s. 40, ch. 83-217; s. 195, ch. 92-303; s. 873, ch. 95-147.

154.239 Reports.—Within the first 90 days of each calendar year, the authority shall make a report to the governing board of the county of its activities for the preceding calendar year. Each such report shall set forth a complete operating and financial statement covering its operations during the year.

History.—s. 20, ch. 74-323.

154.241 Issuance of bonds.—Bonds issued under the provisions of this part shall be validated in the manner prescribed by chapter 75.

History.—s. 21, ch. 74-323.

154.243 Alternate means.—This part shall be deemed to provide an additional and alternative method for the doing of the things authorized hereby and shall be regarded as supplemental and additional to powers conferred by other laws.

History.—s. 22, ch. 74-323.

154.245 Agency for Health Care Administration certificate of need required as a condition to bond validation and project construction.—Notwithstanding any provision of this part to the contrary, before any project authorized by this part and subject to review under ss. 408.031-408.045 is approved by the authority, and before revenue bonds are validated for the project, the Agency for Health Care Administration shall issue a certificate of need for such project, which shall be a condition precedent to the validation and issuance of any bonds hereunder, other than bonds for refunding or refinancing purposes, and to the construction of the project. However, any portion of a life care facility not requiring licensure under chapter 395 or part II of chapter 400 shall be exempt from the certificate-of-need requirement.

History.—s. 23, ch. 74-323; s. 2, ch. 78-115; s. 2, ch. 80-13; s. 2, ch. 90-348; s. 21, ch. 95-280; s. 14, ch. 99-8.

154.246 Validation of certain bonds and proceedings.—The Legislature finds and declares that the purpose of chapter 78-115, Laws of Florida, is, in part, to clarify the original meaning of the Health Facilities Authorities Law, and, therefore, all bonds heretofore issued and proceedings conducted pursuant thereto which would have been valid had the amendment to s. 154.245, as set forth in s. 2 of chapter 78-115, been in effect when said bonds were issued or proceedings were conducted are hereby declared valid.

History.—s. 3, ch. 78-115.

154.247 Financing of projects located outside of local agency.—Notwithstanding any provision of this part to the contrary, an authority may, if it finds that there will be a benefit or a cost savings to a health facility located within its jurisdiction, issue bonds for such health facility to finance projects for such health facility, or for another not-for-profit corporation under common control with such health facility, located outside the geographical limits of the local agency or outside this state.

History.—s. 37, ch. 2000-367.

PART IV
HEALTH CARE RESPONSIBILITY
FOR INDIGENTS

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154.301 Short title.—Sections 154.301-154.316 may be cited as "The Florida Health Care Responsibility Act."

History.—s. 2, ch. 77-455; s. 6, ch. 88-294; s. 2, ch. 98-191.

154.302 Legislative intent.—The Legislature finds that certain hospitals provide a disproportionate share of charity care for persons who are indigent, not able to pay their medical bills, and not eligible for government-funded programs. The burden of absorbing the cost of this uncompensated charity care is borne by the hospital, the private pay patients, and, many times, by the taxpayers in the county when the hospital is subsidized by tax revenues. The Legislature further finds that it is inequitable for hospitals and taxpayers of one county to be expected to subsidize the care of out-of-county indigent persons. Finally, the Legislature declares that the state and the counties must share the responsibility of assuring that adequate and affordable health care is available to all Floridians. Therefore, it is the intent of the Legislature to place the ultimate financial obligation for the out-of-county hospital care of qualified indigent patients on the county in which the indigent patient resides.

History.—s. 3, ch. 77-455; s. 7, ch. 88-294; s. 3, ch. 98-191.

154.304 Definitions.—As used in this part, the term:

(1) "Agency" means the Agency for Health Care Administration.

(2) "Certification determination procedures" means the process used by the county of residence or the agency to determine a person's county of residence.

(3) "Certified resident" means a United States citizen or lawfully admitted alien who has been certified as a resident of the county by a person designated by the county governing body to provide certification determination procedures for the county in which the patient resides; by the agency if such county does not make a determination of residency within 60 days after receiving a certified letter from the treating hospital; or by the agency if the hospital appeals the decision of the county making such determination.

(4) "Charity care obligation" means the minimum amount of uncompensated charity care as reported to the agency, based on the hospital's most recent audited actual experience, which must be provided by a participating hospital or a regional referral hospital before the

hospital is eligible to be reimbursed by a county under this part. That amount shall be the ratio of uncompensated charity care days compared to total acute care inpatient days, which shall be equal to or greater than 2 percent.

(5) "Department" means the Department of Health.

(6) "Eligibility determination procedures" means the process used by a county or the agency to evaluate a person's financial eligibility, eligibility for state-funded or federally funded programs, and the availability of insurance, in order to document a person as a qualified indigent for the purpose of this part.

(7) "Hospital" means an establishment as defined in s. 395.002 and licensed by the agency which qualifies as either a participating hospital or as a regional referral hospital pursuant to this section; except that, hospitals operated by the department shall not be considered participating hospitals for purposes of this part.

(8) "Participating hospital" means a hospital which is eligible to receive reimbursement under the provisions of this part because it has been certified by the agency as having met its charity care obligation and has either:

(a) A formal signed agreement with a county or counties to treat such county's indigent patients; or

(b) Demonstrated to the agency that at least 2.5 percent of its uncompensated charity care, as reported to the agency, is generated by out-of-county residents.

(9) "Qualified indigent person" or "qualified indigent patient" means a person who has been determined pursuant to s. 154.308 to have an average family income, for the 12 months preceding the determination, which is below 100 percent of the federal nonfarm poverty level; who is not eligible to participate in any other government program that provides hospital care; who has no private insurance or has inadequate private insurance; and who does not reside in a public institution as defined under the medical assistance program for the needy under Title XIX of the Social Security Act, as amended.

(10) "Regional referral hospital" means any hospital that is eligible to receive reimbursement under the provision of this part because it has met its charity care obligation and it meets the definition of teaching hospital as defined in s. 408.07.

History.—s. 4, ch. 77-455; s. 18, ch. 85-80; s. 8, ch. 88-294; s. 4, ch. 90-295; s. 6, ch. 91-48; s. 5, ch. 91-173; s. 85, ch. 92-33; s. 11, ch. 97-95; s. 23, ch. 97-101; s. 2, ch. 98-89; s. 4, ch. 98-191.

154.306 Financial responsibility for certified residents who are qualified indigent patients treated at an out-of-county participating hospital or regional referral hospital.—Ultimate financial responsibility for treatment received at a participating hospital or a regional referral hospital by a qualified indigent patient who is a certified resident of a county in the State of Florida, but is not a resident of the county in which the participating hospital or regional referral hospital is located, is the obligation of the county of which the qualified indigent patient is a resident. Each county shall reimburse participating hospitals or regional referral hospitals as provided for in this part, and shall provide or arrange for indigent eligibility determination procedures and resident certification determination procedures as provided for in rules developed to implement this part. The agency, or any county determining eligibility of a qualified indigent, shall provide to the county of residence, upon request, a copy of any documents, forms, or other information, as determined by rule, which may be used in making an eligibility determination.

(1) A county's financial obligation for each certified resident who qualifies as an indigent patient under this part, and who has received treatment at an out-of-county hospital, shall not exceed 45 days per county fiscal year at a rate of payment equivalent to 100 percent of the per diem reimbursement rate currently in effect for the out-of-county hospital under the medical assistance program for the needy under Title XIX of the Social Security Act, as amended, except that those counties that are at their 10-mill cap on October 1, 1991, shall reimburse hospitals for such services at not less than 80 percent of the hospital Medicaid per diem. However, nothing in this section shall preclude a hospital that has a formal signed

agreement with a county to treat such county's indigents from negotiating a higher or lower per diem rate with the county. No county shall be required to pay more than the equivalent of \$4 per capita in the county's fiscal year. The agency shall calculate and certify to each county by March 1 of each year, the maximum amount the county may be required to pay by multiplying the most recent official state population estimate for the total population of the county by \$4 per capita. Each county shall certify to the agency within 60 days after the end of the county's fiscal year, or upon reaching the \$4 per capita threshold, should that occur before the end of the fiscal year, the amount of reimbursement it paid to all out-of-county hospitals under this part. The maximum amount a county may be required to pay to out-of-county hospitals for care provided to qualified indigent residents may be reduced by up to one-half, provided that the amount not paid has or is being spent for in-county hospital care provided to qualified indigent residents.

(2) No county shall be required to pay for any elective or nonemergency admissions or services at an out-of-county hospital for a qualified indigent who is a certified resident of the county if the county provides funding for such services and the services are available at a local hospital in the county where the indigent resides; or the out-of-county hospital has not obtained prior written authorization and approval for such hospital admission or service, provided that the resident county has established a procedure to authorize and approve such admissions.

(3) For the purpose of computing the maximum amount that a county having a population of 100,000 or less may be required to pay, the agency must reduce the official state population estimates by the number of inmates and patients residing in the county in institutions operated by the Federal Government, the Department of Corrections, the Department of Health, or the Department of Children and Family Services, and by the number of active-duty military personnel residing in the county, all of whom shall not be considered residents of the county. However, a county is entitled to receive the benefit of such a reduction in estimated population figures only if the county accepts as valid and true, and does not require any reverification of, the documentation of financial eligibility and county residency which is provided to it by the participating hospital or regional referral hospital. The participating hospital or regional referral hospital must provide documentation that is complete and in the form required by s. 154.3105.

(4) The county where the indigent resides shall, in all instances, be liable for the cost of treatment provided to a qualified indigent patient at an out-of-county hospital for any emergency medical condition which will deteriorate from failure to provide such treatment if such condition is determined and documented by the attending physician to be of an emergency nature; provided that the patient has been certified to be a resident of such county pursuant to s. 154.309.

(5) No county shall be liable for payment for treatment of a qualified indigent who is a certified resident and has received services at an out-of-county participating hospital or regional referral hospital, until such time as that hospital has documented to the agency and the agency has determined that it has met its charity care obligation based on the most recent audited actual experience.

History.—s. 5, ch. 77-455; s. 9, ch. 88-294; s. 5, ch. 90-295; s. 2, ch. 91-173; s. 5, ch. 98-191; s. 1, ch. 2001-222.

154.308 Determination of patient's eligibility; spend-down program.—

(1) The agency, pursuant to s. 154.3105, shall adopt rules which provide statewide eligibility determination procedures, forms, and criteria which shall be used by all counties for determining whether a person financially qualifies as indigent for the purposes of this part.

(a) The criteria used to determine eligibility must be uniform statewide and include, at a minimum, which assets, if any, may be included in the determination, which verification of income shall be required, which categories of persons shall be eligible, and any other criteria which may be determined as necessary.

(b) The methodology for determining financial eligibility must be uniform statewide such that any county or the state could determine whether a person is a qualified indigent.

(2) Determination of financial eligibility as a qualified indigent may occur either prior to a person's admission to a participating or a regional referral hospital or subsequent to such admission.

(3) Determination of whether a hospital patient not already determined eligible meets or does not meet eligibility standards to financially qualify as indigent shall be made within 60 days following notification by the hospital requesting a determination of indigency, by certified letter, to the county known or believed to be the county of residence or to the agency. If, for any reason, the county or agency is unable to determine a patient's eligibility within the allotted timeframe, the hospital shall be notified in writing of the reason or reasons.

(4) A patient determined eligible as a qualified indigent subsequent to his or her admission to a participating hospital or a regional referral hospital shall be considered to have been qualified upon admission. Such determination shall be made by a person designated by the governing board of the county to make such a determination or by the agency.

(5) Notwithstanding any other provision of this part, any county may establish thresholds of financial eligibility which are less restrictive than 100 percent of the federal poverty line. However, a county may not establish eligibility thresholds which are more restrictive than 100 percent of the federal poverty line.

(6) Notwithstanding any other provision of this part, there is hereby established a spend-down program for persons who would otherwise qualify as qualified indigent persons, but whose average family income, for the 12 months preceding the determination, is between 100 percent and 150 percent of the federal poverty level. The agency shall adopt, by rule, procedures for the spend-down program. The rule shall require that in order to qualify, a person must have incurred bills for hospital care which would otherwise have qualified for payment under this part. This subsection does not apply to persons who are residents of counties that are at their 10-mill cap on October 1, 1991.

History.—s. 6, ch. 77-455; s. 10, ch. 88-294; s. 6, ch. 90-295; s. 4, ch. 91-173; s. 874, ch. 95-147; s. 6, ch. 98-191.

154.309 Certification of county of residence.—

(1) The agency, pursuant to s. 154.3105, shall adopt rules for certification determination procedures which provide criteria to be used for determining a qualified indigent's county of residence. Such criteria must include, at a minimum, how and to what extent residency shall be verified and how a hospital shall be notified of a patient's certification or the inability to certify a patient.

(2) In all instances, the county known or thought to be the county of residence shall be given first opportunity to certify a resident. If the county known or thought to be the county of residence fails to, or is unable to, make such determination within 60 days following written notification by a hospital, the agency shall determine residency utilizing the same criteria required by rule as the county, and the agency's determination of residency shall be binding on the county of residence. The county determined as the residence of any qualified indigent shall be liable to reimburse the treating hospital pursuant to s. 154.306. If, for any reason, a county or the agency is unable to determine an indigent's residency, the hospital shall be notified in writing of such reason or reasons.

History.—s. 11, ch. 88-294; s. 3, ch. 91-173; s. 7, ch. 98-191.

154.31 Obligation of participating hospital or regional referral hospital.—As a condition of participation, each participating hospital or regional referral hospital in Florida shall be obligated to admit for emergency treatment all Florida residents, without regard to county of residence, who meet the eligibility standards established pursuant to s. 154.308 and who meet the medical standards for admission to such institutions. If the agency determines that a participating hospital or a regional referral hospital has failed to meet the requirements of this section, the agency may impose an administrative fine, not to exceed

\$5,000 per incident, and suspend the hospital from eligibility for reimbursement under this part.

History.—s. 7, ch. 77-455; s. 12, ch. 88-294; s. 5, ch. 91-173; s. 8, ch. 98-191.

154.3105 Rules.—Rules governing the Health Care Responsibility Act shall be developed by the agency based on recommendations of a work group consisting of equal representation by the agency, the hospital industry, and the counties. County representatives to this work group shall be appointed by the Florida Association of Counties. Hospital representatives to this work group shall be appointed by the associations representing those hospitals which best represent the positions of the hospitals most likely to be eligible for reimbursement. Rules governing this part shall be adopted by the agency.

History.—s. 13, ch. 88-294; s. 7, ch. 90-295; s. 9, ch. 98-191.

154.312 Procedure for settlement of disputes.—All disputes among counties, the agency, a participating hospital, or a regional referral hospital shall be resolved as provided in ss. 120.569 and 120.57, except that the presiding officer's order shall be final agency action. Cases filed under chapter 120 may combine all disputes between parties. Notwithstanding any other provisions of this part, if a county alleges that a residency determination or eligibility determination made by the agency is incorrect, the burden of proof shall be on the county to demonstrate that such determination is, in light of the total record, not supported by the evidence.

History.—s. 8, ch. 77-455; s. 14, ch. 88-294; s. 20, ch. 96-410; s. 10, ch. 98-191.

154.314 Certification of the State of Florida.—

(1) In the event payment for the costs of services rendered by a participating hospital or a regional referral hospital is not received from the responsible county within 90 days of receipt of a statement for services rendered to a qualified indigent who is a certified resident of the county, or if the payment is disputed and said payment is not received from the county determined to be responsible within 60 days of the date of exhaustion of all administrative and legal remedies, the hospital shall certify to the Chief Financial Officer the amount owed by the county.

(2) The Chief Financial Officer shall have no longer than 45 days from the date of receiving the hospital's certified notice to forward the amount delinquent to the appropriate hospital from any funds due to the county under any revenue-sharing or tax-sharing fund established by the state, except as otherwise provided by the State Constitution. The Chief Financial Officer shall provide the Governor and the fiscal committees in the House of Representatives and the Senate with a quarterly accounting of the amounts certified by hospitals as owed by counties and the amount paid to hospitals out of any revenue or tax sharing funds due to the county.

History.—s. 9, ch. 77-455; s. 15, ch. 88-294; s. 11, ch. 98-191; s. 155, ch. 2003-261.

154.316 Hospital's responsibility to notify of admission of indigent patients.—

(1) Any hospital admitting or treating any out-of-county patient who may qualify as indigent under this part shall, within 30 days after admitting or treating such patient, notify the county known or thought to be the county of residency of such admission, or such hospital forfeits its right to reimbursement.

(2) It shall be the responsibility of any participating hospital or regional referral hospital to initiate any eligibility or certification determination procedures with any appropriate state or county agency which can determine financial eligibility or certify an indigent as a resident under this part.

History.—s. 10, ch. 77-455; s. 16, ch. 88-294; s. 8, ch. 90-295; s. 12, ch. 98-191.

154.331 County health and mental health care special districts.—Each county may establish a dependent special district pursuant to the provisions of chapter 125 or, by ordinance, create an independent special district as defined in s. 200.001(8)(e) to provide funding for indigent and other health and mental health care services throughout the county in accordance with this section. The county governing body shall obtain approval, by a majority vote of the electors, to establish the district with authority to annually levy ad

valorem taxes which shall not exceed the maximum millage rate authorized by this section. Any independent health or mental health care special district created by this section shall be required to levy and fix millage subject to the provisions of s. 200.065. Once approved by the electorate, the independent health or mental health care special district shall not be required to seek approval of the electorate in future years to levy the previously approved millage.

(1) The county governing body shall appoint a district health or mental health care board to serve as the governing board of the independent special district. Such board shall consist of not less than five members, of which two members shall be appointed to the board by the Governor, and not less than three members shall be appointed by the governing body of the county. All members shall have been residents of the county for the previous 12-month period. The members' terms shall be staggered and may not exceed 4 years. No member shall serve for more than two consecutive terms. The governing body of the county shall fill any vacancies that may occur during the term of any board member. Board members may be removed for cause only by the Governor or by a majority of the electors voting within the county.

(2)(a) Each district health or mental health care board may, subject to the limitations placed on the district by the governing body of the county at the time the independent special district was created and approved by the electorate, have any or all of the following powers or functions:

1. To provide and maintain in the county such health or mental health care clinics as the board determines are needed for the general welfare of the county.
2. To provide for the health or mental health care of indigents and to provide such other health or mental health-related services for indigents, including the purchase of institutional services from any private or publicly owned medical facility, as the board determines are needed for the general welfare of the county.
3. To allocate and provide funds for other agencies or facilities in the county which provide health or mental health benefits or health or mental health services that improve the general welfare of indigents and other county residents.
4. To collect information and statistical data that will be helpful to the board and the county in deciding the health or mental health care needs in the county.
5. To consult and coordinate with other agencies dedicated to health or mental health care to the end that the overlapping of services will be prevented.
6. To govern, operate, administer, and fund, or any combination thereof, any county-owned or county-operated medical or mental health facility which is a major provider of charitable health or mental health care services for low-income persons.
7. To assume funding for the county's share of state or federal indigent health or mental health care programs which require financial participation by the county.
8. To lease or buy such real property and personal property and to construct such buildings as are needed to execute the foregoing powers or functions; however, such purchases may not be made or construction done unless paid for with cash on hand or secured by funds deposited in financial institutions. Nothing in this paragraph shall be construed to authorize an independent health or mental health care special district to issue bonds of any nature, nor shall it have the power to require the imposition of any bond by the governing body of the county.
9. To employ, pay, and provide benefits for any part-time or full-time personnel needed to execute the foregoing powers and functions.

(b) Each district health or mental health care board shall:

1. Organize immediately after the members are appointed to elect one of its members as chair and one of its members as vice chair, and elect other officers as deemed necessary by the board.

2. Make and adopt bylaws and rules and regulations for the board's guidance, operation, governance, and maintenance, provided such rules and regulations are not inconsistent with federal or state laws or ordinances of the county.

(c) Board members shall serve without compensation, but shall be entitled to necessary expenses incurred in the discharge of their duties.

(d) All financial records and accounts relating to the independent health or mental health care special district shall be available for review by the county governing body.

(3)(a) The fiscal year of the district must be the same as that of the county.

(b) On or before May 1 of each year, the district health or mental health care board shall prepare a tentative annual written budget of the district's expected income and expenditures, including a contingency fund, and shall compute a proposed millage rate within the voter-approved cap necessary to fund the tentative budget. Prior to adopting a final budget, the board shall comply with the provisions of s. 200.065, relating to the method of fixing millage, and shall fix the final millage rate by ordinance or resolution of the board. The adopted budget and final millage rate must be certified and delivered to the county governing body no later than the time of adoption of the county's annual budget. Included in each certified budget must be the millage rate adopted by ordinance or resolution of the independent health or mental health care special district board as necessary to be applied to raise the funds budgeted for district operations and expenditures. In no circumstances, however, shall any independent health or mental health care special district levy millage to exceed a maximum of 5 mills of assessed valuation of all properties within the county which are subject to ad valorem taxes or the amount approved by the electorate when the district was created, whichever is less. The budget of the district so certified and delivered to the county governing body may not be changed or modified by the county governing body or by any other authority.

(c) All tax moneys collected under this section, as soon after the collection thereof as is reasonably practicable, must be paid directly to the district health or mental health care board by the tax collector of the county, or by the clerk of the circuit court if the clerk collects delinquent taxes.

1. The moneys so received by the district health or mental health care board must be deposited in financial institutions with separate and distinguishable accounts established specifically for the district and may be withdrawn only by checks signed by the chair of the district health or mental health care board and countersigned by either one other member of the district health or mental health care board or by a chief executive officer who is so authorized by the board.

2. Upon entering the duties of office, the chair and the other member of the district health or mental health care board or chief executive officer who signs its checks shall each give a surety bond in the sum of \$1,000, which bond must be conditioned that each of them shall faithfully discharge the duties of office. The premium on said bond may be paid by the special district as part of the expense of the board. No other member of the district health or mental health care board may be required to give bond or other security.

3. No funds of the district may be expended except by check as aforesaid, except expenditures from a petty cash account, which may not at any time exceed \$25. All expenditures from petty cash must be recorded on the books and records of the district. No funds of the district, excepting expenditures from petty cash, may be expended without prior approval of the board, in addition to the budgeting thereof.

(d) Within 10 days after the expiration of each quarter-annual period, the district health or mental health care board shall cause to be prepared and filed with the county governing body a financial report, which includes:

1. The total expenditures of the board for the quarter-annual period;

2. The total receipts of the board during the quarter-annual period; and

3. A statement of the funds the board has on hand or deposited with financial institutions at the end of the quarter-annual period.

(4) Any independent health or mental health care special district may be dissolved pursuant to s. 165.051, or the county governing body may by ordinance vote to dissolve the independent health or mental health care special district subject to the approval of the electorate; provided, however, the county obligates itself to assume the debts, liabilities, contracts, and outstanding obligations of the district within the total millage available to the county governing body for all county and municipal purposes as provided for under s. 9, Art. VII of the State Constitution.

(5) Any independent health or mental health care special district created under this section shall comply with all other statutory requirements of general application which relate to the filing of any financial reports or compliance reports required under part III of chapter 218, or any other report or documentation required by law.

History.—s. 3, ch. 87-92; s. 17, ch. 88-294; s. 2, ch. 90-175; s. 875, ch. 95-147; s. 40, ch. 2001-266.

PART V

PRIMARY CARE FOR CHILDREN AND FAMILIES

154.501 Short title.

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154.507 Federal waivers; matching funds.

154.501 Short title.—Sections 154.501-154.506 may be cited as the “Primary Care for Children and Families Challenge Grant Act.”

History.—s. 1, ch. 97-263.

154.502 Legislative findings and intent.—

(1) The Legislature finds that, despite significant state investments in health care programs, millions of low-income Floridians, many of them families with children, continue to lack access to basic health care. The Legislature finds that local solutions to health care problems can have a dramatic and positive effect on the health status of children and families. Local governments are better equipped to identify the health care needs of the children and families in their communities, mobilize the community to donate time and services to help their neighbors, and organize health care providers to provide health services to needy children and families.

(2) It is the intent of the Legislature to provide matching funds to Florida counties in the form of primary care for children and families challenge grants to stimulate the development of coordinated primary health care delivery systems for low-income children and families. Further, it is the intent of the Legislature to foster the development of coordinated primary health care delivery systems which emphasize volunteerism, cooperation, and broad-based participation by public and private health care providers. Finally, it is the intent of the Legislature that the Primary Care for Children and Families Challenge Grant Program function as a partnership between state and local governments and private sector health care providers.

History.—s. 2, ch. 97-263.

154.503 Primary Care for Children and Families Challenge Grant Program; creation; administration.—

(1) Effective July 1, 1997, there is created the Primary Care for Children and Families Challenge Grant Program to be administered by the Department of Health.

(2) The department shall:

(a) Publicize the availability of funds and the method by which a county or counties may submit a primary care for children and families challenge grant application.

(b) Develop a quality assurance process to monitor the quality of health services provided under ss. 154.501-154.506.

(c) Provide technical assistance, as requested, to primary care for children and families challenge grant recipients.

(d) Develop uniform data reporting requirements for primary care for children and families challenge grant recipients for the purpose of evaluating the performance of the projects.

(e) Coordinate with the primary care program developed pursuant to s. 154.011, the Florida Healthy Kids Corporation program created in s. 624.91, the school health services program created in ss. 381.0056 and 381.0057, and the volunteer health care provider program developed pursuant to s. 766.1115.

(3) A primary care for children and families challenge grant shall be in effect for 1 year and may be renewed for additional years upon application to and approval by the department, subject to meeting quality standards and outcomes and subject to the availability of funds. History.—s. 3, ch. 97-263; s. 59, ch. 99-2; s. 41, ch. 2012-116; s. 117, ch. 2012-184. 154.504 Eligibility and benefits.—

(1) Any county or counties may apply for a primary care for children and families challenge grant to provide primary health care services to children and families with incomes of up to 150 percent of the federal poverty level. Participants shall pay no monthly premium for participation, but shall be required to pay a copayment at the time a service is provided. Copayments may be paid from sources other than the participant, including, but not limited to, the child's or parent's employer, or other private sources. Providers may enter into contracts pursuant to s. 766.1115, provided copayments may not be considered and may not be used as compensation for services to health care providers, and all funds generated from copayments shall be used by the governmental contractor and all other provisions in s. 766.1115 are met.

(2) Nothing in this section shall prevent counties with populations less than 100,000, based on the annual estimates produced by the Population Program of the University of Florida Bureau of Economic and Business Research, from submitting a multicounty application for a primary care for children and families challenge grant to jointly administer and operate a coordinated multicounty primary care for children and families program under ss. 154.501-154.506. However, when such counties submit a joint application, the application shall clearly identify one lead county with respect to program accountability and administration.

(3) Each county or group of counties submitting an application to participate in the Primary Care for Children and Families Challenge Grant Program shall develop a schedule of benefits and services appropriate for the population to be served. However, at a minimum, such benefits must cover preventive and primary care services and include a coordination mechanism for limited inpatient hospital care.

History.—s. 4, ch. 97-263; s. 13, ch. 98-191; s. 5, ch. 99-397.

154.505 Proposals; application process; minimum requirements.—

(1) Any county or counties which desire to receive state funding under ss. 154.501-154.506 shall submit an application to the department. The department shall develop an application process for the Primary Care for Children and Families Challenge Grant Program.

(2) Applications shall be competitively reviewed by an independent panel appointed by the State Surgeon General. This panel shall determine the relative weight for scoring and evaluating each of the following elements to be used in the evaluation process:

(a) The target population to be served.

(b) The health benefits to be provided.

(c) The proposed service network, including specific health care providers and health care facilities that will participate in the service network on a paid or voluntary basis.

(d) The methods that will be used to measure cost-effectiveness.

(e) How patient and provider satisfaction will be measured.

(f) The proposed internal quality assurance process.

- (g) Projected health status outcomes.
- (h) The way in which data to measure the cost-effectiveness, outcomes, and overall performance of the program will be collected, including a description of the proposed information system.
- (i) All local resources, including cash, in-kind, voluntary, or other resources, that will be dedicated to the proposal.
- (3) Preference shall be given to proposals which:
 - (a) Exceed the minimum local contribution requirements specified in s. 154.506.
 - (b) Demonstrate broad-based local support for the project, including, but not limited to, agreements to participate in the service network, letters of endorsement, or other forms of support.
 - (c) Demonstrate a high degree of participation by health care providers on a free or volunteer basis, or through financial contributions. This may include participation by publicly or privately funded health care providers, such as hospitals, county health departments, community health centers, or rural health clinics, in the service network.
 - (d) Are submitted by counties with a high proportion of children and families living in poverty and with poor health status indicators.
 - (e) Demonstrate coordinated service delivery with existing publicly financed health care programs, including those programs specified in s. 154.503(2)(e).
- (4) Nothing in ss. 154.501-154.506 shall prevent a county or group of counties from contracting for the provision of health care services. A service network may include, but need not be limited to, special health care districts, county health departments, federally qualified health centers, community health centers, and rural health clinics.

History.—s. 5, ch. 97-263; s. 12, ch. 2008-6.

154.506 Primary care for children and families challenge grant awards.—

- (1) Primary care for children and families challenge grants shall be awarded on a matching basis. The county or counties shall provide \$1 in local matching funds for each \$2 grant payment made by the state. Except as provided in subsection (2), up to 50 percent of the county match may be in-kind in the form of free hospital and physician services. However, a county shall not supplant the value of donated services in fiscal year 1996 as documented in the volunteer health care provider program annual report. The department shall develop a methodology for determining the value of an in-kind match. Any third party reimbursement and all fees collected shall not be considered local match or in-kind contributions. Fifty percent of the local match shall be in the form of cash.
- (2) A small county with a population of no more than 50,000 may provide the required local matching funds entirely through an in-kind contribution as long as the new system of care produces an increase in patients served or services delivered, or both.
- (3) Grant awards shall be based on a county's population size, or each individual county's size in a group of counties, and other factors, in an amount as determined by the department. However, for fiscal year 1997-1998, no fewer than four grants shall be awarded.
- (4) Children and families eligible for other state and federally financed health care programs shall exhaust all health care benefits funded through those programs prior to receiving health services through the primary care for children and families challenge grant. A program funded under this act may bill for third party reimbursement for services provided.
- (5) Implementation of the Primary Care for Children and Families Challenge Grant Program shall be subject to the allocation of a specific appropriation in the General Appropriations Act.

History.—s. 6, ch. 97-263.

154.507 Federal waivers; matching funds.—The Agency for Health Care Administration, working jointly with the Department of Health and the Florida Healthy Kids Corporation, is directed to seek federal waivers to secure Title XIX matching funds for the Florida Healthy

Kids program and the Primary Care for Children and Families Challenge Grant. The federal waiver application shall seek Medicaid matching funds for all general revenue, family contributions, and local contributions. The number of persons supported with federal matching funds under the Florida Healthy Kids Corporation shall not exceed the number annually specified in the General Appropriations Act.
History.—s. 8, ch. 97-263.