MARCH 4, 2004

HEALTH CARE

The Senate convened this morning and passed the KidCare bill (SB 2000), where unlike yesterday's session, there was little debate. The bill now goes to the House of Representatives for their consideration. Although the House has the companion version of SB 2000, in HB 1073, it is expected that during their Friday, March 5th floor session, they will take up the Senate bill, and pass it "as is" and send the bill to the Governor. There are some appropriation type issues with the bill that will be handled in later committee meetings.

AIF supports expanding access to KidCare as long as safeguards are put in place to make sure that parents with health insurance are not dropping their coverage in order to receive subsidized care for their children.

The House Subcommittee on Health Standards met this morning and passed HB 121 by Representative Bill Galvano (R-Bradenton) which requires physicians and health care practitioners to identify their specific licenses in advertisements for health care services and in the initial first encounter with a patient. Currently, health care practitioners can advertise and easily mislead patients into believing that they are better qualified than other health care practitioners simply by creating a sham practice designation. Practitioners providing services in hospitals or nursing homes are exempt from this requirement. The bill passed with a minor clarifying amendment and will now move on to the full House Health Care Committee.

AIF supports giving Florida's health care consumers the means to make educated decisions regarding their medical care.

The Senate Appropriations Subcommittee on Health and Human Services heard testimony on the impact of proposed cuts in the Governor's budget that will impact health care providers. Tim Goldfarb who spoke on behalf of the teaching hospitals across Florida stated that any negative impact on Medicaid funding has a disproportionate impact on teaching hospitals. James McKnight spoke on behalf of rural hospitals and testified that the freezing of hospital rates would make the operation of rural hospitals more difficult. Larry Freeman spoke on behalf of Florida's children hospitals and stressed to the committee that even if there is no Medicaid funding, they will not turn children away. Unfortunately this practice is costing the hospitals millions of dollars each year.

Erwin Bodo from the Florida Association of Homes for the Aging and Tony Marshall from the Florida Health Care Association gave a presentation outlining the direct impact on nursing homes. Since the implementation of staffing mandates, variable costs are negatively affecting nursing homes across the state. Their presentation also showed that nursing home costs have grown substantially since 1999 and that a revision to the Medicaid reimbursement system is absolutely necessary.

INSURANCE

The House Insurance Regulation Subcommittee met this morning and temporarily postponed HB 945 Relating to Personal Injury Protection Insurance. This was due to some problems that were raised in an amendment that would eliminate attorney fee multipliers. This bill would expand the minimum no-fault law and the proof of financial responsibility law to include \$30,000 of total benefits for emergency services and care provided in or by a hospital, in addition to the minimum requirement already in place.

AIF opposes this legislation because it is likely that expanding coverage to \$30,000 for emergency services would increase insurance premiums thereby making it more difficult for Floridians to afford insurance coverage.

OTHER BILLS OF INTEREST:

SB 1406

Senate Bill 1406 was reported favorably by the Senate Governmental Oversight and Productivity Committee today. The bill repeals s. 11.75, F.S., which, in 2000, created the eight-member Joint Legislative Committee on Article V, charged with the coordination and oversight of implementation of Revision 7 to Article V of the Florida Constitution. On November 3rd, 1998 voters in Florida passed Revision 7 which amended Article V of the Florida Constitution. Article V deals with the state's Judicial Branch. Significant changes in the way Florida's courts are to be funded were among the changes made by Revision 7.

During its tenure, the committee only convened during the calendar year 2002. The Committee undertook one formal action which involved the approval to contract with MGT of America, Inc., to collect information and data to assist with the implementation of Revision 7 to Article V of the Florida Constitution. The Committee has never submitted any annual reports, and it has been inactive since 2002. The Senate Governmental Oversight and Productivity Committee will be SB 1406's last committee stop.

HB 715 & HB 425

The House Subcommittee on Health Standards passed HB 425 by Representative Eleanor Sobel (D-Hollywood) and HB 715 by Representative Marcelo Llorente (R-Miami) which requires hospitals to give discounts to the uninsured individuals whose income fall below 300% of the poverty level. It would also prohibit hospitals from foreclosing on the home of a qualified self-pay patient. During the House Select Committee on Affordable Healthcare for Floridians hearings, held across the state, testimony was heard about poor uninsured individuals being charged full price for services, while patients with HMO or health insurance received discounted prices. This bill attempts to address those inequities. AIF supports the concept of this legislation but is reviewing exclusions placed in the bill to ensure that all truly needy working poor individuals receive the same discounted prices that are given to insured patients. The two bills were made identical and will be merged together for consideration by the full House Health Committee.

Please send your comments or suggestions to us at <u>aif@aif.com</u> or call the Governmental Affairs department at (850)224-7173.

- For more information on all of the important legislative information concerning the business community, go to our "members only" Florida Business Network web site at http://fbnnet.com
- Send us your E-mail address and we will begin to send this report to you automatically via E-mail.