

# ('59A-4.200', 'Gold Seal') Gold Seal

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## (1) Definitions.

(a) Agency means the Agency for Health Care Administration.

(b) Panel means the Panel on Excellence in Long Term Care.

(c) Parent company means an entity that owns, leases, or through any other device controls a group of two or more health care facilities or at least one health care facility and any other business. A related party management company is considered to be a parent company.

(d) Region means a geographical area of the state of Florida defined by a list of counties reflected by the Agency's 11 inspection regions. The regions are defined, as part of the Nursing Home Guide Methodology which is located on the Agency website at <http://www.floridahealthfinder.gov/Comparecare/MethodologyNH.aspx>.

(e) Quality of Care score means all of the parameters included in the Nursing Home Guide that reflect the results of the overall inspection. These parameters are defined in the Nursing Home Guide Methodology, as specified in Rule 59A-4.165, F.A.C.

## (2) Gold Seal Award.

(a) To be considered for recommendation for a Gold Seal Award, a nursing home licensee must submit to the Agency's Long Term Care Unit:

1. A letter of recommendation,

2. A completed Application for Nursing Home Gold Seal Award, AHCA Form 3110-0007, September 2016, which is incorporated by reference and available at <http://www.flrules.org/Gateway/reference.asp?No=Ref-07613>. Copies of this form may be obtained from the Agency for Health Care Administration, Long Term Care Unit, 2727 Mahan Drive, MS #33, Tallahassee, FL 32308, or from the Agency website at [http://ahca.myflorida.com/MCHQ/Health\\_Facility\\_Regulation/Long\\_Term\\_Care/GovernorPanel/GPELTC.shtml](http://ahca.myflorida.com/MCHQ/Health_Facility_Regulation/Long_Term_Care/GovernorPanel/GPELTC.shtml),

3. The financial documentation required by subsection (5), of this rule,

4. The following information must be provided for the period of 30 months preceding application for the Gold Seal Award:

a. Evidence of the consumer satisfaction process which demonstrates that information is elicited from residents and their family members concerning satisfaction with the facility,

b. Evidence of family and community involvement in the facility; and,

c. Evidence of targeted in-service training in the facility.

5. The stable workforce documentation required by subsection (6), of this rule.

(b) During the effective dates of the award, a nursing home licensee may use the Gold Seal designation in facility advertising and marketing. All advertising and marketing of the Gold Seal designation must include the range of dates for which the Gold Seal was awarded and shall only represent the facility to which it has been designated. Within 90 days after termination or expiration of the Gold Seal award, the Gold Seal designation must be removed from all advertising and marketing materials.

## (3) Review Process.

(a) A review process is established which provides submission deadlines for applications

and Panel meeting timeframes to review applications. Facilities may submit applications at any time for review as follows.

(b) Review Period 1 requires applications be submitted by March 15 each year to be eligible for review during this period. The quality of care score for this review period will be obtained from the preceding quarter ending December 31, and will be available by February 15 to ensure facilities qualify for this criterion prior to submitting an application.

Application reviews will be complete by April 15. Site visits will be conducted after April 15 and a meeting will be held to determine those licensees to be recommended for the Gold Seal. This meeting must be held prior to June 15.

(c) Review Period 2 requires applications be submitted by September 15 each year to be eligible for review during this period. The quality of care score for this review period will be obtained from the preceding quarter ending June 30 and will be available by August 15 to ensure facilities qualify under this criterion prior to submitting an application. Application reviews will be complete by October 15. Site visits will be conducted after October 15 and a meeting will be held to determine those licensees to be recommended for the Gold Seal. This meeting must be held prior to December 15.

(d) Quality of care scoring information may be obtained by contacting the Long Term Care Unit at (850)412-4303, or from the Agency website at [http://ahca.myflorida.com/MCHQ/Health\\_Facility\\_Regulation/Long\\_Term\\_Care/GovernorPanel/GPELTC.shtml](http://ahca.myflorida.com/MCHQ/Health_Facility_Regulation/Long_Term_Care/GovernorPanel/GPELTC.shtml) under the heading Gold Seal Quality of Care Scores.

(e) Any nursing home licensee not meeting all requirements or having omissions in financial information will be notified to allow a licensee to submit additional information or withdraw the application. Licensees have 10 business days after the Agency's request to provide required documentation to continue to be eligible for consideration.

(f) If the panel determines that an applicant has failed to meet all Gold Seal criteria and the application is not withdrawn, a recommendation to deny the Gold Seal award will be made to the Governor.

#### (4) Quality of Care.

(a) The Agency shall determine how a Gold Seal recommended licensee ranks relative to other licensees in the same region.

(b) The Agency shall compute a quality of care score and rank nursing home licensees, in accordance with the Nursing Home Guide Methodology, which is located on the web at <http://www.floridahealthfinder.gov/CompareCare/MethodologyNH.aspx>.

(c) To be considered further for a Gold Seal Award, the facility's quality of care rank must be in the top 15% of facilities in the applicant's region or top 10% statewide. The facility must also be ranked in the Nursing Home Guide as a five-star facility overall.

#### (5) Financial Requirements.

(a) To be eligible for a Gold Seal designation, a facility must have been in operation for a minimum of 30 months prior to the date of application and must provide evidence of financial soundness and stability. This subsection provides the criteria for use of financial statements. To demonstrate 30 months of financial soundness and stability prior to the date of the application:

1. The licensee of the facility shall submit financial statements prepared in accordance with

Generally Accepted Accounting Principles (GAAP) for the three consecutive fiscal years immediately preceding the date of application. If the most recent fiscal year ended within 120 days prior to the application filing deadline and the audited financial statements are not yet available, then the prior fiscal year will be considered the most recent. Financial statements shall include a balance sheet, income statement and statement of cash flows and all relevant notes. The licensee concurrently shall submit a report from a certified public accountant (CPA) who has audited or reviewed these financial statements. A report of audited financial statements that contains an adverse or disclaimer of opinion will not be considered an acceptable submission for the purposes of this rule. A report on reviewed financial statements must be a standard report and must not contain any departure from GAAP. Financial statements that have been reviewed by a CPA may not be substituted for audited financial statements when the audit was conducted for the same financial accounting period. If the audit of the licensee is not available then the following submissions will satisfy the financial statement submission requirements:

- a. Consolidated Financial Statements - For a licensee whose audited or reviewed financial statements are prepared as part of a consolidated entity, the licensee can satisfy the requirements for submitting financial statements by submitting the three most recent consecutive fiscal years of CPA audited or reviewed consolidated financial statements if the statements break out the balance sheet, income statement and statement of cash flows of the individual licensee.
- b. Parent Financial Statements - A nursing home that is part of the same corporate entity that operates assisted living facilities and/or independent living facilities can satisfy the requirements for submitting financial statements by submitting the three most recent consecutive fiscal years of CPA audited or reviewed consolidated financial statements for the corporate entity.
- c. Continuing Care Retirement Communities (CCRC) - A nursing home that is part of the same corporate entity as a CCRC licensed under Chapter 651, F.S., is considered to have met the evidence of financial soundness and stability requirement of Section 400.235(5)(b), F.S., if it meets its minimum liquid reserve as described in Section 651.035, F.S., and is accredited by a recognized accrediting organization as described in Section 651.028, F.S. In order to meet this requirement and be exempt from the ratio analysis described in paragraph (1)(b), of this rule, the applicant must provide a copy of its active certificate of authority, accreditation documentation, and documentation proving that the minimum liquid reserve is met.

2. Each licensee must meet at least two of the three financial soundness and stability thresholds listed below for at least two of three years of the statements, to include the most recent year submitted. Otherwise, its facilities cannot be recommended for the Gold Seal Award except as described in subsection (2), above.

- a. A positive current ratio of at least one (1). The current ratio is determined by dividing current liabilities into current assets. Current assets are items on an entity's balance sheet that are either cash, a cash equivalent, or which can be converted into cash within a year or less. Current liabilities are short-term obligations that are due and payable within a year or less.

b. A positive net worth as determined by the balance sheet and/or a positive total margin. Net worth shall be determined as equity (total assets less total liabilities). Total margin shall be considered the net profit or loss from all operations as shown on the income statement.

c. A cash flow to current liabilities ratio of 65 percent or greater. This shall be determined by dividing current liabilities by operating cash flow. Operating cash flow is cash flow generated by core operations and does not include cash flow generated by investing or financing activities as shown on the statement of cash flows on the financial statements.

(b) If the licensee can meet only one of the three financial ratios in paragraph (1)(b), above, for one of the two required years, the licensee may be recommended for a Gold Seal Award only if the most recent CPA prepared financial statements provided are for a period ending within six months of the date of the application and these financial statements meet all three of the financial criteria set forth in paragraph (1)(b), above.

(c) Neither the licensee nor its parent company shall have been the subject of bankruptcy proceedings during the period beginning 30 months prior to the date of the application and ending on the date of the award of the Gold Seal.

(6) Stable Workforce.

(a) An applicant for the Gold Seal Award must meet at least one of the following to demonstrate a stable workforce:

1. Have a turnover rate no greater than 50 percent for the most recent 12 month period ending on the last workday of the most recent calendar quarter prior to submission of an application. The turnover rate is the total number of terminations or resignations of certified nursing assistants (CNAs) and licensed nurses during the quarter divided by the number of CNAs and licensed nurses employed at the end of the quarter, or
2. Have a stability rate indicating that at least 50 percent of its staff have been employed at the facility for at least one year. The stability rate is the total number of CNAs and licensed nurses that have been employed for more than 12 months, divided by the total number of CNAs and licensed nurses employed at the end of the quarter.

(b) Each applicant for the Gold Seal Award must submit evidence of an effective recruitment and retention program.

(7) Termination and Frequency of Review.

(a) Termination of Gold Seal Designation. The occurrence of any one of the following events shall disqualify the licensee from continuing as a Gold Seal facility:

1. The filing of a petition by or against the owner or its parent company under the Bankruptcy Code,
2. The issuance of a citation for a Class I or Class II deficiency or the assignment of a conditional license, or
3. The nursing home has a survey, after receipt of the Gold Seal designation that results in an overall rank of less than five stars in the Nursing Home Guide.

(b) For federally certified facilities, if the disqualifying event is the issuance of a citation for a Class I or Class II deficiency or the assignment of a conditional license status, the Gold Seal Award shall be withdrawn only after the results of the federal Informal Dispute Resolution (IDR) process are considered, if an IDR is requested.

(c) The termination or correction of a disqualifying event does not cause the Gold Seal to be

reinstated. The licensee shall resubmit a complete application package and must meet all the conditions necessary to be awarded a Gold Seal.

(d) Termination of Gold Seal Applicants. Prior to the Governor's issuance of the Award, the occurrence of any of the following events shall disqualify the licensee from continuing as a Gold Seal applicant and the application will be denied:

1. The filing of a petition by or against the owner or its parent company under the Bankruptcy Code,
2. The licensee fails to maintain a qualifying Quality of Care rank as defined in paragraph (4)(c),
3. The issuance of a citation for a Class I or Class II deficiency or a licensee is assigned a conditional license status.

(e) If the applicant meets criteria for denial or termination, the Agency shall offer the opportunity for the applicant to withdraw the application.

(f) Frequency of Review. A Gold Seal licensee shall submit a complete renewal application every three years. The renewal application must be received by the Agency during the appropriate review period as provided in subsection (3), to ensure the licensee will not have a lapse in the Gold Seal designation.

#### Notes

Fla. Admin. Code Ann. R. 59A-4.200

Rulemaking Authority 400.235(9) FS. Law Implemented 400.235 FS.

New 8-21-01, Amended 5-15-07, Amended by Florida Register Volume 41, Number 199, October 13, 2015 effective 10/29/2015, Amended by Florida Register Volume 43, Number 191, October 3, 2017 effective 10/16/2017.