AHCA Releases Statement on Conclusion of Bayou Shores Case

TALLAHASSEE, Fla. – Today, the Agency for Health Care Administration (Agency) announced that on June 5, 2017, the U.S. Supreme Court ended a Florida nursing facility’s three-year quest to avoid the jurisdiction of federal and state healthcare authorities. In 2014, Bayou Shores, a St. Petersburg nursing facility with a history of serious health and safety violations, attempted to avoid the termination of its Medicare and Medicaid provider agreements by seeking the protection of the bankruptcy court. The bankruptcy court obliged, forbidding the Agency and the federal Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS) from taking action against the Medicaid and Medicare payments. The Agency and CMS appealed the injunction, prevailing first in the U.S. District Court for the Middle District of Florida and again in the Eleventh Circuit Court of Appeals. The court of appeals issued an important 66-page opinion last year supporting each of the Agency’s arguments regarding the federal government’s exclusive jurisdiction over this issue. The Supreme Court’s decision not to take up the case preserves this critical victory and ensures that the Agency and CMS can continue to cooperatively administer Medicaid and Medicare in Florida.

Agency Secretary Justin M. Senior said, “This is positive news for our Agency, and a vindication of all of the efforts our staff have invested to ensure that this facility was held responsible for the deplorable level of care provided. We have worked for over three years with our federal partners at CMS to defend this case. While bankruptcy courts tried to guarantee that this facility could continue receiving Medicaid payments, our Agency fought to have them removed from the Medicaid program, and all residents relocated because of the dire situation at the facility. Our Agency will continue to ensure that the facilities we regulate and participate in Medicaid are maintaining proper standards and providing the best care possible to patients.”

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The Agency for Health Care Administration is committed to better health care for all Floridians. The Agency administers Florida’s Medicaid program, licenses and regulates more than 49,000 health care facilities and 43 health plans, and publishes health care data and statistics at www.FloridaHealthFinder.gov. Additional information about Agency initiatives is available via Facebook (AHCAFlorida), Twitter (@AHCA_FL) and YouTube (/AHCAFlorida).