

SENATE BILL 901

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9lr3135
CF HB 607

By: **Senators Hayes, Ferguson, and Lam**
Introduced and read first time: February 14, 2019
Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Trauma Fund – State Primary Adult Resource Center –**
3 **Reimbursement of On–Call and Standby Costs**

4 FOR the purpose of altering the purpose of the Maryland Trauma Physician Services Fund
5 to include subsidizing the documented costs incurred by the State primary adult
6 resource center to maintain certain on–call and standby health care providers;
7 requiring the Maryland Health Care Commission to develop certain guidelines for
8 the reimbursement of certain costs; and generally relating to reimbursement of
9 on–call and standby costs incurred by the State primary adult resource center.

10 BY repealing and reenacting, without amendments,
11 Article – Health – General
12 Section 19–130(a)(1) and (5)
13 Annotated Code of Maryland
14 (2015 Replacement Volume and 2018 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article – Health – General
17 Section 19–130(b) and (d)
18 Annotated Code of Maryland
19 (2015 Replacement Volume and 2018 Supplement)

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
21 That the Laws of Maryland read as follows:

22 **Article – Health – General**

23 19–130.

24 (a) (1) In this section the following words have the meanings indicated.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.



1 (5) (i) "Trauma center" means a facility designated by the Maryland
2 Institute for Emergency Medical Services Systems as:

- 3 1. The State primary adult resource center;
- 4 2. A Level I trauma center;
- 5 3. A Level II trauma center;
- 6 4. A Level III trauma center;
- 7 5. A pediatric trauma center; or
- 8 6. The Maryland Trauma Specialty Referral Centers.

9 (ii) "Trauma center" includes an out-of-state pediatric trauma
10 center that has entered into an agreement with the Maryland Institute for Emergency
11 Medical Services Systems.

12 (b) (1) There is a Maryland Trauma Physician Services Fund.

13 (2) The purpose of the Fund is to subsidize the documented costs:

14 (i) Of uncompensated care incurred by a trauma physician in
15 providing trauma care to a trauma patient on the State trauma registry;

16 (ii) Of undercompensated care incurred by a trauma physician in
17 providing trauma care to an enrollee of the Maryland Medical Assistance Program who is
18 a trauma patient on the State trauma registry;

19 (iii) Incurred by a trauma center to maintain trauma physicians
20 on-call as required by the Maryland Institute for Emergency Medical Services Systems;
21 [and]

22 **(IV) INCURRED BY THE STATE PRIMARY ADULT RESOURCE**
23 **CENTER TO MAINTAIN TRAUMA SURGEONS, ORTHOPEDIC SURGEONS,**
24 **NEUROSURGEONS, AND ANESTHESIOLOGISTS ON-CALL AND ON STANDBY AS**
25 **REQUIRED BY THE MARYLAND INSTITUTE FOR EMERGENCY MEDICAL SERVICES**
26 **SYSTEMS; AND**

27 [(iv)] (v) Incurred by the Commission and the Health Services Cost
28 Review Commission to administer the Fund and audit reimbursement requests to assure
29 appropriate payments are made from the Fund.

30 (3) The Commission and the Health Services Cost Review Commission
31 shall administer the Fund.

1 (4) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of
2 the State Finance and Procurement Article.

3 (5) Interest on and other income from the Fund shall be separately
4 accounted for and credited to the Fund, and are not subject to § 6–226(a) of the State
5 Finance and Procurement Article.

6 (d) (1) Disbursements from the Fund shall be made in accordance with a
7 methodology established jointly by the Commission and the Health Services Cost Review
8 Commission to calculate costs incurred by trauma physicians and trauma centers that are
9 eligible to receive reimbursement under subsection (b) of this section.

10 (2) The Fund shall transfer to the Maryland Department of Health an
11 amount sufficient to fully cover the State’s share of expenditures for the costs of
12 undercompensated care incurred by a trauma physician in providing trauma care to an
13 enrollee of the Maryland Medical Assistance Program who is a trauma patient on the State
14 trauma registry.

15 (3) The methodology developed under paragraph (1) of this subsection
16 shall:

17 (i) Take into account:

18 1. The amount of uncompensated care provided by trauma
19 physicians;

20 2. The amount of undercompensated care attributable to the
21 treatment of Medicaid enrollees in trauma centers;

22 3. The cost of maintaining trauma physicians on–call;

23 4. The number of patients served by trauma physicians in
24 trauma centers;

25 5. The number of Maryland residents served by trauma
26 physicians in trauma centers; and

27 6. The extent to which trauma–related costs are otherwise
28 subsidized by hospitals, the federal government, and other sources; and

29 (ii) Include an incentive to encourage hospitals to continue to
30 subsidize trauma–related costs not otherwise included in hospital rates.

31 (4) The methodology developed under paragraph (1) of this subsection shall
32 use the following parameters to determine the amount of reimbursement made to trauma
33 physicians and trauma centers from the Fund:

1 (i) 1. The cost incurred by a Level II trauma center to maintain
2 trauma surgeons, orthopedic surgeons, and neurosurgeons on-call shall be reimbursed:

3 A. At a rate of up to 30% of the reasonable cost equivalents
4 hourly rate for the specialty, inflated to the current year by the physician compensation
5 component of the Medicare economic index as designated by the Centers for Medicare and
6 Medicaid Services; and

7 B. For the minimum number of trauma physicians required
8 to be on-call, as specified by the Maryland Institute for Emergency Medical Services
9 Systems in its criteria for Level II trauma centers;

10 2. The cost incurred by a Level III trauma center to maintain
11 trauma surgeons, orthopedic surgeons, neurosurgeons, and anesthesiologists on-call shall
12 be reimbursed:

13 A. At a rate of up to 35% of the reasonable cost equivalents
14 hourly rate for the specialty, inflated to the current year by the physician compensation
15 component of the Medicare economic index as designated by the Centers for Medicare and
16 Medicaid Services; and

17 B. For the minimum number of trauma physicians required
18 to be on-call, as specified by the Maryland Institute for Emergency Medical Services
19 Systems in its criteria for Level III trauma centers;

20 3. The cost incurred by a Level I trauma center or pediatric
21 trauma center to maintain trauma surgeons, orthopedic surgeons, and neurosurgeons
22 on-call when a post-graduate resident is attending in the trauma center shall be
23 reimbursed:

24 A. At a rate of up to 30% of the reasonable cost equivalents
25 hourly rate for the specialty, inflated to the current year by the physician compensation
26 component of the Medicare economic index as designated by the Centers for Medicare and
27 Medicaid Services; and

28 B. When a post-graduate resident is permitted to be in the
29 trauma center, as specified by the Maryland Institute for Emergency Medical Services
30 Systems in its criteria for Level I trauma centers or pediatric trauma centers;

31 4. The cost incurred by a Maryland Trauma Specialty
32 Referral Center to maintain trauma surgeons on-call in the specialty of the Center when a
33 post-graduate resident is attending in the Center shall be reimbursed:

34 A. At a rate of up to 30% of the reasonable cost equivalents
35 hourly rate for the specialty, inflated to the current year by the physician compensation
36 component of the Medicare economic index as designated by the Centers for Medicare and

1 Medicaid Services; and

2 B. When a post-graduate resident is permitted to be in the
3 Center, as specified by the Maryland Institute for Emergency Medical Services Systems in
4 its criteria for a Maryland Trauma Specialty Referral Center; and

5 5. A. A Level II trauma center is eligible for a maximum
6 of 24,500 hours of trauma on-call per year;

7 B. A Level III trauma center is eligible for a maximum of
8 35,040 hours of trauma on-call per year;

9 C. A Level I trauma center shall be eligible for a maximum of
10 4,380 hours of trauma on-call per year;

11 D. A pediatric trauma center shall be eligible for a maximum
12 of 4,380 hours of trauma on-call per year; and

13 E. A Maryland Trauma Specialty Referral Center shall be
14 eligible for a maximum of 2,190 hours of trauma on-call per year;

15 (ii) The cost of undercompensated care incurred by a trauma
16 physician in providing trauma care to enrollees of the Maryland Medical Assistance
17 Program who are trauma patients on the State trauma registry shall be reimbursed at a
18 rate of up to 100% of the Medicare payment for the service, minus any amount paid by the
19 Maryland Medical Assistance Program;

20 (iii) The cost of uncompensated care incurred by a trauma physician
21 in providing trauma care to trauma patients on the State trauma registry shall be
22 reimbursed at a rate of 100% of the Medicare payment for the service, minus any recoveries
23 made by the trauma physician for the care;

24 (iv) The Commission, in consultation with the Health Services Cost
25 Review Commission, may establish a payment rate for uncompensated care incurred by a
26 trauma physician in providing trauma care to trauma patients on the State trauma registry
27 that is above 100% of the Medicare payment for the service if:

28 1. The Commission determines that increasing the payment
29 rate above 100% of the Medicare payment for the service will address an unmet need in the
30 State trauma system; and

31 2. The Commission reports on its intention to increase the
32 payment rate to the Senate Finance Committee and the House Health and Government
33 Operations Committee, in accordance with § 2-1246 of the State Government Article, at
34 least 60 days before any adjustment to the rate; [and]

35 (v) THE COMMISSION SHALL DEVELOP GUIDELINES FOR THE

1 REIMBURSEMENT OF THE DOCUMENTED COSTS OF THE STATE PRIMARY ADULT
2 RESOURCE CENTER UNDER SUBSECTION (B)(2)(IV) OF THIS SECTION; AND

3 ~~[(v)]~~ (VI) The total reimbursement to emergency physicians from
4 the Fund may not exceed \$300,000 annually.

5 (5) In order to receive reimbursement, a trauma physician in the case of
6 costs of uncompensated care under subsection (b)(2)(i) of this section, or a trauma center in
7 the case of on-call costs under subsection (b)(2)(iii) of this section, shall apply to the Fund
8 on a form and in a manner approved by the Commission and the Health Services Cost
9 Review Commission.

10 (6) (i) The Commission and the Health Services Cost Review
11 Commission shall adopt regulations that specify the information that trauma physicians
12 and trauma centers must submit to receive money from the Fund.

13 (ii) The information required shall include:

14 1. The name and federal tax identification number of the
15 trauma physician rendering the service;

16 2. The date of the service;

17 3. Appropriate codes describing the service;

18 4. Any amount recovered for the service rendered;

19 5. The name of the trauma patient;

20 6. The patient's trauma registry number; and

21 7. Any other information the Commission and the Health
22 Services Cost Review Commission consider necessary to disburse money from the Fund.

23 (iii) It is the intent of the General Assembly that trauma physicians
24 and trauma centers shall cooperate with the Commission and the Health Services Cost
25 Review Commission by providing information required under this paragraph in a timely
26 and complete manner.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
28 1, 2019.