

**ENROLLED BILL**

-- Health and Government Operations/Finance --

Introduced by ~~Delegates Rudolph and Donoghue~~ **Rudolph, Donoghue, Barve, Benson, Boteler, Bromwell, Costa, Elliott, Frank, Hammen, Hubbard, Kach, Kohl, Kullen, Mandel, McDonough, Morhaim, Murray, Nathan-Pulliam, Oaks, Pendergrass, V. Turner, and Weldon**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this \_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
Speaker.

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Maryland Trauma Physician Services Fund - Reimbursement Rates - Grants**

3 FOR the purpose of increasing the reimbursement rate for the cost incurred by  
4 certain trauma centers to maintain trauma physicians on-call; ~~increasing~~  
5 ~~repealing the limit on~~ *increasing* the total amount of reimbursements made to  
6 certain ~~emergency~~ *trauma* physicians from the Maryland Trauma Physician  
7 Services Fund; requiring the Health Services Cost Review Commission to  
8 develop guidelines for the approval of a certain grant to subsidize stand-by costs  
9 for certain out-of-state pediatric trauma centers; *providing that expenditures*  
10 *from the Fund may not exceed revenues without the approval of the General*  
11 *Assembly except under certain circumstances*; requiring the Maryland Health  
12 Care Commission to issue a certain grant to the Curtis National Hand Center at  
13 Union Memorial Hospital to subsidize on-call services; requiring the Curtis  
14 National Hand Center to comply with certain reporting requirements; ~~requiring~~

1 ~~a certain grant to be issued from a certain fund balance; requiring the Maryland~~  
 2 ~~Health Care Commission, in consultation with certain entities, to develop a~~  
 3 ~~certain process for the award of certain grants to Level II and III trauma centers~~  
 4 ~~in the State; requiring certain grants to be issued from a certain fund balance;~~  
 5 ~~requiring the Maryland Health Care Commission to report to certain committees~~  
 6 ~~of the General Assembly about a certain process for the award of certain grants;~~  
 7 altering certain definitions; defining ~~certain terms~~ a certain term; and generally  
 8 relating to the Maryland Trauma Physician Services Fund.

9 BY repealing and reenacting, with amendments,  
 10 Article - Health - General  
 11 Section 19-130  
 12 Annotated Code of Maryland  
 13 (2005 Replacement Volume and 2005 Supplement)

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

16 **Article - Health - General**

17 19-130.

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

19 (2) "Fund" means the Maryland Trauma Physician Services Fund.

20 (3) "MARYLAND TRAUMA SPECIALTY REFERRAL CENTERS" MEANS:

21 (I) ~~THE REGIONAL BURN CENTER AT THE JOHNS HOPKINS~~  
 22 ~~BAYVIEW MEDICAL CENTER HEALTH SYSTEM BURN PROGRAM;~~

23 (II) THE EYE TRAUMA CENTER AT THE WILMER EYE INSTITUTE AT  
 24 THE JOHNS HOPKINS HOSPITAL; AND

25 (III) THE CURTIS NATIONAL HAND CENTER AT UNION MEMORIAL  
 26 HOSPITAL.

27 [(3)] (4) (i) "Trauma center" means a facility designated by the  
 28 Maryland Institute for Emergency Medical Services Systems as:

29 1. The State primary adult resource center;

30 2. A Level I trauma center;

31 3. A Level II trauma center;

32 4. A Level III trauma center; [or]

33 5. A pediatric trauma center; OR

1   6.         THE MARYLAND TRAUMA SPECIALTY REFERRAL  
2 CENTERS.

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

6   [(4)]       (5)         "Trauma physician" means a [trauma surgeon, an orthopedic  
7 surgeon, a neurosurgeon, an intensive care unit physician, an anesthesiologist, or an  
8 emergency physician] PHYSICIAN who provides care in a trauma center to trauma  
9 patients on the State trauma registry AS DEFINED BY THE MARYLAND INSTITUTE  
10 FOR EMERGENCY MEDICAL SERVICES SYSTEMS.

11   [(5)]       (6)         "Uncompensated care" means care provided by a trauma  
12 physician to a trauma patient on the State trauma registry who:

13   (i)         Has no health insurance, including Medicare Part B coverage;

14   (ii)        Is not eligible for medical assistance coverage; and

15   (iii)       Has not paid the trauma physician for care provided by the  
16 trauma physician, after documented attempts by the trauma physician to collect  
17 payment.

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

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

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

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

25   (iii)       Incurred by a trauma center to maintain trauma physicians  
26 on-call as required by the Maryland Institute for Emergency Medical Services  
27 Systems; and

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

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

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

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

4 (c) The Fund consists of motor vehicle registration surcharges paid into the  
5 Fund in accordance with § 13-954(b)(2) of the Transportation 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  
8 Review Commission to calculate costs incurred by trauma physicians and trauma  
9 centers that are eligible to receive reimbursement under subsection (b) of this section.

10 (2) The Fund shall transfer to the Department of Health and Mental  
11 Hygiene an amount sufficient to fully cover the State's share of expenditures for the  
12 costs of undercompensated care incurred by a trauma physician in providing trauma  
13 care to an enrollee of the Maryland Medical Assistance Program who is a trauma  
14 patient on the State 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  
32 shall use the following parameters to determine the amount of reimbursement made  
33 to trauma physicians and trauma centers from the Fund:

34 (i) 1. The cost incurred by a Level II trauma center to maintain  
35 ~~trauma physicians~~ TRAUMA SURGEONS, ORTHOPEDIC SURGEONS, AND  
36 NEUROSURGEONS on-call shall be reimbursed:

1 A. At a rate of up to [20%] 30% of the reasonable cost  
 2 equivalents hourly rate for the specialty, inflated to the current year by the physician  
 3 compensation component of the Medicare economic index as designated by the  
 4 Centers for Medicare and Medicaid Services, ~~multiplied by 8,760 hours~~; and

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

8 2. ~~trauma physicians~~ TRAUMA SURGEONS, ORTHOPEDIC SURGEONS, NEUROSURGEONS,  
 9 AND ANESTHESIOLOGISTS on-call shall be reimbursed:  
 10

11 A. At a rate of up to [30%] 35% of the reasonable cost  
 12 equivalents hourly rate for the specialty, inflated to the current year by the physician  
 13 compensation component of the Medicare economic index as designated by the  
 14 Centers for Medicare and Medicaid Services, ~~multiplied by 8,760 hours~~; and

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

18 3. A. A LEVEL II TRAUMA CENTER IS ELIGIBLE FOR A  
 19 MAXIMUM OF ~~26,280~~ 24,500 HOURS OF TRAUMA ON-CALL PER YEAR; AND

20 B. A LEVEL III TRAUMA CENTER IS ELIGIBLE FOR A  
 21 MAXIMUM OF 35,040 HOURS OF TRAUMA ON-CALL PER YEAR;

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

27 (iii) The cost of uncompensated care incurred by a trauma physician  
 28 in providing trauma care to trauma patients on the State trauma registry shall be  
 29 reimbursed at a rate of up to 100% of the Medicare payment for the service, minus  
 30 any recoveries made by the trauma physician for the care; ~~and~~; and

31 (iv) The total reimbursement to emergency physicians from the Fund  
 32 may not exceed [~~\$250,000~~] \$275,000 annually.

33 (iv) ~~The total reimbursement to emergency physicians from the~~  
 34 ~~Fund may not exceed [~~\$250,000~~] \$275,000 annually.~~

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

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

4                   (ii)   The information required shall include:

- 5                           1.    The name and federal tax identification number of the  
6 trauma physician rendering the service;
- 7                           2.    The date of the service;
- 8                           3.    Appropriate codes describing the service;
- 9                           4.    Any amount recovered for the service rendered;
- 10                          5.    The name of the trauma patient;
- 11                          6.    The patient's trauma registry number; and
- 12                          7.    Any other information the Commission and the Health  
13 Services Cost Review Commission consider necessary to disburse money from the  
14 Fund.

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

19   (e)    On or before September 1 of each year, the Commission and the Health  
20 Services Cost Review Commission shall report to the General Assembly, in accordance  
21 with § 2-1246 of the State Government Article, on:

- 22           (1)    The amount of money in the Fund on the last day of the previous  
23 fiscal year;
- 24           (2)    The amount of money applied for by trauma physicians and trauma  
25 centers during the previous fiscal year;
- 26           (3)    The amount of money distributed in the form of trauma physician  
27 and trauma center reimbursements during the previous fiscal year;
- 28           (4)    Any recommendations for altering the manner in which trauma  
29 physicians and trauma centers are reimbursed from the Fund;
- 30           (5)    The costs incurred in administering the Fund during the previous  
31 fiscal year; and
- 32           (6)    The amount that each hospital that participates in the Maryland  
33 trauma system and that has a trauma center contributes toward the subsidization of  
34 trauma-related costs for its trauma center.

1 SECTION 2. AND BE IT FURTHER ENACTED, That the Health Services Cost  
2 Review Commission shall develop guidelines for the approval of an annual grant from  
3 the Maryland Trauma Physician Services Fund under § 19-130 of the Health -  
4 General Article of up to ~~\$590,000~~ \$490,000 to subsidize the stand-by costs for an  
5 out-of-state pediatric trauma center that has entered into an agreement with the  
6 Maryland Institute for Emergency Services Systems.

7 SECTION 3. AND BE IT FURTHER ENACTED, That ~~the~~:

8 (a) Except as provided in ~~subsection (b)~~ subsections (b) and (c) of this section,  
9 notwithstanding any other provision of law, expenditures from the Maryland  
10 Physicians Trauma Fund for costs incurred in any fiscal year may not exceed revenues  
11 of the Fund in that fiscal year without the approval of the General Assembly.

12 (b) (1) The ~~Health Services Cost Review Commission~~ Maryland Health Care  
13 Commission shall issue a onetime grant from the Maryland Trauma Physician  
14 Services Fund under § 19-130 of the Health - General Article for up to \$300,000 to  
15 subsidize on-call services for the Curtis National Hand Center at Union Memorial  
16 Hospital. The Curtis National Hand Center at Union Memorial Hospital shall comply  
17 with the reporting requirements under § 19-130(d)(6) of the Health - General Article.

18 (2) The Commission shall issue the onetime grant from any balance  
19 carried over to the Fund as of July 1, 2006, from prior fiscal years.

20 (c) (1) The Maryland Health Care Commission, in consultation with the  
21 Health Services Cost Review Commission and the Maryland Institute for Emergency  
22 Medical Services Systems, shall develop a process for the award of grants to Level II  
23 and III trauma centers in the State to be used for equipment primarily used in the  
24 delivery of trauma care.

25 (2) (i) Grants awarded under this subsection shall be issued from any  
26 balance carried over to the Fund as of July 1, 2006, from prior fiscal years.

27 (ii) The total amount of grants awarded under this subsection may  
28 not exceed \$3,000,000.

29 (3) The process developed by the Maryland Health Care Commission  
30 shall include:

31 (i) Grant applications and review and selection criteria for the  
32 award of grants;

33 (ii) Review by the Health Services Cost Review Commission, if  
34 necessary, for any project that exceeds Certificate of Need thresholds; and

35 (iii) Any other procedure determined necessary by the Maryland  
36 Health Care Commission.

37 (4) Before awarding grants under this subsection, the Maryland Health  
38 Care Commission shall report to the Senate Finance Committee and the House Health

1 *and Government Operations Committee, in accordance with § 2-1246 of the State*  
2 *Government Article, on the process that the Commission has developed for awarding*  
3 *grants.*

4 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect  
5 ~~October~~ July 1, 2006.