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By: **Senator Middleton**

Introduced and read first time: February 8, 2006

Assigned to: Rules

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Committee Report: Favorable with amendments

Senate action: Adopted with floor amendments

Read second time: April 6, 2006

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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 the  
 5 total amount of reimbursements made to certain trauma physicians from the  
 6 Maryland Trauma Physician Services Fund; requiring the Health Services Cost  
 7 Review Commission to develop guidelines for the approval of a certain grant to  
 8 subsidize stand-by costs for certain out-of-state pediatric trauma centers;  
 9 providing that expenditures from the Fund may not exceed revenues without  
 10 the approval of the General Assembly except under certain circumstances;  
 11 requiring the Maryland Health Care Commission to issue a certain grant to the  
 12 Curtis National Hand Center at Union Memorial Hospital to subsidize on-call  
 13 services; requiring the Curtis National Hand Center to comply with certain  
 14 reporting requirements; ~~requiring a certain grant to be issued from a certain~~  
 15 ~~fund balance;~~ requiring the Maryland Health Care Commission, in consultation  
 16 with certain entities, to develop a certain process for the award of certain grants  
 17 to Level II and III trauma centers in the State; requiring certain grants to be  
 18 issued from a certain fund balance; requiring the Maryland Health Care  
 19 Commission to report to certain committees of the General Assembly about a  
 20 certain process for the award of certain grants; altering certain definitions;  
 21 defining ~~certain terms~~ a certain term; and generally relating to the Maryland  
 22 Trauma Physician Services Fund.

23 BY repealing and reenacting, with amendments,

24 Article - Health - General

25 Section 19-130

26 Annotated Code of Maryland

1 (2005 Replacement Volume and 2005 Supplement)

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

4 **Article - Health - General**

5 19-130.

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

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

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

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

11 (II) THE EYE TRAUMA CENTER AT THE WILMER EYE INSTITUTE AT  
12 THE JOHNS HOPKINS HOSPITAL; AND

13 (III) THE CURTIS NATIONAL HAND CENTER AT UNION MEMORIAL  
14 HOSPITAL.

15 [(3)] (4) (i) "Trauma center" means a facility designated by the  
16 Maryland Institute for Emergency Medical Services Systems as:

17 1. The State primary adult resource center;

18 2. A level I trauma center;

19 3. A level II trauma center;

20 4. A level III trauma center; [or]

21 5. A pediatric trauma center; OR

22 6. THE MARYLAND TRAUMA SPECIALTY REFERRAL  
23 CENTERS.

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

27 [(4)] (5) "Trauma physician" means a [trauma surgeon, an orthopedic  
28 surgeon, a neurosurgeon, an intensive care unit physician, an anesthesiologist, or an  
29 emergency physician] PHYSICIAN who provides ~~CARE IN A TRAUMA CENTER OR IS ON~~  
30 ~~CALL AND READY TO PROVIDE~~ care in a trauma center to trauma patients on the  
31 State trauma registry AS DEFINED BY THE MARYLAND INSTITUTE FOR EMERGENCY  
32 MEDICAL SERVICES SYSTEMS.

1            [(5)]    (6)    "Uncompensated care" means care provided by a trauma  
2 physician to a trauma patient on the State trauma registry who:

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

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

5                    (iii)        Has not paid the trauma physician for care provided by the  
6 trauma physician, after documented attempts by the trauma physician to collect  
7 payment.

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

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

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

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

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

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

21                    (3)        The Commission and the Health Services Cost Review Commission  
22 shall administer the Fund.

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

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

28        (c)        The Fund consists of motor vehicle registration surcharges paid into the  
29 Fund in accordance with § 13-954(b)(2) of the Transportation Article.

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

34                    (2)        The Fund shall transfer to the Department of Health and Mental  
35 Hygiene an amount sufficient to fully cover the State's share of expenditures for the  
36 costs of undercompensated care incurred by a trauma physician in providing trauma

1 care to an enrollee of the Maryland Medical Assistance Program who is a trauma  
2 patient on the State trauma registry.

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

5 (i) Take into account:

6 1. The amount of uncompensated care provided by trauma  
7 physicians;

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

10 3. The cost of maintaining trauma physicians on-call;

11 4. The number of patients served by trauma physicians in  
12 trauma centers;

13 5. The number of Maryland residents served by trauma  
14 physicians in trauma centers; and

15 6. The extent to which trauma-related costs are otherwise  
16 subsidized by hospitals, the federal government, and other sources; and

17 (ii) Include an incentive to encourage hospitals to continue to  
18 subsidize trauma-related costs not otherwise included in hospital rates.

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

22 (i) 1. The cost incurred by a level II trauma center to maintain  
23 ~~trauma physicians~~ TRAUMA SURGEONS, ORTHOPEDIC SURGEONS, AND  
24 NEUROSURGEONS on-call shall be reimbursed:

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

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

32 2. The cost incurred by a level III trauma center to maintain  
33 ~~trauma physicians~~ TRAUMA SURGEONS, ORTHOPEDIC SURGEONS, NEUROSURGEONS,  
34 AND ANESTHESIOLOGISTS on-call shall be reimbursed:

35 A. At a rate of up to [30%] 35% of the reasonable cost  
36 equivalents hourly rate for the specialty, inflated to the current year by the physician

1 compensation component of the Medicare economic index as designated by the  
 2 Centers for Medicare and Medicaid Services, ~~multiplied by 8,760 hours~~; and

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

6 3. A. A LEVEL II TRAUMA CENTER IS ELIGIBLE FOR A  
 7 MAXIMUM OF 24,500 HOURS OF TRAUMA ON-CALL PER YEAR; AND

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

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

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

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

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

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

29 (ii) The information required shall include:

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

32 2. The date of the service;

33 3. Appropriate codes describing the service;

34 4. Any amount recovered for the service rendered;

35 5. The name of the trauma patient;

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



1 General Article for up to \$300,000 to subsidize on-call services for the Curtis National  
2 Hand Center at Union Memorial Hospital. The Curtis National Hand Center at  
3 Union Memorial Hospital shall comply with the reporting requirements under §  
4 19-130(d)(6) of the Health - General Article.

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

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

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

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

16           (3)       The process developed by the Maryland Health Care Commission  
17 shall include:

18                   (i)       Grant applications and review and selection criteria for the  
19 award of grants;

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

22                   (iii)       Any other procedure determined necessary by the Maryland  
23 Health Care Commission.

24           (4)       Before awarding grants under this subsection, the Maryland Health  
25 Care Commission shall report to the Senate Finance Committee and the House  
26 Health and Government Operations Committee, in accordance with § 2-1246 of the  
27 State Government Article, on the process that the Commission has developed for  
28 awarding grants.

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

