

HOUSE BILL 521

J3

9lr2462
CF SB 464

By: Delegates Donoghue, Conway, and Mathias ~~Mathias~~, Cane, Haddaway, Eckardt, and Elmore

Introduced and read first time: February 5, 2009
Assigned to: Health and Government Operations

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 25, 2009

CHAPTER _____

1 AN ACT concerning

2 **Maryland Trauma Physician Services Fund – Rural Trauma Centers –**
3 **Reimbursement**

4 FOR the purpose of ~~altering the definition of trauma center to include Peninsula~~
5 ~~Regional Medical Center, the Western Maryland Health System, and~~
6 ~~Washington County Hospital~~ altering the maximum number of trauma on-call
7 hours per year that a Level III trauma center is eligible for reimbursement for
8 from the Maryland Trauma Physician Services Fund; providing that the cost
9 incurred by a Level III trauma center to maintain trauma physicians on call
10 shall include certain practice areas under certain circumstances; requiring the
11 Maryland Health Care Commission to make a certain determination on or
12 before a certain date each year; prohibiting the Commission from making
13 certain reimbursements under certain circumstances; providing for the
14 termination of this Act; and generally relating to the Maryland Trauma
15 Physician Services Fund.

16 BY repealing and reenacting, ~~with~~ without amendments,
17 Article – Health – General
18 Section 19–130(a), (b), and (d)(1), (2), and (3)
19 Annotated Code of Maryland
20 (2005 Replacement Volume and 2008 Supplement)

21 BY repealing and reenacting, ~~without~~ with amendments,
22 Article – Health – General
23 Section ~~19–130(b)~~ 19–130(d)(4)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Annotated Code of Maryland
2 (2005 Replacement Volume and 2008 Supplement)

3 BY adding to
4 Article – Health – General
5 Section 19–130(d)(7)
6 Annotated Code of Maryland
7 (2005 Replacement Volume and 2008 Supplement)

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

10 **Article – Health – General**

11 19–130.

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

13 (2) “Fund” means the Maryland Trauma Physician Services Fund.

14 (3) “Maryland Trauma Specialty Referral Centers” means:

15 (i) The Johns Hopkins Health System Burn Program;

16 (ii) The Eye Trauma Center at the Wilmer Eye Institute at The
17 Johns Hopkins Hospital; and

18 (iii) The Curtis National Hand Center at Union Memorial
19 Hospital.

20 (4) “Rehabilitation hospital” means a facility classified as a special
21 rehabilitation hospital as described in § 19–307 of this title that is affiliated with a
22 trauma center by common ownership.

23 (5) (i) “Trauma center” means a facility designated by the
24 Maryland Institute for Emergency Medical Services Systems as:

25 1. The State primary adult resource center;

26 2. A Level I trauma center;

27 3. A Level II trauma center;

28 4. A Level III trauma center;

29 5. A pediatric trauma center; or

30 6. The Maryland Trauma Specialty Referral Centers.

1 (ii) "Trauma center" includes ~~an~~

2 ~~1. AN~~ out-of-state pediatric trauma center that has
3 entered into an agreement with the Maryland Institute for Emergency Medical
4 Services Systems;

5 ~~2. PENINSULA REGIONAL MEDICAL CENTER;~~

6 ~~3. THE WESTERN MARYLAND HEALTH SYSTEM; AND~~

7 ~~4. WASHINGTON COUNTY HOSPITAL.~~

8 (6) "Trauma physician" means a physician who provides care in a
9 trauma center or in a rehabilitation hospital to trauma patients on the State trauma
10 registry as defined by the Maryland Institute for Emergency Medical Services
11 Systems.

12 (7) "Uncompensated care" means care provided by a trauma physician
13 to a trauma patient on the State trauma registry who:

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

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

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

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

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

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

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

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

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

4 (3) The Commission and the Health Services Cost Review Commission
5 shall administer the Fund.

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

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

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

15 (2) The Fund shall transfer to the Department of Health and Mental
16 Hygiene an amount sufficient to fully cover the State’s share of expenditures for the
17 costs of undercompensated care incurred by a trauma physician in providing trauma
18 care to an enrollee of the Maryland Medical Assistance Program who is a trauma
19 patient on the State trauma registry.

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

22 (i) Take into account:

23 1. The amount of uncompensated care provided by
24 trauma physicians;

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

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

28 4. The number of patients served by trauma physicians
29 in trauma centers;

30 5. The number of Maryland residents served by trauma
31 physicians in trauma centers; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

13 B. A Level III trauma center is eligible for a maximum of
14 [35,040]70,080 hours of trauma on-call per year;

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

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

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

21 **6. SUBJECT TO PARAGRAPH (7) OF THIS**
22 **SUBSECTION, THE COST INCURRED BY A LEVEL III TRAUMA CENTER TO**
23 **MAINTAIN TRAUMA PHYSICIANS ON-CALL IN THE FOLLOWING PRACTICE AREAS**
24 **SHALL BE REIMBURSED IN ACCORDANCE WITH ITEM (I)2 OF THIS PARAGRAPH:**

25 **A. PLASTIC SURGERY;**

26 **B. MAJOR VASCULAR SURGERY;**

27 **C. ORAL OR MAXILLOFACIAL SURGERY; AND**

28 **D. THORACIC.**

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

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

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

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

12 2. The Commission reports on its intention to increase
13 the payment rate to the Senate Finance Committee and the House Health and
14 Government Operations Committee, in accordance with § 2-1246 of the State
15 Government Article, at least 60 days before any adjustment to the rate; and

16 (v) The total reimbursement to emergency physicians from the
17 Fund may not exceed \$300,000 annually.

18 **(7) (I) ON OR BEFORE MAY 1 OF EACH YEAR, THE**
19 **COMMISSION SHALL DETERMINE APPROPRIATE LEVELS OF PAYMENT THAT CAN**
20 **BE SUSTAINED FOR THE UPCOMING FISCAL YEAR, GIVEN THE EXPECTED**
21 **REVENUE IN THE FUND.**

22 **(II) IF EXPECTED REVENUE IN THE FUND IS INSUFFICIENT**
23 **TO MEET EXPECTED PAYMENTS, THE COMMISSION MAY NOT REIMBURSE LEVEL**
24 **III TRAUMA CENTERS FOR TRAUMA ON-CALL HOURS UNDER PARAGRAPH**
25 **(4)(I)6 OF THIS SUBSECTION OR FOR TRAUMA ON-CALL HOURS EXCEEDING**
26 **35,040 HOURS UNTIL THE REMAINING COSTS ELIGIBLE FOR REIMBURSEMENT**
27 **UNDER PARAGRAPH (4) OF THIS SUBSECTION ARE FULLY FUNDED.**

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
29 October 1, 2009. It shall remain effective for a period of 4 years and, at the end of
30 September 30, 2013, with no further action required by the General Assembly, this Act
31 shall be abrogated and of no further force and effect.