

CHAPTER 546

(Senate Bill 464)

AN ACT concerning

Maryland Trauma Physician Services Fund – Rural Trauma Centers – Reimbursement

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

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

BY repealing and reenacting, ~~without~~ with amendments,
Article – Health – General
Section ~~19–130(b)~~ 19–130(d)(4)
Annotated Code of Maryland
(2005 Replacement Volume and 2008 Supplement)

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

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

Article – Health – General

19–130.

- (a) (1) In this section the following words have the meanings indicated.
- (2) “Fund” means the Maryland Trauma Physician Services Fund.
- (3) “Maryland Trauma Specialty Referral Centers” means:
- (i) The Johns Hopkins Health System Burn Program;
 - (ii) The Eye Trauma Center at the Wilmer Eye Institute at The Johns Hopkins Hospital; and
 - (iii) The Curtis National Hand Center at Union Memorial Hospital.
- (4) “Rehabilitation hospital” means a facility classified as a special rehabilitation hospital as described in § 19–307 of this title that is affiliated with a trauma center by common ownership.
- (5) (i) “Trauma center” means a facility designated by the Maryland Institute for Emergency Medical Services Systems as:
- 1. The State primary adult resource center;
 - 2. A Level I trauma center;
 - 3. A Level II trauma center;
 - 4. A Level III trauma center;
 - 5. A pediatric trauma center; or
 - 6. The Maryland Trauma Specialty Referral Centers.
- (ii) “Trauma center” includes ~~an~~:
- ~~1. AN~~ ~~AN~~ out-of-state pediatric trauma center that has entered into an agreement with the Maryland Institute for Emergency Medical Services Systems;
 - ~~2. PENINSULA REGIONAL MEDICAL CENTER;~~
 - ~~3. THE WESTERN MARYLAND HEALTH SYSTEM; AND~~
 - ~~4. WASHINGTON COUNTY HOSPITAL.~~

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

(7) “Uncompensated care” means care provided by a trauma physician to a trauma patient on the State trauma registry who:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(i) Take into account:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

A. PLASTIC SURGERY;

B. MAJOR VASCULAR SURGERY;

C. ORAL OR MAXILLOFACIAL SURGERY; AND

D. THORACIC.

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

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

(iv) The Commission, in consultation with the Health Services Cost Review Commission, may establish a payment rate for uncompensated care

incurred by a trauma physician in providing trauma care to trauma patients on the State trauma registry that is above 100% of the Medicare payment for the service if:

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

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

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

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

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

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

Approved by the Governor, May 19, 2009.