

**Department of Legislative Services**  
Maryland General Assembly  
2009 Session

**FISCAL AND POLICY NOTE**

Senate Bill 1041

(Senator Garagiola, *et al.*)

Finance

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**Maryland Health Care Commission - State Police - Helicopter Emergency  
Medical Services**

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This bill requires the Maryland Health Care Commission (MHCC), in conjunction with the Maryland Institute for Emergency Medical Services Systems (MIEMSS), to conduct a study regarding helicopter emergency medical services (HEMS). MHCC must report its findings to specified standing committees by February 1, 2010. The Department of State Police is prohibited from purchasing new helicopters prior to the submission of the required report.

The bill takes effect October 1, 2009, and terminates March 31, 2010.

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**Fiscal Summary**

**State Effect:** MHCC special fund expenditures increase by an estimated \$50,000 in FY 2010 for a consultant to conduct the required study. To the extent the bill delays current plans to replace two helicopters in FY 2010, general obligation (GO) bond expenditures of up to \$40.0 million may be deferred until FY 2011. No effect on revenues.

(in dollars)	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditure	50,000	0	0	0	0
Bond Exp.	(40,000,000)	40,000,000	0	0	0
Net Effect	\$39,950,000	(\$40,000,000)	\$0	\$0	\$0

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** None.

**Small Business Effect:** None.

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## Analysis

**Bill Summary:** The study has to (1) review national and State standards for HEMS; (2) examine typical capital and operating costs for HEMS in other states by type of aircraft; (3) compare the methods by which HEMS are funded in the State and in other states; and (4) examine projected changes in the number of future HEMS that would be provided in the State and the future need for the services.

### **Current Law/Background:**

*Maryland State Police Aviation Command:* Since 1970, the Maryland State Police Aviation Command (MSPAC) has operated a system of aircraft to provide emergency medical evacuation (Medevac) services and other flight services to the State's citizens. Special funds from the Maryland Emergency Medical System Operations Fund support Medevac and search and rescue functions, while general funds support law enforcement and homeland security functions. For almost 10 years, MSPAC operated with a fleet of 12 helicopters and 2 fixed winged aircraft. As a result of the September 2008 crash of Trooper 2, MSPAC operates with 11 helicopters.

*Recent Developments Regarding Medevac Helicopters:* Following the fatal Medevac crash, MIEMSS convened an Expert Panel to Review Helicopter Utilization in Scene Transport of Trauma Patients in November 2008. The panel noted that, although there are other public agencies providing Medevac services in the United States, Maryland's model is unique as the only statewide and State-provided system. Maryland's system is also the only one to separate a primary scene provider agency, operating at an advanced Medevac configuration, from other agencies that are primarily providing inter-facility transports. Recommendations issued by the panel indicate that MSPAC should take the necessary steps to achieve accreditation by the Commission on Accreditation of Medical Transport Systems (CAMTS). The panel also recommended that all Medevac operations be conducted under Part 135 of Federal Aviation Administration (FAA) regulations – the same standard under which commercial air taxis operate.

As a safety measure, MSPAC recently requested funding from the State Emergency Medical Services (EMS) Board for new equipment (*e.g.*, night vision imaging systems, terrain awareness warning systems, and a flight simulator). Additionally, MSPAC requested funding to begin the initial hiring of Medevac copilots. MSPAC reports that hiring an additional pilot will substantially increase the safety of each Medevac flight. While the EMS Board has approved MSPAC's request for new safety equipment, the request to add an additional pilot to each flight is still under review.

*Funding for Helicopter Replacement:* Eight of MSPAC's 11 helicopters are approximately 20 years old. The age of the fleet requires additional maintenance, which reduces the number of helicopters available for missions. Further, the current fleet lacks many state-of-the-art safety features that could provide enhanced capabilities.

The General Assembly's intent to replace the existing fleet dates back to the 2007 legislative session. Chapter 6 of the 2007 special session specified that \$110 million of the revenues from the increased sales and use tax in fiscal 2008 be directed to the State Police Helicopter Replacement Fund (SPHRF). Chapter 6 also expressed the intent of the General Assembly that the Governor include sufficient expenditures from the fund to purchase three helicopters per year from fiscal 2009 to 2012. However, Chapter 414 of 2008 modified Chapter 6 to dedicate \$50 million, rather than \$110 million, to SPHRF. To replace this funding, Chapter 414 also required the Governor to include a total of \$70 million for the purchase of Medevac helicopters in the fiscal 2010, 2011, and 2012 State budgets.

Currently, the Administration proposes replacing eight helicopters over a five-year timeframe. The fiscal 2010 *Capital Improvement Program* includes \$40.0 million in GO bond expenditures for the purchase of two Medevac helicopters. The Maryland Department of Transportation issued a request for proposals for Maryland State Police helicopters on January 30, 2009. Proposals were due on March 19, 2009, but the submission deadline was extended until mid-April. A contract could be awarded as soon as the summer of 2009. According to MSPAC, the bill could delay the purchase of new helicopters for approximately one year or longer.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland Institute for Emergency Medical Services Systems, Department of Health and Mental Hygiene, Department of State Police, Department of Legislative Services

**Fiscal Note History:** First Reader - March 23, 2009  
mcp/mwc

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