
By: **Senator Middleton**

Introduced and read first time: February 8, 2006

Assigned to: Rules

A BILL ENTITLED

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 requiring the Commission to issue a certain grant to the Curtis National Hand
10 Center at Union Memorial Hospital to subsidize on-call services; requiring the
11 Curtis National Hand Center to comply with certain reporting requirements;
12 altering certain definitions; defining certain terms; and generally relating to the
13 Maryland Trauma Physician Services Fund.

14 BY repealing and reenacting, with amendments,
15 Article - Health - General
16 Section 19-130
17 Annotated Code of Maryland
18 (2005 Replacement Volume and 2005 Supplement)

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

21 **Article - Health - General**

22 19-130.

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

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

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

26 (I) THE REGIONAL BURN CENTER AT THE JOHNS HOPKINS
27 BAYVIEW MEDICAL CENTER;

1 (II) THE EYE TRAUMA CENTER AT THE WILMER EYE INSTITUTE AT
2 THE JOHNS HOPKINS HOSPITAL; AND

3 (III) THE CURTIS NATIONAL HAND CENTER AT UNION MEMORIAL
4 HOSPITAL.

5 [(3)] (4) (i) "Trauma center" means a facility designated by the
6 Maryland Institute for Emergency Medical Services Systems as:

- 7 1. The State primary adult resource center;
- 8 2. A level I trauma center;
- 9 3. A level II trauma center;
- 10 4. A level III trauma center; [or]
- 11 5. A pediatric trauma center; OR
- 12 6. THE MARYLAND TRAUMA SPECIALTY REFERRAL
13 CENTERS.

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

17 [(4)] (5) "Trauma physician" means a [trauma surgeon, an orthopedic
18 surgeon, a neurosurgeon, an intensive care unit physician, an anesthesiologist, or an
19 emergency physician] PHYSICIAN who provides CARE IN A TRAUMA CENTER OR IS ON
20 CALL AND READY TO PROVIDE care in a trauma center to trauma patients on the
21 State trauma registry AS DEFINED BY THE MARYLAND INSTITUTE FOR EMERGENCY
22 MEDICAL SERVICES SYSTEMS.

23 [(5)] (6) "Uncompensated care" means care provided by a trauma
24 physician to a trauma patient on the State trauma registry who:

- 25 (i) Has no health insurance, including Medicare Part B coverage;
- 26 (ii) Is not eligible for medical assistance coverage; and
- 27 (iii) Has not paid the trauma physician for care provided by the
28 trauma physician, after documented attempts by the trauma physician to collect
29 payment.

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

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

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

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

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

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

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

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

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

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

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

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

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

30 (i) Take into account:

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

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

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

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

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

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

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

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

12 (i) 1. The cost incurred by a level II trauma center to maintain
13 trauma physicians on-call shall be reimbursed:

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

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

21 2. The cost incurred by a level III trauma center to maintain
22 trauma physicians on-call shall be reimbursed:

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

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

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

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

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

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

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

11 (ii) The information required shall include:

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

14 2. The date of the service;

15 3. Appropriate codes describing the service;

16 4. Any amount recovered for the service rendered;

17 5. The name of the trauma patient;

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

19 7. Any other information the Commission and the Health
20 Services Cost Review Commission consider necessary to disburse money from the
21 Fund.

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

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

29 (1) The amount of money in the Fund on the last day of the previous
30 fiscal year;

31 (2) The amount of money applied for by trauma physicians and trauma
32 centers during the previous fiscal year;

33 (3) The amount of money distributed in the form of trauma physician
34 and trauma center reimbursements during the previous fiscal year;

1 (4) Any recommendations for altering the manner in which trauma
2 physicians and trauma centers are reimbursed from the Fund;

3 (5) The costs incurred in administering the Fund during the previous
4 fiscal year; and

5 (6) The amount that each hospital that participates in the Maryland
6 trauma system and that has a trauma center contributes toward the subsidization of
7 trauma-related costs for its trauma center.

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

14 SECTION 3. AND BE IT FURTHER ENACTED, That the Health Services Cost
15 Review Commission shall issue a onetime grant from the Maryland Trauma
16 Physician Services Fund under § 19-130 of the Health - General Article for up to
17 \$300,000 to subsidize on-call services for the Curtis National Hand Center at Union
18 Memorial Hospital. The Curtis National Hand Center at Union Memorial Hospital
19 shall comply with the reporting requirements under § 19-130(d)(6) of the Health -
20 General Article.

21 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
22 October 1, 2006.