

# HOUSE BILL 607

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CF SB 901

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By: **Delegates McIntosh and Busch**

Introduced and read first time: February 6, 2019

Assigned to: Appropriations

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Committee Report: Favorable

House action: Adopted

Read second time: March 9, 2019

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Maryland Trauma Fund – State Primary Adult Resource Center –**  
3 **Reimbursement of On-Call and Standby Costs**

4 FOR the purpose of altering the purpose of the Maryland Trauma Physician Services Fund  
5 to include subsidizing the documented costs incurred by the State primary adult  
6 resource center to maintain certain on-call and standby health care providers;  
7 requiring the Maryland Health Care Commission to develop certain guidelines for  
8 the reimbursement of certain costs; and generally relating to reimbursement of  
9 on-call and standby costs incurred by the State primary adult resource center.

10 BY repealing and reenacting, without amendments,  
11 Article – Health – General  
12 Section 19–130(a)(1) and (5)  
13 Annotated Code of Maryland  
14 (2015 Replacement Volume and 2018 Supplement)

15 BY repealing and reenacting, with amendments,  
16 Article – Health – General  
17 Section 19–130(b) and (d)  
18 Annotated Code of Maryland  
19 (2015 Replacement Volume and 2018 Supplement)

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

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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 **Article – Health – General**

2 19–130.

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

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

- 6 1. The State primary adult resource center;
- 
- 7 2. A Level I trauma center;
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- 8 3. A Level II trauma center;
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- 9 4. A Level III trauma center;
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- 10 5. A pediatric trauma center; or
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- 11 6. The Maryland Trauma Specialty Referral Centers.

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

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

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

17 (i) Of uncompensated care incurred by a trauma physician in  
18 providing trauma care to a trauma patient on the State trauma registry;19 (ii) Of undercompensated care incurred by a trauma physician in  
20 providing trauma care to an enrollee of the Maryland Medical Assistance Program who is  
21 a trauma patient on the State trauma registry;22 (iii) Incurred by a trauma center to maintain trauma physicians  
23 on-call as required by the Maryland Institute for Emergency Medical Services Systems;  
24 [and]25 **(IV) INCURRED BY THE STATE PRIMARY ADULT RESOURCE**  
26 **CENTER TO MAINTAIN TRAUMA SURGEONS, ORTHOPEDIC SURGEONS,**  
27 **NEUROSURGEONS, AND ANESTHESIOLOGISTS ON-CALL AND ON STANDBY AS**  
28 **REQUIRED BY THE MARYLAND INSTITUTE FOR EMERGENCY MEDICAL SERVICES**  
29 **SYSTEMS; AND**

1                    [(iv)] (v)      Incurred by the Commission and the Health Services Cost  
2 Review Commission to administer the Fund and audit reimbursement requests to assure  
3 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 § 7–302 of  
7 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 Review  
13 Commission to calculate costs incurred by trauma physicians and trauma centers that are  
14 eligible to receive reimbursement under subsection (b) of this section.

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

25                    2.      The amount of undercompensated care attributable to the  
26 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 in  
29 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 otherwise  
33 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 shall  
4 use the following parameters to determine the amount of reimbursement made to trauma  
5 physicians and trauma centers from the Fund:

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

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

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

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

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

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

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

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

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

36 4. The cost incurred by a Maryland Trauma Specialty

1 Referral Center to maintain trauma surgeons on-call in the specialty of the Center when a  
2 post-graduate resident is attending in the Center shall be reimbursed:

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

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

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

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

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

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

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

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

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

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

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

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

5                                   **(v)     THE COMMISSION SHALL DEVELOP GUIDELINES FOR THE**  
6 **REIMBURSEMENT OF THE DOCUMENTED COSTS OF THE STATE PRIMARY ADULT**  
7 **RESOURCE CENTER UNDER SUBSECTION (B)(2)(IV) OF THIS SECTION; AND**

8                                   [(v)] **(vi)**     The total reimbursement to emergency physicians from  
9 the Fund may not exceed \$300,000 annually.

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

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

18   (ii)     The information required shall include:

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

21   2.     The date of the service;

22   3.     Appropriate codes describing the service;

23   4.     Any amount recovered for the service rendered;

24   5.     The name of the trauma patient;

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

26   7.     Any other information the Commission and the Health  
27 Services Cost Review Commission consider necessary to disburse money from the Fund.

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

32                                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July

1 1, 2019.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.