

Department of Legislative Services
Maryland General Assembly
2023 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 675
Appropriations

(Delegate Hutchinson, *et al.*)

Budget and Taxation

Commission to Study Trauma Center Funding in Maryland

This bill establishes a Commission to Study Trauma Center Funding in Maryland to study the adequacy of trauma center funding across the State for operating, capital, and workforce costs. The Maryland Institute for Emergency Medical Services Systems (MIEMSS) and Maryland Health Care Commission (MHCC) must jointly staff the commission. A member of the commission may not receive compensation but is entitled to reimbursement for expenses under standard State travel regulations. By December 1, 2023, the commission must report its findings and recommendations to the Governor and General Assembly. **The bill takes effect June 1, 2023, and terminates June 30, 2024.**

Fiscal Summary

State Effect: MIEMSS and MHCC can staff the commission using existing budgeted resources. Any expense reimbursements for commission members are assumed to be minimal. Revenues are not affected.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The commission's study must include:

- current funding sources for trauma centers in the State;
- Maryland Trauma Physician Services Fund (MTPSF) expenditures and revenues since its inception;

- statutory and regulatory requirements for trauma centers at the time MTPSF was established;
- changes to statutory and regulatory requirements for trauma centers since MTPSF was established;
- changes in staffing, recruitment, compensation, or other factors that would impact the funding needed to operate a trauma center in the State;
- changes to approved uses of MTPSF over time;
- the amount of funding needed to adequately fund trauma centers in the State;
- the funding mechanisms available to adequately fund trauma centers; and
- funding criteria that would impact the receipt of funds by existing or new trauma centers.

The commission must make findings and recommendations regarding:

- changes in staffing, recruitment, compensation, or other factors that would impact the funding needed to operate a trauma center in the State;
- changes to approved uses of MTPSF over time;
- the amount of funding needed to adequately fund trauma centers in the State;
- the funding mechanisms available to adequately fund trauma centers; and
- funding criteria that would impact the receipt of funds by existing or new trauma centers.

Current Law:

Maryland Trauma Physician Services Fund

“Trauma center” means a facility designated by the MIEMSS as the State primary adult resource center (PARC), a Level I trauma center, a Level II trauma center, a Level III trauma center, a pediatric trauma center, or the Maryland Trauma Specialty Referral Centers.

The purpose of MTPSF is to subsidize the documented costs (1) of uncompensated care incurred by a trauma physician in providing trauma care to a trauma patient on the State trauma registry; (2) of undercompensated care incurred by a trauma physician in providing trauma care to a Maryland Medicaid enrollee who is a trauma patient on the State trauma registry; (3) incurred by a trauma center to maintain trauma physicians on-call as required by MIEMSS; (4) incurred by the State PARC to maintain specified surgeons and anesthesiologists on-call and on standby as required by MIEMSS; and (5) incurred by MHCC and the Health Services Cost Review Commission (HSCRC) to administer the fund and audit reimbursement requests to assure appropriate payments are made from the fund.

MTPSF is administered by MHCC and HSCRC. Disbursements from the fund must be made in accordance with a methodology established jointly by MHCC and HSCRC to calculate costs incurred by trauma physicians and trauma centers that are eligible to receive reimbursement. The methodology established must meet numerous requirements outlined in statute. Those requirements specifically outline the parameters to determine the amount of reimbursement made to trauma physicians and trauma centers for a Level I, Level II, and Level III trauma center; a pediatric trauma center; and the Maryland Trauma Specialty Referral Centers.

MTPSF is financed by a \$5 surcharge on all Maryland vehicle registrations. Expenditures from the fund for costs incurred in any fiscal year may not exceed revenues of the fund in that fiscal year.

According to MHCC's December 2022 annual [report](#) on MTPSF, in fiscal 2022, payments to all eligible providers (and the administrative costs associated with making those payments) totaled \$11.5 million, with an additional \$194,080 awarded as biennial trauma equipment grants to eligible trauma centers. The fund reserve at the end of fiscal 2022, including a \$4.0 million fund transfer under the Budget Reconciliation and Financing Act of 2022, was \$6.7 million. Vehicle renewal fee revenues received by the fund totaled \$12.2 million in fiscal 2022.

Additional Information

Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 493 (Senator Carozza, *et al.*) - Budget and Taxation.

Information Source(s): Maryland Institute for Emergency Medical Services Systems; Maryland Department of Health; Department of Legislative Services

Fiscal Note History: First Reader - February 22, 2023
km/jc Third Reader - April 7, 2023

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