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CHAIR

STATE OF MARYLAND

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MARYLAND HEALTH CARE COMMISSION

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November 27, 2017

The Honorable Lawrence Hogan, Jr.
Governor
State of Maryland
Annapolis, MD 21401-1991

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H-107 State House
Annapolis, MD 21401-1991

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401-1991

RE: The Maryland Trauma Physician Services Fund

Dear Governor Hogan, President Miller, and Speaker Busch:

The Maryland Health Care Commission (MHCC) and the Health Services Cost Review Commission (HSCRC) are submitting this report on the current status of the Maryland Trauma Physician Services Fund (Health General Article § 19-130) as required by law. The Fund reimburses trauma physicians for uncompensated and undercompensated and Medicaid undercompensated trauma care. Trauma center hospitals are reimbursed for on call stipends paid to trauma physicians that treat patients at the respective centers.

Payments to eligible providers and the administrative costs associated with making those payments were about $10 million in FY 2017. Comparing FY 2017 to FY 2016, uncompensated care payments remained dramatically lower than prior years, while on call and standby payments incrementally increased. Transfers from the Motor Vehicle Administration to the Fund increased modestly by about $85,000 in FY 2017.

The MHCC sets forth options for reducing the $10.5 million Trauma Fund balance that the Commission may undertake under its current authority. The MHCC also identifies options in Table 9 that require statutory changes. These changes are not exhaustive and the MHCC is willing to work with the General Assembly on other proposals. The Commission notes that as those options are considered, the uncertainty of the status of the Affordable Care Act, as well as the desire to expand the Emergency Medical System in Maryland should be kept in mind.

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If you have any questions regarding this year's report, please contact me at 410-764-3565.

Sincerely,

Ben Steffen
Executive Director

cc: The Honorable Thomas M. Middleton
The Honorable Shane E. Pendergrass
Dennis R. Schrader, Secretary MDH
Sarah Albert – DLS (5 Copies)

MARYLAND TRAUMA PHYSICIAN SERVICES FUND
Health General Article § 19-130

Operations from July 1, 2016 through June 30, 2017

Report to the

MARYLAND GENERAL ASSEMBLY

November 2017

Robert Emmet Moffit, PhD.
Chair

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This annual report on the Maryland Trauma Physicians Services Fund for fiscal year 2017 meets the reporting requirement set forth in Health General § 19-130(e) that directs the Maryland Health Care Commission and the Health Services Cost Review Commission to report annually to the Maryland General Assembly on the status of the Fund.

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Executive Summary

The Maryland Trauma Physician Services Fund ("Trauma Fund" or "Fund") covers the costs of medical care provided by trauma physicians at Maryland's designated trauma centers for uncompensated care, Medicaid-enrolled patients, trauma-related on call and standby expenses, and trauma equipment grants. The Fund is financed through a $5 surcharge on motor vehicle registrations and renewals.

Payments to eligible providers and the administrative costs associated with making those payments were more than $10 million in FY 2017. [$10,400,655]

Comparing FY 2017 to FY 2016, uncompensated care payments increased slightly, while on-call and standby payments incrementally increased. Transfers from the Motor Vehicle Administration (MVA) to the Fund increased modestly by nearly $84,000 in FY 2017. Reimbursements to the Fund from physicians for uncompensated care claims and from other sources, such as audit findings, rose slightly from $188,000 in FY 2016 to nearly $227,000 in FY 2017.

The Maryland Health Care Commission (Commission) increased payments for uncompensated care and for on-call and standby to 105% of the Medicare rate in FY 2017. In order to maintain Fund solvency, those payments had been reduced by 8 percent across the board beginning in FY 2010 (with the exception of Medicaid) due to the downturn in automobile registration revenue and an expected increase in uncompensated care claims. The reduction remained in effect throughout FY 2015 and was removed effective July 1, 2015. Beginning in FY 2016 and throughout the fiscal year, payments were restored to 100% of the Medicare rate for the Baltimore region.

The Commission recommended raising reimbursement for uncompensated care and on-call services to 105% of the Medicare rate beginning in FY 2017. MHCC, in consultation with HSCRC, was permitted to make this adjustment under Health-General §19-130(d)(4)(iv). The small adjustment in reimbursement levels was made in recognition of the significant reductions in reimbursement that trauma physicians were asked to absorb from FY 2010 through FY 2015. MHCC recommends that this adjustment continue.

Implementation of the insurance coverage provisions of the Patient Protection and Affordable Care Act (ACA) led to reduced financial pressure on the Fund, as a significant share of those currently uninsured have gained access to coverage. As 92.8% of Maryland residents under age 65 had health insurance in calendar year 2016, uncompensated care payments should continue to slowly decline. Uncompensated care payments have significantly declined most months since 2015 as a result of the greater percentage of insured patients treated at Maryland's trauma centers.

Background

During the 2003 legislative session, the Maryland General Assembly enacted legislation creating the Maryland Trauma Physician Services Fund to aid Maryland's trauma system by reimbursing trauma physicians[1] for uncompensated care losses and by raising Medicaid payments to 100 percent of the Medicare rate when a Medicaid patient receives trauma care at a designated center. The legislation also established a formula for reimbursing trauma centers for trauma-related on call expenses for trauma surgeons, orthopedists, neurosurgeons, and anesthesiologists.[2] The legislation directed the Health Services Cost

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[1] COMAR 10.25.10 originally defined trauma physicians as trauma surgeons, anesthesiologists, orthopedic surgeons, neurosurgeons, critical care physicians, and emergency room physicians to conform to the statutory definition.

[2] On-call requirements under the Maryland Institute for Emergency Medical Services Systems (MIEMSS) standards for Maryland trauma centers require that physicians be available to respond within 30 minutes. Standby requirements state that the physician must be at the facility, ready to respond. Level III trauma centers may operate with all trauma physicians on call, though a center is

Review Commission (HSCRC) to allow trauma center hospitals to include trauma-related standby expenses in HSCRC-approved hospital rates.

The statute has been expanded several times since passage in 2003; expanding eligibility for Fund payments to other classes of trauma physicians and/or increased payment levels for classes of providers.

Status of the Fund at the End of FY 2017

In 2017, the Maryland Motor Vehicle Administration (MVA) reported collecting more revenue than in the previous fiscal year. 2017 was the fourth consecutive year in which revenue increased. From 2008-2013, the MVA reported no increase in revenue due to the Fund.

Collections by MVA via the $5 surcharge were $12,399,990. The Trauma Fund disbursed about $10.5 million to trauma centers and trauma physician practices over the past fiscal year. Table 1, below, sets fort Obligations Incurred after Year End. Table 2, below, summarizes the revenue, disbursements, and the Fund balances at the end of fiscal years 2015, 2016, and 2017.

Outstanding Obligations for FY 2017

The Fund incurred outstanding obligations of approximately $4.5 million, which are not reflected in the FY 2017 year-end balance in Table 3 below. These obligations result from applications for on-call and standby expenses for services provided in FY 2017. As in past years, these obligations have been paid from the Fund's revenue collected by the MVA on registrations and renewals in the following fiscal year.

Table 1 – FY 2017 Obligations Incurred after Year End

On-call stipends	**$3,910,957**
Children's National Medical Center Standby stipend	**$590,000**
TOTAL INCURRED BUT NOT PAID IN FY 2017	**$4,470,126**

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permitted to have physicians on standby. Level II centers must have trauma surgeons on standby status, but other physicians are permitted to be on call. Level I centers must have physicians in all MIEMSS-designated specialties on-site at all times.

Table 2 - Trauma Fund Status on a Cash Flow Basis, FY's 2015-2017

CATEGORY	FY 2015	FY 2016	FY 2017
Fund Balance at Start of Fiscal Year	$4,297,238	$5,030,484	$7,886,301
Collections from the $5 Registration Fee (and interest)	$11,999,109	$12,316,030	$12,399,990
Credit Recoveries	$703,279	$187,736	$226,905
TOTAL FUNDS (Balance, Collections, Recoveries)	$16,999,626	$17,534,250	$20,513,196
-- Uncompensated Care Payments	-$4,313,377	-$1,590,273	-$1,778,943
-- On Call Expenses	-$6,323,847	-$6,956,389	-$7,454,865
-- Medicaid Payments	-$66,301	-$56,715	-$141,650
-- Children's National Medical Center Standby	-$542,800	-$590,000	-$590,000
--Trauma Equipment Grants (disbursed from the fund balance)	$0	-$294,000	-0
-- Administrative Expenses	-$722,817	-$160,571	-$133,994
Total Expenditures	-$11,969,142	-$9,647,948	-$10,099,452
TRAUMA FUND BALANCE, FY END	**$5,030,484**	**$7,886,301**	**$10,413,744**

Payment to Practices for Uncompensated Trauma Care

Table 3 presents the distribution of uncompensated care claims paid by the trauma center (in percentages) in which the care was provided for the fiscal years 2015 through 2017.

Table 3 –Distribution of Uncompensated Care Payments by Trauma Center, FYs 2015-2017

Facility	% of Uncompensated Care Payments FY 2015	% of Uncompensated Care Payments FY 2016	% of Uncompensated Care Payments FY 2017
UMD Shock Trauma Center & UMD practices	48.85	37.18	34.28
Johns Hopkins Hospital Adult Level One	17.45	13.41	8.81
Prince George's Hospital Center	15.16	30.19	31.04
Johns Hopkins Bayview Medical Center	1.09	0.35	2.81
Suburban Hospital	6.01	10.29	9.57
Peninsula Regional Medical Center	4.07	4.90	4.16
Sinai Hospital of Baltimore	3.15	1.58	1.83
Johns Hopkins Regional Burn Center	.44	.04	0.38
Meritus Medical Center	1.67	1.32	1.23
Western Maryland Regional Medical Center	0.91	0.43	0.15
Johns Hopkins Wilmer Eye Center	1.08	0.18	0.61
Johns Hopkins Hospital Pediatric Center	0.12	0.18	5.05

A practice must confirm that the patient has no health insurance and directly bill the patient – applying its routine collection policies – before applying for uncompensated care payments. If the patient is uninsured and full payment (100 percent of the Medicare fee or more) is not received from the patient, the service can be written off as uncollectible and eligible for uncompensated care reimbursement. This requirement is consistent with the legislative intent, which made the Fund the payer of last resort for physicians providing trauma services.

Beginning in FY 2007, the Trauma Fund reimbursed physicians for follow-up care provided after the initial hospitalization. Plastic surgery, ophthalmic, oral, maxillofacial, and orthopaedic surgery often occur after the hospital visit. Burn care treatment, in particular, can extend for a considerable time after the initial injury. In recognition of these concerns and to ensure that care is provided in the most cost-effective manner, subsequent follow-up care is reimbursed by the Trauma Fund if the treatment is directly related to the initial injury. To be eligible for payment, services must be provided at the trauma center or at a trauma center- affiliated rehabilitation hospital setting.

Payment for Trauma On-Call Services

Hospitals reimburse physicians for being on-call or standby. A physician on-call is available and able to reach the hospital within 30 minutes of notification. When on standby, the physician is at the hospital ready to respond. On-call and standby payments compensate physicians for foregoing work in a non-hospital setting where reimbursement may be higher and uncompensated care losses are lower. Hospitals negotiate on-call and standby arrangements with physician practices that are essential to hospital operations. Payments for on-call and standby are dependent on local market factors. Shortages of physicians practicing certain surgical specialties, especially in rural areas, may push payments higher. The need to ensure physician availability is especially important in trauma care.

Most trauma center hospitals reimburse physicians when they provide on-call services, and certainly do so when physicians are on standby at the hospital. Level III trauma centers must maintain 30 minute maximum response times for trauma surgeons, anesthesiologists, neurosurgeons, and orthopedists. Level II centers must have a trauma surgeon and an anesthesiologist on standby and a neurosurgeon and orthopedist on-call and able to respond within 30 minutes. Level II trauma centers may substitute a third year surgical resident for a trauma surgeon on standby; and the trauma surgeon then must be on-call.

On-call expenses are reimbursed for the number of on-call hours provided up to a maximum of 35,040 hours per year. FY 2010 was the first year that the expanded on-call stipends were reimbursed to the specialty trauma centers as a result of the statutory changes enacted in 2008. None of the Level II and Level III centers reached the maximum payment ceilings allowable under the Fund over the past several years because some specialties operated on standby, a higher level of availability. Some physician contracts allow for on-call payments only when the physician is on-call and not providing care. If a physician is called to the hospital and generating billable services, the hospital does not reimburse on-call for those hours. Several of the Level II trauma centers do not pay on-call for anesthesiologists for this reason.

Table 4 – On-Call Payments to Trauma Centers, FY's 2015-2017

Trauma Center	FY 2015	FY 2016	FY 2017
Johns Hopkins Bayview Medical Center	$820,838	$909,644	$970,629
Johns Hopkins Adult Level One	149,418	165,476	168,630
Prince George's Hospital Center	516,507	555,660	709,702
Sinai Hospital of Baltimore	742,879	861,123	872,365
Suburban Hospital	719,954	790,571	782,910
Peninsula Regional Medical Center	1,201,141	1,330,182	1,257,299
Meritus Medical Center	1,024,055	1,133,315	1,349,958
Western Maryland Regional Medical Center	776,899	796,728	927,626
Johns Hopkins Adult Burn Center	74,710	82,738	84,316
Johns Hopkins Wilmer Eye Center	74,710	82,738	84,316
Johns Hopkins Pediatric Trauma	149,418	165,476	162,798
Union Memorial, Curtis National Hand Center	73,318	82,738	84,316
TOTAL	**$6,323,847**	**$6,956,389**	**$7,454,865**

Payment for Services Provided to Patients Enrolled in Medicaid

Trauma care provided to Medicaid patients is reimbursed at 100 percent of the Medicare Baltimore locality rate, instead of the standard Medicaid rate. The Trauma Fund is responsible for 50 percent of the difference between the Medicare rate and the standard Medicaid rate and the federal government is responsible for the other 50 percent. MHCC anticipates that the program will continue to encounter delays in reporting to the Trauma Fund on money owed. These delays are attributable to the small amount of money involved and the complexity associated with identifying trauma services that are eligible for reimbursement from the Trauma Fund, especially for Medicaid Managed Care Organization (MCO) beneficiaries.

Table 5 – FY's 2016-17
Trauma Fund Payments to Medicaid

Month	Amount Paid
June 2016	6,722
July 2016	6,855
August 2016	6,118
September 2016	6,214
October 2016	11,226
November 2016	4,498
December 2016	9,567
January 2017	7,956
February 2017	9,071
March 2017	11,348
April 2017	11,037
May 2017	7,865
June 2017	9,309
Adjustment for FFS having under-billed in previous years	33,864
TOTAL	**$141,650**

HSCRC Standby Expense Allocation

The HSCRC used the Reasonable Compensation Equivalent (RCE) developed by Medicare to set reasonable allowable standby cost ceilings.[3] The actual costs per hour of standby were compared to these cost ceilings to include standby costs in the applicable hospital's rate base in FY 2005. Approximately $4.1 million was included in FY 2005 rates for standby costs. Overall rates are updated each year (including these standby amounts) by applying the current year update factor to aggregate charges from the previous year. Table 6 presents the amount of applicable standby costs in each trauma center hospital's approved rates after the update factors have been applied.

HSCRC continues to collect standby cost data from hospitals with trauma centers on an annual basis. If a hospital wishes to increase standby expenses in rates and qualifies under HSCRC rules and procedures, a full rate review would be required. HSCRC would utilize the annual standby cost data collected from all trauma centers in its full rate review analysis. Standby allocation costs do not have a financial impact on the Fund because the expenses are incorporated into the hospitals' approved rates.

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[3] The RCE limits are updated annually by CMS on the basis of updated economic index data. Notice setting forth the new limits is published in the *Federal Register*. The RCE applicable to the various specialties is obtained from that notice. If the physician specialty is not identified in the table, the RCE is used for the total category in the table.

Table 6- Maryland Trauma Standby Costs in HSCRC-Approved Rates in FY 2017

Trauma Center	Inpatient	Outpatient	Total
Johns Hopkins Hospital	$1,110,873	$173,444	$1,284,317
Prince George's Hospital Center	2,105,362	62,031	2,167,393
Sinai Hospital	853,340	731,222	1,584,562
Suburban Hospital	561,218	240,682	801,900
Peninsula Regional Medical Center	-	-	-
Meritus Medical Center	695,149	351,393	1,046,542
Western Maryland Regional Medical Center	426,000	88,021	514,021
Total	**$5,751,941**	**1,646,789**	**$7,398,735**

Note: Peninsula Regional Medical Center reports no standby costs. Approximately $4,127,800 in standby expense was included in FY 2005; the difference is due to the accumulation of HSCRC's annual updates for inpatient and outpatient services in FY's 2006-2014. The update factor for FY 2017 was 2.49%.

Payment to Children's National Medical Center for Standby Expense

The law allows the Fund to issue an annual grant of up to $590,000 to Children's National Medical Center (CNMC, Children's) for providing standby services that are used by Maryland pediatric trauma patients. The annual grant increased from a maximum allowable stipend of $275,000 to $490,000 as a result of changes at the close of the 2006 legislative session and another increase of $100,000 as a result of legislative changes in 2008. Children's reported **$1,729,509** in standby costs for Maryland pediatric patients in FY 2017, **$1,627,831** in standby costs for Maryland pediatric patients in FY 2016; and **$1,658,151** in standby costs for Maryland pediatric patients in FY 2015. The FY 2017 payment of $590,000 will appear in disbursements in FY 2018, as the application was received from CNMC in August of 2017, following the close of the fiscal year.

Trauma Equipment Grant Program

The Commission disbursed approximately $42,000 to each of the Level II and Level III trauma centers in FY 2016, for a total expenditure of trauma equipment grants of $294,000 from the Trauma Fund balance. The statute permits expending ten percent of the Trauma Fund balance for trauma equipment grants. The balance at the end of FY 2017 was approximately $6 million. The Commission plans to increase trauma equipment grants to a total expenditure of $600,000 for FY 2018.

Administrative Expenses

The Commission continued to contract with CoreSource, Inc. to provide claim adjudication services. MHCC awarded a five-year contract to CoreSource in December 2013.

Myers and Stauffer LC reviews the on-call, standby, equipment grant, and uncompensated care applications submitted to the Fund.

Revenue and Reimbursement Outlook

Table 7, Actual and Projected Trauma Fund Spending for FYs 2015-2017, below, presents estimated revenue (collections from the $5 motor vehicle surcharge) and projected disbursements for FY 2018. The MHCC estimates that revenue from the MVA will increase modestly.

Growing reimbursement for on-call services is the single most important driver of higher payments in the program. Other categories of disbursement covered by the Trauma Fund are capped by statute or are expected to slightly decline. Most Maryland Trauma Centers are collecting nearly the full amount of on-call payment for which they are eligible. MHCC projects the Medicaid underpayment to modestly increase due to reimbursement of Medicaid claims that will be paid from FY 2018 funds. Although we expect revenue to increase slightly in FY 2018, we also expect payments to increase, largely due to on-call and standby reimbursement spending and Medicaid adjustments.

MHCC projected that the Trauma Fund's challenges in funding levels would begin to abate by FY 2015. Implementation of the insurance coverage provisions of the Patient Protection and Affordable Care Act (ACA) in January 2014 led to reduced pressure on the Fund as a significant share of the uninsured have gained access to coverage. With nearly half of the estimated 750,000 uninsured gaining access to coverage, uncompensated care payments began to decline in FY 2015. The 8% funding reduction was removed for all Trauma Fund spending and for all uncompensated care claims dated July 1, 2015 and later. Effective July 1, 2016, payments for uncompensated care were increased to 105% of the Medicare rate for the Baltimore area and on-call stipends were increased by 5 percent as well, up to the statutory reimbursement limits for each type of trauma center.

Maintaining Reimbursement Levels and Fund Stability

The MHCC believes the stability of the Fund can be maintained over the next several years through its current authority. It should be noted that consensus has been a key success factor in the trauma coalition's campaign to establish financial support of the Maryland trauma care system.

Current Adjustments to Trauma Fund Spending and Options for Additional Modifications

The Commission identified options that result in greater reimbursement for trauma physicians while providing overall system efficiencies in FY 2016. MHCC made adjustments in Trauma Fund expenditures in consultation with HSCRC, under Health-General §19-130(d)(4)(iv). In making adjustments, MHCC determined that increasing the payment rate above 100% of the Medicare payment for the service would address an unmet need in the State trauma system. The Commissions found that the adjustment in reimbursement levels was made in recognition of the significant reductions in reimbursement that trauma physicians were asked to absorb from FY 2010 through FY 2015.

MHCC determined that further recommendations should be considered for balancing the Trauma Fund in FY 2018 and subsequent years. These options include, but are not limited to reducing assessment fee levels for Maryland residents as the funds generated from the $5 dollar assessment on automobile and truck registrations produce more revenue than is needed due to the expansion of Medicaid. Policymakers could also choose to use a portion of the existing balance for other needs in the Emergency Medical System or the wider health care system.

The MHCC opposes use of the Trauma Fund for non-health care needs in Maryland given that the State must support expanded Emergency Medical Services, respond to the opioid epidemic, and address Maryland residents' rural health needs, among other challenges. The MHCC further notes that maintaining current balances in the Trauma Fund are justifiable given the uncertainty about the future status of the Medicaid expansion under the Affordable Care Act. Should Medicaid eligibility change, uncompensated care payments could grow quickly.

Listed below in Table 8 are options for modifying Trauma Fund expenditures that do not require statutory changes. These changes could be implemented by MHCC after notifying the General Assembly. Table 9 presents reform options that require statutory changes.

Table 7 – Actual and Projected Trauma Fund Spending for FYs 2015-2017

	Actual FY 2016	Actual FY 2017	Projected FY 2018
Carryover Balance from Previous Fiscal Year	$5,030,484	$7,886,301	$10,413,744
Collections from the $5 surcharge on automobile renewals	$12,316,030	$12,399,990	$12,500,000
TOTAL BALANCE and COLLECTIONS	$17,346,604	$20,286,291	$22,913,744
Total Funds Appropriated	$12,000,000	$12,000,000	$12,000,000
Credits	$187,736	$226,905	$250,000
Payments to Physicians for Uncompensated Care	($1,590,273)	($1,778,943)	($1,800,000)
Payments to Hospitals for On-Call	($6,956,389)	($7,454,865)	($8,000,000)
Medicaid	($56,715)	($141,650)	**($200,000)**
Children's National Medical Center	($590,000)	($590,000)	($590,000)
MHCC Administrative Expenses (TPA & Audit)	($160,571)	($133,994)	($250,000)
Trauma Equipment Grants (funding drawn from Fund Balance)	($294,000)	$0	($600,000)
Transfers to the General Fund	$0	$0	$0
PROJECTED FISCAL YEAR-END BALANCE	$7,886,301	$10,413,744	$11,723,744

Table 8 – Options for Modifying Trauma Fund Expenditures

That Do Not Require Statutory Change

Options	Discussion
1. Continue the increase in reimbursement for uncompensated care and on-call stipends (to the statutory limits for the type of trauma center applying for the stipend) up to 105% of the Medicare payment for the service for the Baltimore and Surrounding Counties locality, as set by the MHCC in consultation with the HSCRC, annually. Assumptions: Marginal impact of paying 105% FYs 2016 – 2017 On-Call impact - $498,476 FYs 2016 - 2017 Uncompensated Care – $188,670 Note that uncompensated care claims vary in volume from year-to-year, though they are generally declining.	Permits reimbursement at a higher rate for trauma physicians and trauma centers. The Commission revised the payment for uncompensated care by reimbursing at a rate of up to 105% of the Medicare payment for the service for the Baltimore and Surrounding Counties locality, as set by the MHCC in consultation with the HSCRC, beginning in FY 2017.
2. Modify the trauma equipment grant program by making grants annually to the Level II and Level III trauma centers and increasing the total amount to be granted from $300,000 to the lesser of $600,000 or 10% of the prior year's Trauma Fund balance. Assumptions Increase Trauma Equipment Grants funding in FYs 2018, 2020, 2022 from $300,000 to $600,000 = $900,000 in additional expenditures Introduce Trauma Equipment Grants in FYs 2019, 2021, 2023 @ $600,000 = $1,800,000 in additional expenditures	A substantial balance remains in the Fund. Granting funds to eligible trauma centers more often and in higher amounts reduces the Trauma Fund balance annually. Health General Article 19-130 (d)(2) gives the Commission authority to issue grants from any balance carried over to the Fund in prior fiscal years. Total amount of grants awarded may not exceed 10% of the balance remaining in the Fund at the end of the fiscal year immediately prior to the fiscal year in which grants are awarded. Due to appropriation constraints across the State, the Commission issued grants bi-annually at $300,000. In FY 2018, we were able to lift that constraint and have an appropriation for $600,000.

Table 9 – Options for Modifying Trauma Fund Expenditures That Require Statutory Change

Recommendations	Implications
1. Lower the registration fee surcharge on Maryland motor vehicle registrations and renewals from $5 to $4 beginning in FY 2019. Reducing the surcharge by $1 would reduce revenue, based on the average assessment levels from 2015-2017. The $1 reduction, if applied in 2017, would have meant that 2017 revenue would not have met current year obligations. This change assumes a slow drawdown of the balance, but may not be self-sustaining. Assumptions FYs 2015-2017 - Average Collections - $12,238,376 FYs 2015-2017 – Average Payments - $10,315,872 FYs 2015-2017 – Average funds added to reserve – $2,295,142 FYs 2015-2017 – Average number of Registrations & Renewals - 2,447,675 2,447,675 @ $4.00 = $9,790,700 resulting in a reduction of $2,447,675 in average collections. With average payments at $10,315,872 this would reduce the balance by $525,172 annually.	Requires statutory change to Maryland Annotated Code, Transportation, Section 13-954. Surcharge for motor vehicle registration. Lowers the registration and renewal costs for owners of Maryland's motor vehicles.
2. Modify Maryland Annotated Code, Health-General, Section 19-130 to include the following language: up to $500,000 of the Trauma Fund balance remaining at the end of any fiscal year may be used by MHCC to fund telemedicine grants that can reduce the use of EMS services.	Requires statutory change to Maryland Annotated Code, Health-General, Section 19-130 (d)(2). Funds further adoption of telehealth use in the State. The 2014 MHCC Telehealth Report estimated $2 million in funding would be needed to fully fund the opportunities for telehealth that the workgroup identified. Needs have only grown.

3. **Provide higher reimbursement to Level II and Level III trauma centers for actual on-call costs incurred.** **The intent of the original legislation was to fund a portion of the on-call costs of a trauma center hospital. Any changes could require a rebalancing of uncompensated and Medicaid underpayment fee levels.**	**Trauma Centers' financial management staff report that the growth in on-call stipends has not kept pace with increases in on-call costs.**
4. **Increase the number of providers that are eligible for uncompensated care payment and Medicaid underpayment to include physicians outside of the trauma center and non-physician practitioners such as physical, speech, and occupational therapists.**	**Other practitioners beyond traditional trauma care physicians are engaged in trauma care. This change would make all providers engaged in the complete continuum of care eligible for payment. Note this change has been suggested in the past, but rejected because it was argued that trauma care represented a small share of total services for non-trauma practitioners.**

Appendix Table 1

Maryland Motor Vehicle Registration Fee Collections per Month, FY 2017

Month	Revenue
June 2016	$1,075,096
July 2016	$1,114,483
August 2016	$1,064,335
September 2016	$969,177
October 2016	$943,342
November 2016	$975,448
December 2016	$920,225
January 2017	$917,518
February 2017	$1,101,090
March 2017	$1,043,612
April 2017	$1,115,024
May 2017	$1,160,640
Total Revenue FY 2017	**$12,399,990**

Appendix Table 2
Uncompensated Care Payments in FY 2017
Percentage of All Claims Paid, by Practice

Participating Practice	Percentage of All Claims Paid
Abdul Cheema	0.03
Adam Schechner	4.63
Bethesda Chevy Chase Orthopaedic Assoc., LLP	0.26
Brajendra Misra	4.24
Carlton Scroggins	0.65
Community Surgical Practice LLC	10.68
Delmarva Radiology, PA	0.04
Emergency Services Associates	3.46
Enrique Daza Racines MD LLC	0.5
Eric J Kraut MD LLC	1.74
First Colonies Anesthesia, LLC	0.91
JHU, Clinical Practice Association	17.35
Jacek Malik, Peninsula Regional Medical Center	0.2
James Robey	0.55
Johns Hopkins Community Physicians	0.96
Meritus Physicians - Trauma	0.74
Mohammad Khan	6.12
Mohammad Naficy	1.57
Ortho Trauma Bethesda	0.87
Peninsula Orthopedic Associates, PA	0.34
Said A Daee MD PA	8.65
Shock Trauma Associates, P.A.	7.63
Trauma Surgical Associates	0.15
U of MD Diagnostic Imaging Specialists, P.A.	16.96
U of MD Oral Maxial Surgical Associates	0.06
U of MD Ortho Trauma Associates	10.32
U of MD Physicians, P.A.	0.1
Washington Oral Surgery Center, LLC	0.12
Yardmore Emergency Physicians	0.16
All	100%