



# HOUSE COMMITTEE ON APPROPRIATIONS

2009-10 Legislative Session

## FISCAL NOTE

**SENATE BILL: 922**

**PRINTER'S NO: 1480**

**PRIME SPONSOR: Kitchen**

**As amended by A09495**

| <b>FISCAL IMPACT SUMMARY</b>            | <b>FY 2010/11</b> | <b>FY 2011/12</b> |
|-----------------------------------------|-------------------|-------------------|
| <b>Expenditure Increase/(Decrease):</b> |                   |                   |
| General Fund                            | \$0               | \$0               |

### OVERVIEW:

Senate Bill 922, as amended by Amendment #09495, amends the Public Welfare Code to include a new Article VIII-H (Pennsylvania Trauma Systems Stabilization) and makes a related repeal of the Pennsylvania Trauma System Stabilization Act. Article VIII-H is similar to the Pennsylvania Trauma System Stabilization Act, with certain revisions regarding: payments made by the Department of Public Welfare (DPW) to qualifying trauma centers; out-of-state hospitals that qualify to receive payments; accreditation of Level III trauma centers; the timeframe used by the Pennsylvania Trauma Systems Foundation to grant or deny a certificate to hospitals seeking accreditation as a Level III trauma center; new reporting requirements for hospitals that receive payments; and new requirements for the Pennsylvania Trauma Systems Foundation to submit its list of accredited trauma centers to DPW.

Senate Bill 922 also re-enacts current law for the following:

- Section 215 (provides for determining whether applicants for assistance are veterans);
- Section 414 (removes the requirement that nominees to County Boards of Assistance be confirmed by the Senate);
- Section 441.1 (provides limits on allowable income deductions for medical expenses when determining an individual's payment toward the cost of nursing home care); and
- Sections 801-E, 802-E, 804-E, 805-E, 807-E and 808-E (technical changes to the assessment on Philadelphia hospitals).

This act would take effect immediately.

### ANALYSIS:

As amended, Senate Bill 922 makes the following changes to existing language governing Pennsylvania Trauma Center Stabilization:

- The definition of "comprehensive emergency services" is revised to mean care provided to Pennsylvania patients, rather than all patients, who require trauma care treatment.
- The definitions of "hospital" and "trauma center" are revised to allow for out-of-state hospitals to qualify for the trauma center payment, in accordance with a recent federal ruling.

- A definition of “travel distance” is added to assist with calculating the distance between Level III trauma centers.
- Criteria for Level III trauma center accreditation is revised to allow such a center to be located in a third to eighth class county, regardless of whether there is an existing Level I or Level II trauma center in the county. The new Level III trauma centers certified under the revised criteria must be located more than 25 miles from a Level I, Level II or Level III trauma center.
- The payment made by DPW to trauma centers is changed from a disproportionate share payment to a supplemental payment. This change will assist hospitals with trauma centers because the supplemental payment will not count towards the hospitals’ federally-mandated disproportionate share payment limits. In addition, it will allow for easier administrative approval of the payments to draw down federal matching funds.
- Hospitals eligible for trauma center payments are revised to include out-of-state trauma centers that meet specific criteria and Level III trauma centers seeking accreditation, provided such Level III trauma centers reach specific benchmarks showing progress toward accreditation.
- The timeframe for the PA Trauma Systems Foundation to grant or deny a certificate to hospitals seeking accreditation as a Level II trauma center is extended from 120 days to 240 days.
- A new section requires the Pennsylvania Trauma Systems Foundation to submit its list of all accredited trauma centers to DPW.
- A new section requires trauma centers receiving payment to report to DPW how their payments are used to improve access to trauma care for Pennsylvania residents.

Senate Bill 922, as amended, will have no impact on Commonwealth expenditures because the amount of payments distributed annually from DPW to trauma centers will continue to be based on funds appropriated by the General Assembly. For fiscal year ending 2009, thirty-two hospitals received trauma center payments. Under the new provisions in this bill, more hospitals with trauma centers could qualify for payments.

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**General Note and Disclaimer:** *This Fiscal Note was prepared pursuant to House Rule 19(a), and the elements considered and reported above are required by Section 5 of the rule. Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*