

Legend: (Proposed New Rule)
Regular Print = Proposed new language

§157.132 Regional Trauma Account

(a) Definitions. The following words and terms, when used in this section, shall have the meanings as defined in §157.122 of this title (relating to Trauma Services Areas), §157.123 of this title (relating to Regional Emergency Medical Services/Trauma Systems), §157.131 of this title (relating to Designated Trauma Facility and Emergency Medical Services Account, and the following meanings.

(1) Local authority -- A county, municipality, or other local entity as defined in Transportation Code, §541.002.

(2) City of licensure --The city in which an ambulance provider is licensed by the Department of State Health Services (department).

(3) Regional Trauma Account – An account established under Health and Safety Code, Chapter 782.

(4) Qualified hospital – A hospital determined to be eligible for the hospital allocation under the requirements in subsection (c) of this section.

(b) Allocations. The hospital allocation shall be 96%, emergency medical services (EMS) allocation shall be 2%, and the trauma service area (TSA) regional advisory councils' (RAC) allocation shall be 1% of the funds appropriated from the account. The money under this subsection shall be distributed in proportion to the amount deposited to the Regional Trauma Account by the local authority.

(1) Hospital Allocation Distribution Process. The department shall distribute funds directly to qualified hospitals from the hospital allocation to subsidize a portion of uncompensated trauma care provided. Funds distributed from the hospital allocations shall be made based on:

(A) the percentage of the hospital's uncompensated trauma care cost in relation to total uncompensated trauma care cost reported by qualified hospitals that year in the TSA in which the local authority submitting money under Transportation Code, §707.008, is located; and

(B) availability of funds deposited into the Regional Trauma Account.

(2) EMS Allocation Distribution Process. The department shall contract with each eligible RAC to distribute the EMS allocation to eligible EMS providers. Prior

to distribution of the local authority's share to eligible EMS providers, the RAC shall submit a distribution proposal, to the department for approval.

(A) The EMS allocation shall be distributed directly to eligible recipients without any reduction in the total amount allocated by the department and shall be used as an addition to current county EMS funding of eligible recipients, not as a replacement.

(B) The department shall evaluate each RAC's distribution plan based on the following:

- (i) fair distribution process to all eligible providers;
- (ii) needs of the EMS providers; and
- (iii) evidence of consensus opinion for eligible entities.

(C) A RAC opting to use a distribution plan from the previous fiscal year shall submit, to the department, a letter or email of intent to do so.

(D) Eligible EMS providers may opt to pool funds or contribute funds for a specified RAC purpose.

(3) TSA Allocation Distribution Process. The department shall contract with eligible RACs to distribute the TSA allocation. Prior to distribution of the TSA allocation, the RAC shall submit a budget proposal to the department for approval. The department shall evaluate each RAC's budget according to the following:

(A) all funds received by the RAC, including funds not expended in the previous fiscal year must be accounted for;

(B) no ineligible expenses allowed;

(C) appropriate mechanism is used by RAC for budgetary planning; and

(D) funding is identified by budget categories.

(c) Eligibility Requirements. To be eligible for funding from the account, all potential recipients (EMS Providers, RACs and hospitals) must maintain active involvement in regional system development. Potential recipients must also meet requirements for reports of expenditures from the previous fiscal years.

(1) Hospital Eligibility. To be eligible for funding from the hospital allocation, a hospital must be a department designated trauma facility and licensed in the

area served by the trauma service area RAC in which the local authority submitting money into the Regional Trauma Account is located.

(A) To receive funding from the hospital allocation, an application must be submitted within the time frame specified by the department and include the following:

(i) name of facility;

(ii) location of facility including mailing address, city and county;

(iii) Texas Provider Identifier (TPI number) or accepted federal identification number.

(B) The application must be signed and sworn to before a Texas Notary Public by the chief financial officer, chief executive officer and the chairman of the facility's board of directors.

(C) A copy of the application shall be distributed by Level I, II, or III facilities to their trauma medical director and trauma program manager and by Level IV facilities to the physician director and the trauma program manager.

(D) Additional information may be requested at the department's discretion.

(E) A qualified hospital in receipt of funding from the hospital allocation that fails to maintain its designation must return an amount as follows to the account:

(i) 1 to 60 days expired/suspended designation during any given state biennium: 0% of the facility's hospital allocation for the state biennium when the expiration/suspension occurred;

(ii) 61 to 180 days expired/suspended designation during any given state biennium: 25% of the facility's hospital allocation for the state biennium when the expiration/suspension occurred plus a penalty of 10%;

(iii) greater than 181 days expired/suspended designation during any given state biennium: 100% of the facility's hospital allocation for the state biennium when the expiration/suspension occurred plus a penalty of 10%; and

(iv) the department may grant an exception to subparagraph (E) of this subsection if it finds that compliance with this section would not be in the best interests of the persons served in the affected local system.

(F) A facility must comply with subparagraphs (A) - (E) of this paragraph and have no outstanding balance owed to the department prior to receiving any disbursements from the Regional Trauma Account.

(2) EMS Eligibility. To be eligible for funding from the EMS allocation, an EMS provider must maintain provider licensure as described in §157.11 of this title (relating to Requirements for an EMS Provider License), and meet the following requirements:

(A) provide EMS and/or emergency transfers in the TSA in which the local authority submitting money into the Regional Trauma Account is located;

(B) city of licensure must be within the TSA in which the local authority submitting money into the Regional Trauma Account is located or the EMS provider must be contracted to provide EMS and/or emergency transfers in the TSA in which the local authority submitting money into the Regional Trauma Account is located; and

(C) be an active member of the RAC for the TSA; and also

(i) meet that RAC's definition of participation;

(ii) demonstrate utilization of the RAC regional protocols regarding patient destination and transport; and

(iii) demonstrate active participation in the regional system performance improvement (PI) program.

(3) RAC Eligibility. To be eligible for funding from the TSA allocation, a RAC must:

(A) be officially recognized by the department as described in §157.123 of this title and have a local authority within its TSA that deposits revenue into the Regional Trauma Account;

(B) be incorporated as an entity that is exempt from federal income tax under §501(a) of the United States Internal Revenue Code of 1986, and its subsequent amendments, by being listed as an exempt organization under §501(c)(3) of the code;

(C) submit documentation of ongoing system development activity and future planning;

(D) have demonstrated that a regional system PI process is ongoing by submitting to the department the following:

(i) lists of committee meeting dates and attendance rosters for the RAC's most recent fiscal year;

(ii) committee membership rosters which include each member's organization or constituency; or

(iii) lists of issues being reviewed in the system PI meetings; and

(E) submit all required EMS allocation eligibility items addressed in paragraph (2)(C)(i) - (iii) of this subsection.

(d) Calculation Methods. Calculation of the hospital allocation, the EMS allocation and the RAC share of the TSA allocation will be formulated by the RAC for each respective TSA based on the total amount of revenue deposited into the Regional Trauma Account from the local authorities in each TSA.

(1) Hospital allocation.

(A) There will be one annual application process from which all distributions from the hospital allocation in a given fiscal year will be made. The department will notify all qualified hospitals at least 90 days prior to the due date of the annual application. Based on the information provided in the application, each facility shall receive:

(i) an equal amount, with an upper limit of \$50,000, from up to 15% of the hospital allocation; and

(ii) an amount for uncompensated trauma care as determined in subparagraphs (B) - (C) of this paragraph, less the amount received in clause (i) of this subparagraph.

(B) If the total cost of uncompensated trauma care exceeds the amount appropriated from the account, minus the amount referred to in subparagraph (A)(i) of this paragraph, the department shall allocate funds based on a facility's percentage of uncompensated trauma care costs in relation to the total uncompensated trauma care cost reported by qualified hospitals in their respective trauma service area for that fiscal year.

(C) The hospital allocation formula for Level I, II, III and IV trauma facilities shall be: ((the facility's reported costs of uncompensated trauma care) minus (any collections received by the hospital for any portion of their uncompensated care previously reported for the purposes of this section) divided by (the total reported cost of uncompensated trauma care by all qualified hospitals that year in their respective trauma service area)) multiplied by (total money deposited in the Regional Trauma

Account by the local authorities in the area served by their trauma service area RAC minus the amount distributed in subparagraph (A)(i) of this paragraph).

(D) For purposes of paragraph (1) of this subsection, the reporting period of a facility's uncompensated trauma care shall apply to costs incurred during the preceding calendar year.

(E) For purposes of paragraph (1) of this subsection, the department may approve the use of an alternate hospital allocation formula for hospitals licensed in the same TSA if requested by their respective RAC. There will be one annual process from which RACs will be given an opportunity to submit a request for an alternate allocation formula. The RAC request must be approved by all the qualified hospitals within the TSA. The department will notify all RACs at least 60 days prior to the due date of the requests.

(F) Hospitals should have a physician incentive plan that supports the facility's participation in the trauma system.

(2) EMS allocation. An eligible EMS provider's share of the EMS allocation shall be based on the amount of revenue deposited into the Regional Trauma Account for the TSA in which the local authority submitting money is located.

(3) TSA allocation. A RAC's share of the TSA allocation shall be based on the amount of revenue deposited into the Regional Trauma Account for the TSA in which the local authority submitting money is located.