



LEGISLATIVE BUDGET BOARD

Texas Trauma System Funding

Presentation to the House Appropriations & House Public Health Committees

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LEGISLATIVE BUDGET BOARD STAFF**

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Overview

House Appropriations Committee Interim Charge 11 & Public Health Committee Interim Charge 5:

Study the trauma system in the State of Texas, including financing, service delivery, planning, and coordination among Emergency Medical Services providers, Trauma Services Area Regional Advisory Councils, The Emergency Medical Task Force, and hospitals. Determine strengths and weaknesses including challenges for rural areas of the state. Make recommendations to reduce any duplicated services, improve the coordination of services, and advance the delivery of trauma services in Texas.

Content:

- Trauma appropriations out of certain General Revenue Dedicated Accounts for the 2016-17 biennium:
 - Account No. 5111 – Designated Trauma Facility and Emergency Medical Services
 - Account No. 5137 – Regional Trauma
 - Account No. 5007 – Commission on State Emergency Communications
 - Account No. 5046 – Permanent Fund for Emergency Medical Services and Trauma Care
 - Account No. 5108 – Emergency Medical Services, Trauma Facilities and Trauma Care Systems
- Actions of the Eighty-fourth Legislature, 2015

Designated Trauma Facility & EMS

Account No. 5111

- Designated Trauma Facility and EMS (Account No. 5111) is a GR-Dedicated account established by Health and Safety Code, Chapter 780, to receive revenues as follows:
 - 33 percent of court fines from persons convicted of traffic related offenses (Transportation Code §542.4031);
 - 49.5 percent of Driver Responsibility Program surcharges (Health and Safety Code §780.002); and
 - 50 percent of civil/administrative penalties & late payment penalties from violation under a photographic traffic signal enforcement programs (Transportation Code §542.406 and §707.007).
- Provides funding for designated trauma facilities, county and regional EMS, and trauma-care systems.
- Provisions relating to the account were amended in the Eighty-second Legislature, First Called Session, 2011 to authorize DSHS to transfer funds to the HHSC to maximize the receipt of federal funds that HHSC receives under Medicaid.
- The 2016-17 General Appropriations Act appropriates \$348.4 million for the biennium in the following amounts: \$330.9 million at the Department of State Health Services (DSHS) for uncompensated trauma care and \$17.3 million at the Higher Education Coordinating Board (THECB) for graduate medical education and nursing education programs.
- House Bill 7, Eighty-fourth Legislature, 2015, abolished Regional Trauma Account No. 5137 and transferred the fund balance (\$97.4 million) and revenues to Account No. 5111.

Appropriations from Designated Trauma Facility and EMS Account No. 5111

DSHS was appropriated \$330.0 million from Account No. 5111 in the 2016-17 biennium, including:

- \$182.2 million in funding for uncompensated trauma care provided by designated trauma facilities and those actively pursuing trauma designations, including:
 - \$153.0 million for transfer to HHSC for Medicaid trauma add-on payments
 - Includes an additional \$64.5 million appropriated by Special Provision 32, Contingency for House Bill 7 and Use of Trauma Fund Receipts
 - \$29.1 million to hold harmless funds for hospitals that serve trauma patients but do not qualify for the Medicaid trauma add-on, as well as:
 - 2 percent distributed to EMS providers
 - 1 percent distributed to Regional Advisory Councils (RACs)
 - 1 percent for administration
- \$20.0 million for transfer to HHSC for rural hospital add-on payments per Special Provision 58, Payments to Rural Hospital Providers
- \$128.7 million for transfer to HHSC for safety-net hospital add-on payments per Special Provision 59, Contingency for HB 7 and Safety-Net Hospitals.

Account No. 5111 Funding at DSHS

DSHS Trauma Fund Appropriations and Transfers in the 2016-17 General Appropriations Act

	2016-17 Biennium	Transfers to HHSC	Balance at DSHS
Funding for uncompensated trauma care	\$115,016,333	\$(88,533,180)	\$26,416,333
Special Provision 32, Contingency for HB 7 and Use of Trauma Fund Receipts	\$67,152,938	\$(64,466,820)	\$2,686,118
Subtotal	\$182,169,271	\$(153,000,000)	\$29,102,451
Special Provision 58, Payments to Rural Hospital Providers	\$20,000,000	\$(20,000,000)	—
Special Provision 59, Contingency for HB 7 and Safety-Net Hospitals	\$128,693,999	\$(128,693,999)	—
Total	\$330,863,270	\$(301,693,999)	\$29,102,451

Source: Legislative Budget Board

Account No. 5111 Revenue & Appropriations

Fiscal Year	Beginning Fund Balance	Estimated Revenue (CRE)	Transfer of GR-D 5137 Fund Balance (HB 7)	Expended/ Appropriated ¹	Actual Revenue Collected
2013	\$371,554,005	\$114,487,000	—	\$197,372,339	\$99,850,226
2014	\$382,364,707	\$95,653,000	—	\$219,754,708	\$102,760,521
2015	\$125,843,601	\$95,653,000	—	\$199,761,625	\$104,171,585
2016	\$31,356,314	\$117,959,000	\$97,392,511	\$174,071,636	tbd
2017	\$72,636,189 ²	\$117,959,000	—	\$174,071,634	tbd

Note: Pursuant to Special Provisions relation to all Health and Human Services Agencies Sec. 32(d), if revenue is not collected in the amount appropriated, the appropriation of GRD 5111 funding to Strategy B.1.3, EMS & Trauma Care Systems at DSHS is reduced.

Source: Comptroller of Public Accounts, Cash Reports and Certification Revenue Estimates. Legislative Budget Board, General Appropriations Act.

¹ Amounts shown for fiscal years 2013-2015 are expended. Amount shown for fiscal years 2016 and 2017 are appropriated. Includes appropriations to the Department of State Health Services and the Higher Education coordinating board.

² Estimated based on FY 2016 estimated revenue and appropriations.

Other Trauma Funds

Account No. 5007 – Commission on State Emergency Communications

- Citation: Health and Safety Code § 771.072(f), § 771.077
- Funding: 911 equalization surcharges from long-distance intrastate service.
- Primary use: Funding for 911 emergency communications systems and poison control centers. Appropriations to DSHS are to fund county and regional EMS and trauma care systems.

Account No. 5046 – Permanent Fund for Emergency Medical Services and Trauma Care

- Citation: Government Code § 403.106
- Funding: Available earnings of funds transferred to the account at the direction of the Legislature from the tobacco settlement funds, as well as gifts and grants.
- Primary Use: SB 1, Eighty-second Legislature, First Called Session, 2011 expanded the allowable uses of the fund to include debt service related to general obligation bonds for the Cancer Prevention and Research Institute of Texas (CPRIT) from both the corpus and available earnings of the account. Amounts appropriated to DSHS fund administrative costs and provide grants to the Regional Advisory Councils and are made from the available earnings of the account.

Account No. 5108 – EMS, Trauma Facilities, Trauma Care Systems

- Citation: Health and Safety Code § 773.006
- Funding: Receives \$100 court cost placed on alcohol-related convictions.
- Primary Use: Fund county and regional EMS, designated trauma facilities, and trauma care systems.

Other Trauma Funds – Revenue and Appropriations

Account	FY 2016-17 Estimated Revenues	DSHS Appropriations	Other Appropriations	Total Appropriations
Account No. 5007 - Commission on State Emergency Communications	\$39,700,000 ¹	\$3,644,345	\$32,175,306	\$35,819,651
Account No. 5046 - Permanent Fund for EMS and Trauma Care	\$45,554,000 ²	\$4,774,868	\$47,334,941 ³	\$52,109,809
Account No. 5108 - EMS, Trauma Facilities, Trauma Care Systems	\$8,000,000 ²	\$4,765,395	—	\$4,765,395

¹ Comptroller of Public Accounts, Certified Revenue Estimate 2016-17

² Comptroller of Public Accounts, Biennial Revenue Estimate 2016-17

³ Other Appropriations from Account No. 5046 include funds for the payment of principle and interest on bonds issued on behalf of CPRIT

Conclusion

- DSHS is the primary agency receiving appropriations for EMS/Trauma
- The majority of trauma funding comes from four trauma-related GR-Dedicated accounts
- Trauma Facility and EMS Account No. 5111 is the largest source of funding for trauma related appropriations. \$153.0 million is transferred from DSHS to HHSC for trauma add-on payments
- Regional Trauma Account No. 5137 was abolished during the 84th legislative session and the fund balance and revenues were transferred to Trauma Facility and EMS Account No. 5111
- To continue funding EMS and Trauma at current levels, it is expected that another revenue source would need to be identified or established in the Eighty-fifth Legislature due to depletion of fund balances in key trauma accounts



LEGISLATIVE BUDGET BOARD

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