

# Trauma Program Survey

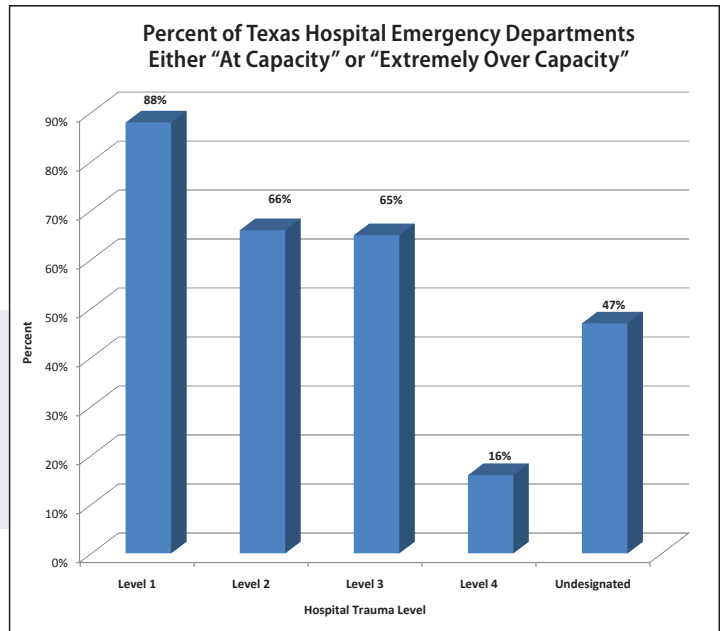
## Executive Summary

During the 2009 Texas legislative session, several bills were filed that dealt with emergency health care services and their financing. In February, the Texas Hospital Association conducted a survey among member hospitals to gather information on emergency department capacity, transfer/admissions volume, physician compensation for on-call coverage and uncompensated care, contractual arrangements for physician coverage, pricing and EMS availability. THA received responses from 104 hospitals. Of the responding hospitals, 81 percent are designated trauma centers. Key results of the analysis of the aggregated data are presented below.

Respondents by Trauma Center Designation Level
Level 1 – 9 of 13 = 69 percent
Level 2 – 10 of 10 = 100 percent
Level 3 – 22 of 37 = 60 percent
Level 4 – 44 of 177 = 24 percent
<b>Level 1 facilities provide the most comprehensive trauma care.</b>

## Admissions from the ED

The survey revealed that a large portion of patients admitted to a hospital come through the emergency department. For Level 1 and 2 facilities, more than 50 percent of admissions come through the emergency department, and among Level 3 and 4 facilities' admissions, 42 percent and 47 percent, respectively, are from the emergency department.



## Capacity

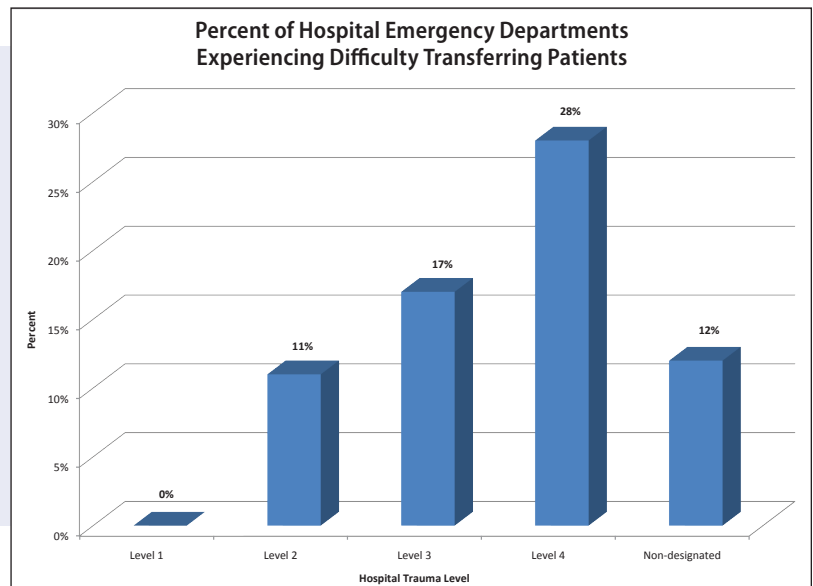
Most hospital emergency departments reported working "at capacity" or "extremely over capacity."

## Transfer of Patients

While Level 1 trauma centers do not experience problems with transferring patients, almost 30 percent of Level 4 trauma centers do.

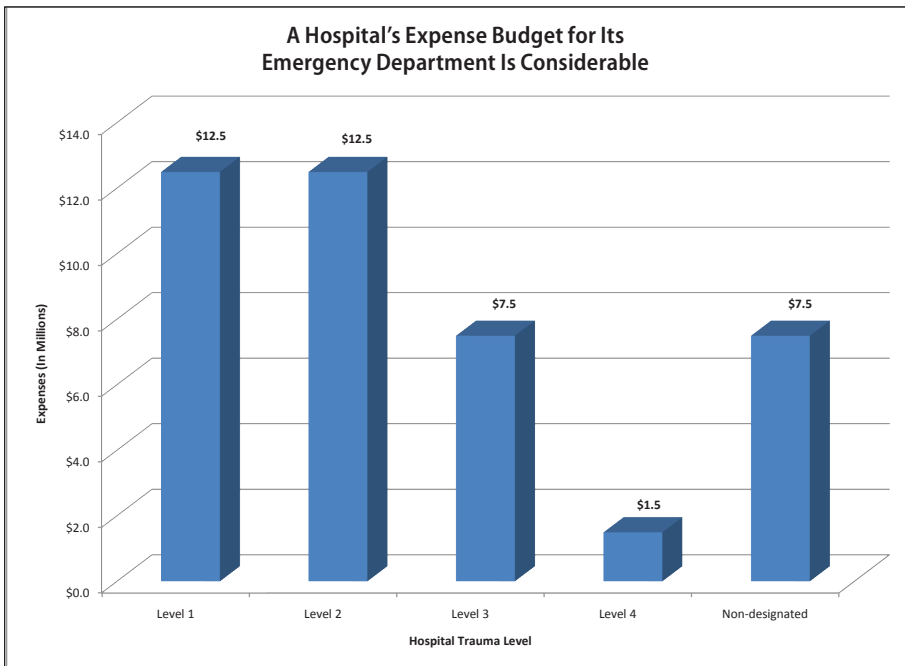
## EMS Availability

Level 3 and 4 facilities have experienced difficulties in obtaining an EMS provider for patients requiring transport by stretcher. The problem was reported by 43 percent of Level 3 designated facilities and 41 percent of Level 4 facilities.



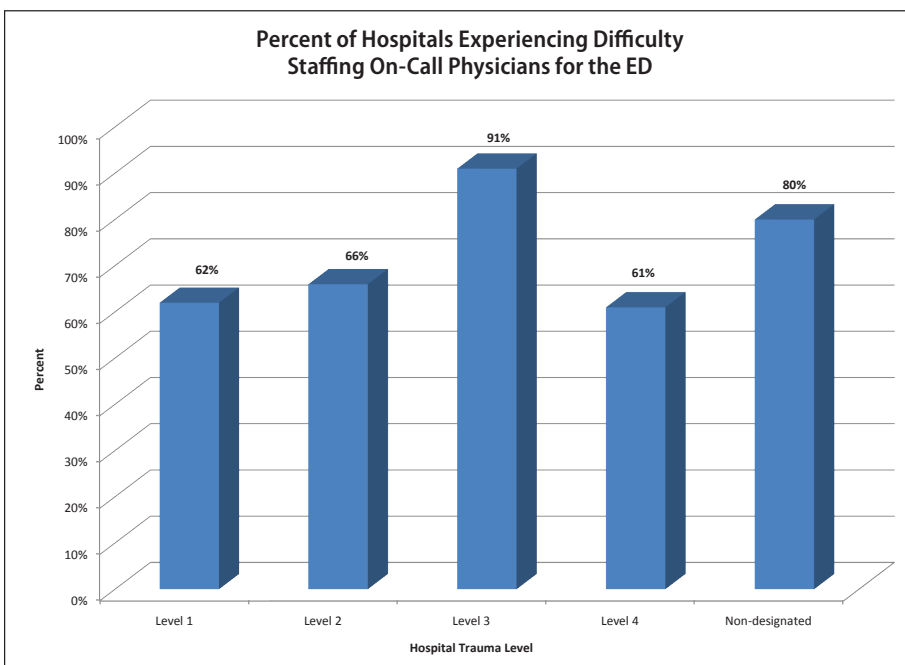
## Pricing

Most designated trauma hospitals use a trauma team activation charge. Level 1 and 2 facilities reported an average charge of more than \$5,000. Level 3 facilities reported a \$4,300 activation charge, and Level 4 facilities indicated an average charge of \$1,800. Approximately one-third of all trauma patients seen in a hospital's emergency department are uncompensated; some qualify for charity care and others are considered bad debt (for example, patients who cannot pay deductibles/co-pays).



## Emergency Department Costs

Operating an emergency department 24/7 is expensive. The median expense budget for Level 1 and 2 trauma centers is \$12.5 million. Often these expenses do not include budgets for trauma and air ambulance services. These may equal or exceed ED budget amounts.



## Physician Compensation

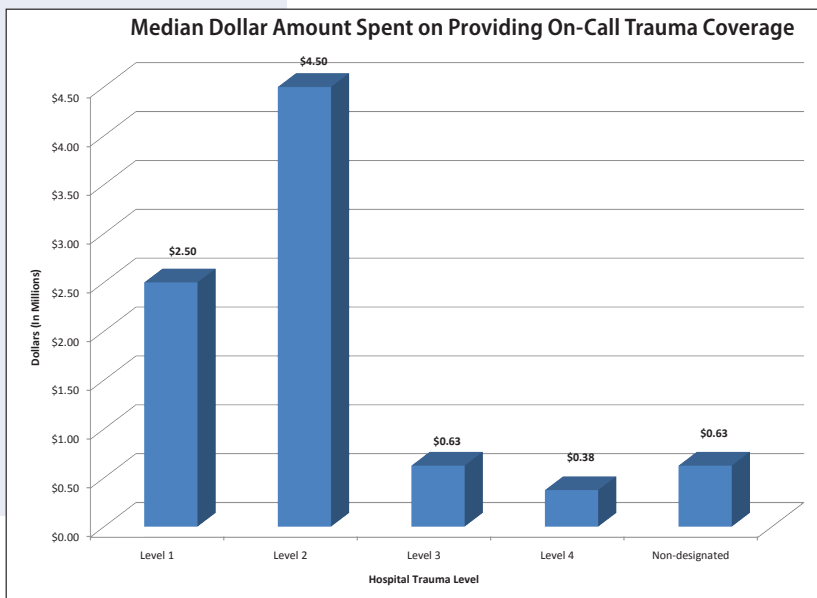
Almost all Level 1-3 trauma centers have a physician incentive program that supports the medical staff's participation in delivering emergency health care services. However, more than 60 percent of hospitals – and up to 91 percent of Level 3 facilities – have experienced difficulty staffing on-call physicians in their emergency departments.

## Physician Compensation (cont.)

Hospitals spend a significant amount to provide physicians on call for trauma coverage.

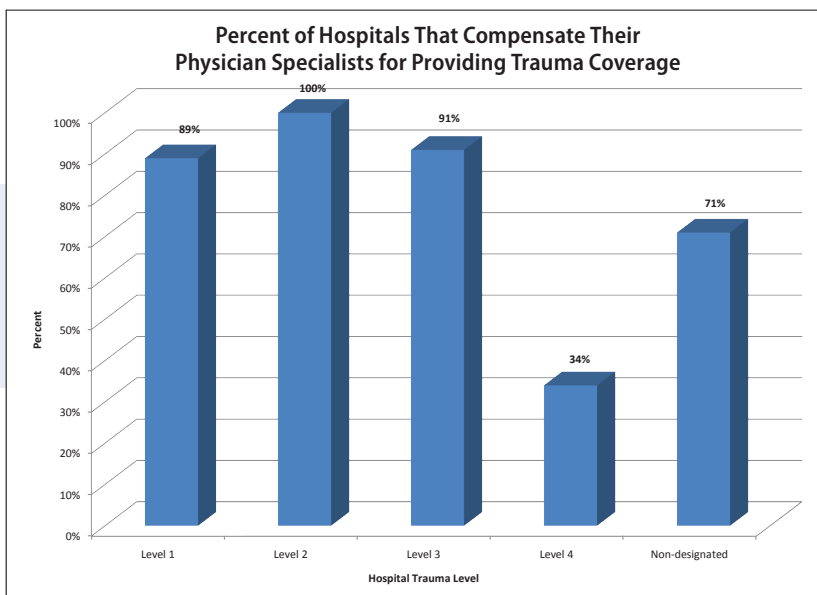
Physician specialists are the most difficult for which to arrange on-call coverage and needs vary by trauma designation level. The most difficult specialties for which to arrange coverage are the following:

- Hand surgeon;
- Neurosurgeon/neurology; and
- Orthopedic surgeon.



## Physician Compensation (cont.)

To secure on-call coverage by specialists, many hospitals compensate their physicians.



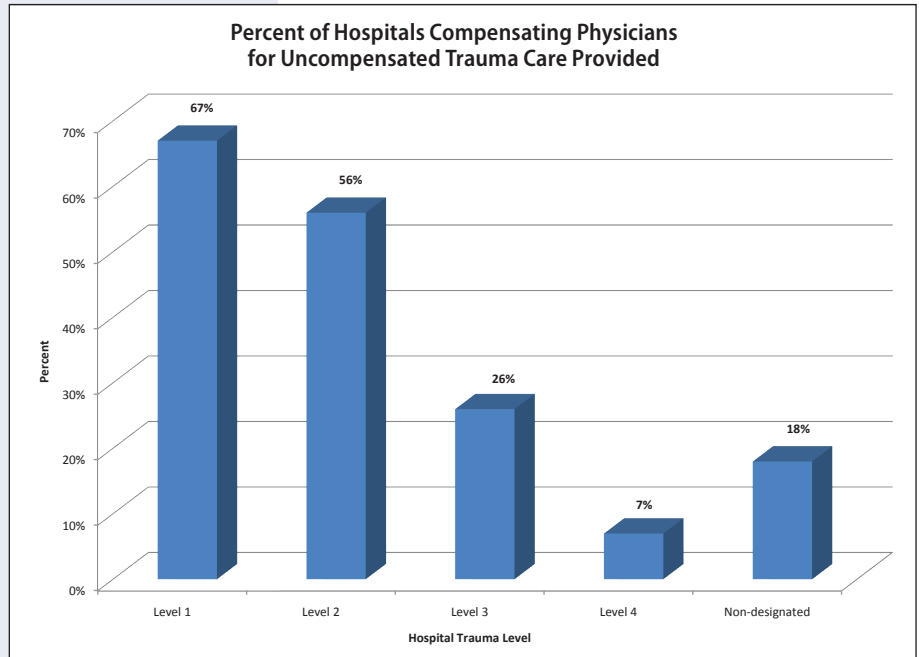
## Compensation for Emergency Department Physician Coverage

In addition to paying for specialists to be on call to the emergency department, all hospitals pay for emergency physician coverage. Level 1 facilities pay a median amount of \$1.5 million annually for 24/7 emergency physician coverage. Level 2 facilities pay a median of \$6.25 million; Level 3, \$875,000; and Level 4, \$625,000.

## Compensation for Uncompensated Physician Professional Services

Many Level 1 and 2 designated facilities provide additional reimbursement for any uncompensated “trauma” care provided in which the physician charges the patient and no payment is received

For hospitals reimbursing their physicians for any uncompensated trauma care provided, the amounts can be significant. Level 1 facilities reported spending a median of \$1.2 million on physicians, and Level 2 facilities spent a median \$4.5 million on uncompensated physician trauma care.



## Contractual Arrangements for Physician Specialists Coverage

Some 45 percent of Level 1 and 2 designated trauma facilities reported having “additional financial arrangements” for their physician specialists, at a significant additional expense. Level 1 facilities reported spending a median amount of \$8.75 million on contractual compensation for physicians related to emergency care, and Level 2 facilities spent a median amount of \$2.5 million on additional contractual physician compensation.

## Conclusions

Hospitals with Level 1 to 3 designated trauma centers currently pay physicians to provide on-call coverage. In addition to paying for emergency department physician coverage, many designated facilities also reimburse physicians for care delivered to uninsured/underinsured patients. Level 4 designated trauma facilities often transfer patients so their need to bring in specialists may be lessened.

In previous legislative discussions about the funding allocation from the Designated Trauma and EMS Account, some have advocated that a portion be directed to physicians. However, this survey clearly documents that physicians already are paid for their availability as well as for their uncompensated professional services delivered to patients. The current allocation of funds in the Designated Trauma and EMS Account to hospitals and EMS providers should continue, and all of the dollars collected in the fund should be appropriated.



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