

ACT 305

H.B. NO. 3142

A Bill for an Act Relating to Trauma Care.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that trauma care in Hawaii is in a state of crisis and recognizes that trauma care is a public health priority.

Injury is the leading cause of death for persons between the ages of one to forty-four in the State of Hawaii, causing more deaths than are caused by cancer and heart disease combined. This underscores the seriousness of traumatic injury as a public health problem in the state.

When injuries are serious, specialized equipment and prompt access to physicians and other trained health care providers make a significant difference in a trauma patient's health outcome. A weak trauma system decreases the state's readiness to respond not only to the normal flow of critically injured patients, but to unforeseen disasters and emergencies as well.

As the American College of Surgeons noted in its October 2005 report, "Hawaii Trauma System Consultation," extreme isolation and limited physician re-supply capability renders Hawaii uniquely vulnerable to natural disasters that may occur in a mid-Pacific environment. A functional trauma system with the capacity to handle a surge in demand is a fundamental necessity in responding to both natural and man-made disasters.

Typically, the cost of providing care to trauma patients is far higher than the total payments received from those patients. Without additional resources, it is unlikely that Hawaii's system will develop greater capacity and it is at risk of losing what specialized trauma care is currently available.

A January 2006 report by the legislative reference bureau entitled, "On-Call Crisis in Trauma Care: Government Responses," noted that "the rationale for public support of uncompensated trauma services is the same as for critical police and fire services; a trauma system is a necessary public service that ought to be publicly supported."

The purpose of this Act is to establish a trauma system special fund to ensure the availability of care for trauma patients in the state.

SECTION 2. Chapter 321, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§321- Trauma system special fund. (a) There is established within the state treasury a special fund to be known as the trauma system special fund to be administered and expended by the department of health. Moneys in the trauma system special fund shall not lapse at the end of the fiscal year. Expenditures from the trauma system special fund shall be exempt from chapters 103D and 103F.

(b) The moneys in the trauma system special fund shall be used by the department to support the continuing development and operation of a comprehensive state trauma system. The trauma system special fund shall be used to subsidize the documented costs for the comprehensive state trauma system, including but not limited to the following:

- (1) Costs of under-compensated and uncompensated trauma care incurred by hospitals providing care to trauma patients; and
- (2) Costs incurred by hospitals providing care to trauma patients to maintain on-call physicians for trauma care.

The money in the trauma system special fund shall not be used to supplant funding for trauma services authorized prior to the effective date of this section and shall not be used for ambulance or medical air transport services.

(c) Interest and investment earnings attributable to the moneys in the trauma system special fund, federal funding, legislative appropriations, and grants, donations, and contributions from private or public sources for the purposes of the trauma system special fund shall be deposited into the trauma system special fund.

(d) The department shall adopt rules pursuant to chapter 91 to effectuate the purposes of this section, including the methodology for disbursements from the trauma system special fund.

(e) To receive reimbursement, a hospital providing care to trauma patients shall apply to the trauma system special fund on a form and in a manner approved by the department; provided that recipients of reimbursements from the trauma system special fund shall be subject to the following conditions:

- (1) The recipient of a reimbursement shall:
 - (A) Comply with applicable federal, state, and county laws;
 - (B) Comply with any other requirements the director may prescribe;
 - (C) Allow the director, the legislative bodies, and the state auditor access to records, reports, files, and other related documents, to the extent permissible under applicable state and federal law, so that the program, management, and fiscal practices of the recipient may be monitored and evaluated to ensure the proper and effective expenditure of public funds;
 - (D) Provide care to all injured patients regardless of their ability to pay; and
 - (E) Participate in data collection and peer review activities for the purpose of system evaluation and improvement of patient care; and
- (2) Every reimbursement shall be monitored according to rules established by the director under chapter 91 to ensure compliance with this section.

(f) Necessary administrative expenses to carry out this section shall not exceed five per cent of the total amount collected in any given year.

(g) The department shall submit an annual report to the legislature no later than twenty days prior to the convening of each regular session that outlines the receipts of and expenditures from the trauma system special fund.

(h) For the purposes of this section:

“Comprehensive state trauma system” means a coordinated integrated system providing a spectrum of medical care throughout the state designed to reduce death and disability by appropriate and timely diagnosis and specialized treatment of injuries, which includes hospitals with successive levels of advanced capabilities for trauma care in accordance with nationally accepted standards established by the American College of Surgeons Committee on Trauma.

“Hospital providing care to trauma patients” means a hospital with emergency services that receives and treats injured patients.

“Trauma care” means specialized medical care intended to reduce death and disability from injuries.”

SECTION 3. Section 36-27, Hawaii Revised Statutes, is amended to read as follows:

“§36-27 Transfers from special funds for central service expenses. Except as provided in this section, and notwithstanding any other law to the contrary, from time to time, the director of finance, for the purpose of defraying the prorated estimate of central service expenses of government in relation to all special funds, except the:

- (1) Special out-of-school time instructional program fund under section 302A-1310;
- (2) School cafeteria special funds of the department of education;
- (3) Special funds of the University of Hawaii;
- (4) State educational facilities improvement special fund;
- (5) Convention center enterprise special fund under section 201B-8;
- (6) Special funds established by section 206E-6;
- (7) Housing loan program revenue bond special fund;
- (8) Housing project bond special fund;
- (9) Aloha Tower fund created by section 206J-17;
- (10) Funds of the employees’ retirement system created by section 88-109;
- (11) Unemployment compensation fund established under section 383-121;
- (12) Hawaii hurricane relief fund established under chapter 431P;
- (13) Hawaii health systems corporation special funds;
- (14) Tourism special fund established under section 201B-11;
- (15) Universal service fund established under chapter 269;
- (16) Integrated tax information management systems special fund under section 231-3.2;
- (17) Emergency and budget reserve fund under section 328L-3;
- (18) Public schools special fees and charges fund under section 302A-1130(f);
- (19) Sport fish special fund under section 187A-9.5;
- (20) Neurotrauma special fund under section 321H-4;
- (21) Deposit beverage container deposit special fund under section 342G-104;
- (22) Glass advance disposal fee special fund established by section 342G-82;
- (23) Center for nursing special fund under section 304D-5;
- (24) Passenger facility charge special fund established by section 261-5.5;
- (25) Solicitation of funds for charitable purposes special fund established by section 467B-15;
- (26) Land conservation fund established by section 173A-5; ~~and~~
- ~~[(27)]~~ Court interpreting services revolving fund under ~~[(27)]~~section 607-1.5~~[(27)]~~;
- and
- (28) Trauma system special fund under section 321- ;

shall deduct five per cent of all receipts of all other special funds, which deduction shall be transferred to the general fund of the State and become general realizations of the State. All officers of the State and other persons having power to allocate or disburse any special funds shall cooperate with the director in effecting these transfers. To determine the proper revenue base upon which the central service assessment is to be calculated, the director shall adopt rules pursuant to chapter 91 for the purpose of suspending or limiting the application of the central service assessment of any fund. No later than twenty days prior to the convening of each regular session of the legislature, the director shall report all central service assessments made during the preceding fiscal year.”

SECTION 4. Section 36-30, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) Each special fund, except the:

- (1) Transportation use special fund established by section 261D-1;
- (2) Special out-of-school time instructional program fund under section 302A-1310;
- (3) School cafeteria special funds of the department of education;
- (4) Special funds of the University of Hawaii;
- (5) State educational facilities improvement special fund;
- (6) Special funds established by section 206E-6;
- (7) Aloha Tower fund created by section 206J-17;
- (8) Funds of the employees’ retirement system created by section 88-109;
- (9) Unemployment compensation fund established under section 383-121;
- (10) Hawaii hurricane relief fund established under chapter 431P;
- (11) Convention center enterprise special fund established under section 201B-8;
- (12) Hawaii health systems corporation special funds;
- (13) Tourism special fund established under section 201B-11;
- (14) Universal service fund established under chapter 269;
- (15) Integrated tax information management systems special fund under section 231-3.2;
- (16) Emergency and budget reserve fund under section 328L-3;
- (17) Public schools special fees and charges fund under section 302A-1130(f);
- (18) Sport fish special fund under section 187A-9.5;
- (19) Neurotrauma special fund under section 321H-4;
- (20) Center for nursing special fund under section 304D-5;
- (21) Passenger facility charge special fund established by section 261-5.5;
- [and]
- (22) Court interpreting services revolving fund under [H]section 607-1.5[H];
- and
- (23) Trauma system special fund under section 321- ;

shall be responsible for its pro rata share of the administrative expenses incurred by the department responsible for the operations supported by the special fund concerned.”

SECTION 5. There are established positions as are necessary to implement the provisions of this Act. These positions shall be appointed by the director of health without regard to chapter 76, Hawaii Revised Statutes. These positions shall be included in any benefit program generally applicable to the officers and employees of the State.

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SECTION 6. (a) The department of health shall convene ad hoc committees to advise the department in all matters related to trauma care, including system standards, appropriate expenditure of the trauma system special fund, and system performance and evaluation criteria.

(b) Members of the ad hoc committees shall include members of the state EMS advisory committee and may invite participation statewide from practicing trauma surgeons and other trauma specialty physicians and nurses, pre-hospital personnel, hospital administrators, third party payors, and other interested parties from all counties.

SECTION 7. The department of health shall submit to the legislature an annual report on the expenditures of the trauma system special fund and the progress toward developing a fully-integrated statewide trauma system not later than twenty days prior to the convening of the regular session of 2007 and each year thereafter.

SECTION 8. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 9. This Act shall take effect on July 1, 2006.

(Became law on July 11, 2006, without the Governor's signature, pursuant to Art. III, §16, State Constitution.)

Note

1. Edited pursuant to HRS §23G-16.5.