



Testimony of
Children's National Medical Center

Before the
Senate Finance Committee

SB 916
Maryland Trauma Physician Services Fund —
Reimbursements and Grants

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Children's National Medical Center (Children's National) appreciates the opportunity to testify in support of Senate Bill (SB) 916, "Maryland Trauma Physician Services Fund — Reimbursements and Grants."

Children's National Medical Center, a 283 bed not-for-profit academic medical center, is located in Washington, DC, but serves the pediatric health care needs of the broader Washington metropolitan region. Located just three miles from the Maryland border, Children's National annually devotes nearly 60% of our inpatient care to children from Maryland. With five outpatient centers in Maryland and specialty care services provided in eight Maryland locations, Children's National is proud to be one of the largest providers of high quality pediatric primary, specialty and emergency care to Maryland's children and families.

The Maryland Institute for Emergency Medical Services (MIEMSS) designates Children's National as one of only two Level I Pediatric Trauma Centers for the state. As a result, approximately half of the pediatric trauma patients in Maryland, mostly from the southern part of the state, are treated at Children's National.

Children's National's agreement with MIEMSS requires pediatric anesthesiologists, pediatric neurosurgeons, pediatric orthopedists, and pediatric general surgeons to be on site 24 hours per day, seven days a week. In

addition, the hospital is required to have other specialty surgeons and non-surgeons on call.

Currently, Maryland statute provides an annual grant of \$490,000 to Children's National to cover only physician standby emergency services costs. To receive this grant, the hospital annually submits a report of unreimbursed standby costs for trauma care attributed only to Maryland patients. Because physicians staffing Children's National's trauma center are salaried to the hospital, the annual grant is paid to the hospital rather than to the individual physicians.

In Fiscal Year 2007, Children's National received the maximum grant amount allowed based on current statute - \$490,000 - despite incurring more than \$1 million in unreimbursed standby costs. This is merely a fraction of the overall costs to operate our trauma center, which is approximately \$10 million per year, of which 56 percent of the costs are attributed to trauma patients from Maryland.

In its FY 2005 report of the Maryland Trauma Physician Services Fund (Trauma Fund), the MHCC has recommended that Children's National's appropriation be increased to \$590,000 per year. While the original Trauma Fund legislation (HB 1164) considered in 2006 included \$590,000, the final legislation reduced Children's allocation to \$490,000 per year in an effort to reduce overall spending. Children's National supports an amendment to SB 916 that would include the MHCC's initial recommendation of \$590,000.

Thank you again for the opportunity to testify, and I would be happy to answer any questions.