

**REPORT  
OF THE  
HOSPITAL & MEDICAID SUBCOMMITTEE OF THE  
ARKANSAS LEGISLATIVE COUNCIL  
OCTOBER 17, 2008**

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Mr. Co-Chairmen:

The Hospital and Medicaid Study Subcommittee of the Arkansas Legislative Council met jointly with the House and Senate Interim Committees on Public Health, Welfare and Labor on Monday, September 29, 2008 at 1:30 p.m. in Room 130 at the State Capitol.

**DISCUSSION ON THE UTILIZATION OF A TRAUMA SYSTEM FROM THE HOSPITAL'S PERSPECTIVE**

*Bob Atkinson, President/CEO, Jefferson Regional Medical Center*

Mr. Atkinson has served at Jefferson Regional for the last sixteen years. This is a 471-bed licensed facility serving 280,000 people in ten counties. This area has some of the highest unemployment, uninsured and poverty rates in Arkansas. Jefferson Regional wants to participate in an Arkansas trauma system as a designated level 2 trauma center.

Hospitals have to be well coordinated and adequately funded for a trauma system to be successful. Representative Gregg Reep asked what the legislature needed to look at. Mr. Atkinson stated that the legislature needs to focus on:

- ◆ getting the Dashboard & the registry up and ready
- ◆ designating which hospitals will be what level
- ◆ providing money for training
- ◆ accident prevention education
- ◆ physicians willing to participate (Arkansas will have to be salary competitive, i.e. have adequate funding to recruit and retain quality physicians that are needed--this will be the biggest expense.)

*Tim Hill, President/CEO, North Arkansas Regional Medical Center*

Mr. Hill said that he has been at North Arkansas Regional in Harrison for approximately ten years serving 85,000 people in six counties. This is a licensed 174-bed facility with ten percent of the 800 employees working in the emergency room. Under the current definition of a level two trauma center, this hospital only needs two physicians to qualify at this level. North Arkansas Regional is in a good geographic location for critical care access since they are close to Springfield, Missouri, the Springdale/Fayetteville region and to central Arkansas.

There are Medicaid dollars leaving Arkansas and going to surrounding states because we do not have a trauma system. Mr. Hill reiterated that a successful trauma system should have coordination, a registry and a adequate supply of physicians to staff the system.

Jamie Carter, CEO, Crittenden Regional Hospital

Mr. Carter has been at Crittenden Regional for about three years and worked previously in the Mississippi health care system, where they have an active trauma system.

Mr. Carter stated that a trauma system is a communication system that Arkansas does not have. There are states that have had problems with their trauma systems because of lack of funding. A trauma registry is the core of the system that can take it from infancy and maturity. Also, Arkansas needs to use the infrastructure that is already here. The one limitation to the success of a trauma system besides funding, is physician participation.

The funding that hospitals are asking for, will be used to set up and support the infrastructure of the Arkansas Trauma System. Mr. Carter cautioned the committees against penalizing hospitals for not participating in the trauma system, and against under-funding the proposed trauma system.

To alleviate the physician and nurse shortage, funding will also go towards education of the existing staff, give incentives for recruitment and step up "growing our own".

Doug Weeks, Senior Vice President/Administrator, Baptist Health Medical Center

Mr. Weeks stated that the Baptist Hospital sees over 700 trauma victims per year (about 75% are automobile accidents) and treats patients from every county in the state. Baptist Health is anxious to be a part of the trauma system. The trauma system will help Arkansas hospitals have additional levels of availability for specialist coverage.

An advantage of a trauma system is that patients can be taken to the right facility in a timely way ("the golden hour"). MEMS already has a Dashboard in place that can instantly locate the closest hospital that has the available services for that patient's needs. Dr. Paul Halverson stated that in 2005 there were 25,308 trauma hospitalizations and 2,119 trauma deaths.

Representative Clark Hall asked how creating a trauma system would generate the needed specialists, when Arkansas is already short of physicians. Mr. Weeks said that a trauma system would enable Arkansas to compete equally with the 47 states that have trauma systems in place.

Christi Whatley, Vice President for Emergency and Trauma Services, St. Joseph's Mercy Health Center

Ms. Whatley stated that St. Joseph's is licensed for 300 beds, serves five counties and receives many trauma patients. St. Joseph's Hospital is looking to be a level 2 trauma center.

**DISCUSSION ON FUNDING A TRAUMA SYSTEM**

Dr. Joe Thompson, Arkansas Surgeon General, Director of the Arkansas Center for Health Improvement, said he thinks the goal should be to set up a system with a set of incentives that lets enough of our hospitals participate. Arkansas also has to offer enough incentives and support so people won't think they are taking a high risk in their local medical care system. Dr. Thompson estimated the cost of creating and maintaining a trauma system is between \$28 and \$35 million. Suggested funding strategies from Dr. Thompson and Dr. Paul Halverson are:

- ◆ coordination & communication (to avoid duplicate tests and billing)
- ◆ existing mechanisms (to avoid unnecessary staff called in)
- ◆ indirect funding (tighten auto insurance billing)
- ◆ direct funding
- ◆ increase car tag/license fees
- ◆ double 911 fee on your phone bill
- ◆ auto insurance surcharge
- ◆ increase tobacco tax
- ◆ provider fees
- ◆ moving violation surcharges (doesn't recommend)

Senator Steele said that he feels general revenue is the best source of base funding to get the program up and running.

Representative Pennartz asked Dr. Thompson to provide a breakdown on the percentages of treated patients that are Medicaid, Medicare and private pay. Dr. Thompson said that he will get this information to the committees.

Dr. Halverson is working on a fair payment plan for hospitals according to the level of care given in the trauma system. On the prevention side, there needs to be a graduated driver license for youth and tighter seatbelt and helmet laws.

Dr. Paul Halverson, Director, Department of Health, stated that the leading cause of death in Arkansas between ages 1-44 is accidents, and Arkansas has a 60% higher crash fatality than other states. A fully active trauma system can save 168 lives from automobile crashes and a \$193 million.

Thanks to the governor's support and his emergency fund, there should be a contract in place real soon to have the Dashboard running statewide by early January, 2009. Currently a procurement for the registry is being put in place and the American College of Surgeons will be here for an onsite visit in October 2008.

Senator Steele stated that the committee members need to see a plan fairly early before session, and he asked Dr. Halverson to give the legislators a timetable of when a plan will be ready to present at a meeting of the legislators. Dr. Halverson stated that the Trauma Advisory Committee meets monthly. They have reviewed a trauma system proposal, and will schedule a meeting with the legislators to present and discuss this plan.

Respectfully submitted

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Senator Tracy Steele  
Senate Co-Chair

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Rep. Ray Kidd  
House Co-Chair

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