



TEXAS HOSPITAL ASSOCIATION

**Testimony to the
Senate Transportation and Homeland Security Committee
Regarding the Driver Responsibility Program**

Presented by
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On behalf of the
Texas Hospital Association

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I am Carlos V. R. Brown, M.D., director of trauma for the Seton Family of Hospitals, which is a faith-based 1,500+ bed system serving Central Texas. Seton has 24 sites of care and provides a full range of services from primary care to heart transplants. The leading health care provider in an 11-county 1.8 million population region, the Seton Family of Hospitals has seven urban/suburban medical centers and hospitals, one psychiatric hospital, two Critical Access Hospitals, three Austin community clinics, five rural clinics, three mobile clinics, and two specialty clinics at University Medical Center Brackenridge. Seton operates two Level I trauma centers: University Medical Center at Brackenridge and Dell Children's Medical Center of Central Texas. Seton offers and continues to develop additional physician training programs with UT-Southwestern and UT-Austin, and operates the Clinical Education Center @ Brackenridge as a learning and training facility for physicians, nurses and other health professions.

On behalf of my health care system and the Texas Hospital Association – which represents 400+ hospitals statewide – I am pleased to provide testimony on the impact of the Driver Responsibility Program and the relationship between the program and uncompensated trauma care funding. While I cannot address the issue of increased uninsured or unlicensed drivers due to the program, I will discuss how hospitals and other interested stakeholders have been working to make positive changes to the program, and I will recommend further changes to you today.

While Texas hospitals stand firmly behind the principles of the Driver Responsibility Program, we acknowledge the administrative difficulties and often punitive nature of the program. We believe that individuals who choose to drive while intoxicated or speed repeatedly and cause accidents deserve severe penalties that benefit the health care institutions that are caring for the harmed individuals, whether that is the driver or other victims. Automobile accidents are the leading cause of traumatic injury in Texas children and adults, and Texas leads the nation in the number of individuals driving under the influence. For every person killed in a car wreck, six more are injured. These victims are counting on the Texas trauma safety net to be there for them – from the first responders who arrive on the scene of the accident and help transport the patient...to the ER staff who treat, stabilize and hopefully save a life...to the critical care units and other hospital departments that nurse the patient back to a healthy and productive lifestyle.

It cannot be stressed enough – from a staffing, overhead and financial standpoint, providing trauma care is a significant undertaking for a hospital. This could be why only half of the hospitals in Texas are designated trauma centers. Since the inception of the Driver Responsibility Program, more than 60 additional hospitals have become designated trauma centers. While the funding does not make them whole, it provides an incentive – albeit a small one – to join the system and become part of the safety net. Should this funding stream go away, it is very likely that some hospitals will choose to forego or drop trauma center designation, and that would be detrimental to our already fragile network. While Level IV trauma hospitals do not see the volume or acuity of patients that a Level I or II sees, they are a crucial part of the system. A loss of Level III or IV trauma centers means that more patients, possibly of an inappropriate acuity level, will be directed to Level I and II centers – which translates to an increased amount of time on diversion and patients not getting the appropriate care they need in a timely fashion. This is not an unrealistic scenario. Following the closure of The University of Texas Medical Branch due to Hurricane Ike, diversion times at Houston's Ben Taub General Hospital and Memorial Hermann-Texas Medical Center quadrupled. Ben Taub's diversion time was eight times higher than the American College of Surgeons' recommendation of no more than 5 percent. That is clearly unacceptable.

(Note: Facts and figures about the trauma care provided at Seton’s designated trauma facilities will be provided at the hearing.)

As filed in its report to the state for fiscal year 2009, Seton provided \$249 million in charity and unreimbursed Medicaid care, and \$182 million in community benefit. **(Statistics on trauma uncompensated care will be provided at the hearing.)**

The amount of money Seton receives from the state’s trauma fund covers just a fraction of the uncompensated care we are providing. This is the case for every designated trauma center, from large facilities like Ben Taub and Parkland, down to the smaller Level IVs, such as East Texas Medical Center in Henderson and Seton’s own critical access hospitals, Seton Edgar B. Davis in Luling and Seton Highland Lakes in Burnet.

Since its inception, the Driver Responsibility Program has raised approximately \$720 million in revenue for the state, with a collection rate of about one-third of total surcharges issued. The state currently is owed more than \$1 billion in outstanding surcharges. Texas hospitals have received more than \$300 million from the program since State Fiscal Year 2005, but have reported in excess of \$1 billion in uncompensated trauma care costs over that same period. Year after year, money is left in Account 5111 to help certify the state budget. Hospitals believe that the funds accruing in this account should be fully appropriated to offset the costs of uncompensated trauma care.

At the same time, hospitals understand that the Driver Responsibility Program is not perfect. Last year, the Texas Hospital Association began working diligently with members of this committee and other stakeholders to offer suggestions for improving the program. We worked with the Legislature last session to help create an indigency program that provides surcharge exemptions for people under a certain percentage of the Federal Poverty Level, and we are willing to work on additional modifications while retaining the integrity and intent of the Driver Responsibility Program. In addition, DPS has made great strides in its rule that was adopted last month, and THA believes that the rules will bring more individuals into compliance, while raising more revenue.

Texas hospitals support further modifications to the Driver Responsibility Program to allow for greater flexibility in the program’s notification, collection and payment processes. Here are some examples of possible ways to incorporate more flexibility into the program:

- 1) Reducing the surcharges for “non-moving” violations (driving without a drivers’ license, driving without insurance, driving with an expired drivers’ license) from an assessment over three years to a one-time assessment.
- 2) Allowing the vendor to implement a more robust collection process.
- 3) Allowing individuals in the program to “buy out” of the program by paying at least 60 percent of the total surcharge up front, which is addressed in the DPS Incentive Program.
- 4) Requiring DPS or its vendor to notify individuals that they are in the program at the time the underlying fines are adjudicated.
- 5) Allowing DPS to receive a greater percentage of funding from the program to support public education campaigns and administrative costs.
- 6) Removing the requirement that a drivers’ license is automatically suspended after 30 days of nonpayment.

The Driver Responsibility Program plays a critical role in the state's trauma system, and hospitals respectfully urge you to maintain it. While elements of the Driver Responsibility Program should be changed, the program on the whole should remain intact, and the funding that is intended for designated trauma centers should be fully appropriated.

Thank you for this opportunity to provide comments. Texas hospitals look forward to working with the committee and the Legislature to improve the Driver Responsibility Program and to maintain this important source of funding for the state's trauma safety net. Please contact the Texas Hospital Association or me if we can provide further information or assistance.