

EXECUTIVE DIRECTOR'S REPORT

JULY 20, 2009

Contracts

It is a requirement of our contracts with the state that the Board be advised of the signing of any contracts. Since our last meeting we have signed an amendment to the FY 09-10 county funds contract. It only affected the beginning date of the contract, changing it from May 1, 2009 to June 1, 2009. It was a clerical error on the part of DSHS.

Legislation

At the last meeting we discussed several pieces of legislation that had been filed that are related to hospitals and EMS providers. There are three prominent bills. **House Bill 959** would have provided a \$5,000.00 exemption from property taxes for volunteer EMS & fire personnel; it was left pending in committee. **House Bill 1509** would have exempted from sales tax and annual license registration for vehicles and trailers that are used by RACs exclusively for disaster response. It was voted out of the House committee in the Senate committee. **Senate Bill 896** initially would have repealed the Driver Responsibility Program that was created by House Bill 3588 six years ago and has provided millions of dollars to Trauma Centers, EMS providers and RACs. It was voted out of the Senate but was modified in the House committee to exempt certain people from paying the fees. It was left pending in the House committee. So there were no bills that affected trauma or EMS. However, the appropriation from the Driver Responsibility Program was raised from \$38 million to \$75 million per year. This will affect the uncompensated care fund for the hospitals, the county EMS fund and the RAC EMS fund. It is projected that the Driver Responsibility Program will generate approximately \$125 million so there will be \$50 million each year that will go to the "Black Hole", which currently has in excess of \$260 million that is dedicated to trauma care.

One bill that did pass was one that provided \$6 million to the University of Texas Health Science Center in Houston as reimbursement for losses due to Hurricane Ike. While that did not affect the distribution to the hospitals, county funds or RAC EMS it did come out of the "Black Hole." However, there is expected to be a challenge to this because medical schools were not named as beneficiaries of House Bill 3588 and it is feared that this may present a precedent that may affect future funding.