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TRAUMA CENTERS STILL SEEK CURE FOR FINANCIAL ILLS HOSPITALS HOPE LAWMAKERS WILL ADDRESS THE ISSUE DURING NEXT YEAR'S LEGISLATIVE SESSION

It's been almost two years since executives from Orlando Regional Medical Center stood before a battery of TV cameras and threatened to close the region's only Level 1 trauma center if taxpayers didn't help pay for the money-losing unit.

Today, ORMC still has a Level 1 trauma unit treating Central Florida's sickest or most seriously injured patients, and it's still operating at a loss. But while the hospital received \$2.3 million in stopgap funds from four counties, the unit still has no long-term source of financial support.

So why hasn't ORMC permanently shut down the unit? In addition to the public-safety and public-image issues that would generate, hospital executives say they are holding out hope that Florida lawmakers will provide money during the 2005 legislative session to help them cover a projected \$6 million loss for the trauma center during the current fiscal year, which began last month.

The same goes for officials at Halifax Medical Center in Daytona Beach, which threatened to close its Level 2 trauma unit last year. Halifax executives say their unit operated \$4.5 million in the red in fiscal 2003.

"Orlando Regional is still committed to keeping it [the trauma unit] open and finding a long-term solution because of its value to the community," said Paul Goldstein, vice president of finance for Orlando Regional Healthcare System Inc., which owns ORMC.

Goldstein would not say what steps ORMC would take if lawmakers don't approve some sort of financial arrangement.

But John Evans, a Halifax spokesman, said the Volusia County hospital can't continue to operate its money-losing trauma unit on its own.

"We'll either come out with some permanent solutions or we'll be in a first-class crisis," Evans said.

Level 1 units generally have more resources than Level 2 centers in terms of staff and equipment, and often treat patients with more serious injuries or illnesses than their Level 2 counterparts.

ORMC was the first to warn, in February 2003, that it would have to close its trauma center if the eight private neurosurgeons who staffed it followed through with plans to resign.

The neurosurgeons said they were tired of the unit's increasingly burdensome on-call schedule and their fast-rising premiums for medical-malpractice insurance. ORMC said it needed government funds to help it recruit more neurosurgeons.

Four counties in the trauma center's primary service area -- Orange, Osceola, Lake and Sumter -- agreed to contribute a combined \$3.2 million to keep the unit open. Only Seminole County refused to participate, saying the money should come from the state, not the counties.

Much of that money was used to boost the neurosurgeons' pay, a move that kept the group from resigning.

Tim Bullard, Orlando Regional's chief medical officer, said two of the original eight neurosurgeons no longer work at ORMC. But two more have signed on, he said.

ORMC has restructured the on-call schedules to account for the time that surgeons must spend at their private practices, he said. And a few of the surgeons are utilizing technologies that allow them to consult on cases without having to report to the trauma center, he said.

"From a physician standpoint, we are better off now than we were back then," Bullard said. "We do not have the physician crisis that we had at that point."

Goldstein said the counties ultimately contributed \$2.3 million under a formula based on the trauma center's actual losses. Although the counties' payments expired in September, ORMC decided to keep the unit open at least through the next legislative session, which begins in March.

Some critics of the counties' bailout noted that Orlando Regional, a large, nonprofit hospital chain, still generates healthy surpluses each year --including \$47 million in fiscal 2003 -- despite the trauma unit's losses. They say that argues against using taxpayers' money to help operate the center.

But Orlando Regional officials counter that the corporation's surpluses are needed to fund expansion projects so the chain can keep pace with the region's booming population.

At Halifax Medical Center, six trauma surgeons threatened to resign in the spring of 2003 because of rising medical-malpractice premiums. But when the Legislature capped the size of pain-and-suffering awards in malpractice cases against doctors and hospitals, those surgeons chose to stay.

Evans said Halifax has also given the surgeons slight pay increases.

"Mostly they put the concerns of the community ahead of their pocketbooks and concerns and decided to work with us," he said.

This year, the Legislature agreed as a stopgap measure to send a \$1 million check to each of the state's 21 trauma centers. But Gov. Jeb Bush vetoed the \$21 million appropriation, arguing that there was little proof that each trauma unit needed an equal amount of money.

Instead, Bush agreed to spend \$300,000 on another study of the trauma centers.

This study -- conducted by physicians and researchers at Shands Healthcare, a Gainesville-based hospital company affiliated with the University of Florida, and the University of South Florida, which is affiliated with Tampa General Hospital -- is to be presented to lawmakers by Feb. 1.

Dr. Joseph Tepas, a pediatric surgeon at Shands Jacksonville Medical Center and one of those involved in the study, said researchers hope to prove there is a need for another five to 10 trauma centers, to plug holes in the statewide network.

Currently, large areas of the state do not have easy access to a trauma center, particularly in the Panhandle and the northern part of the state, said Tepas, who oversees Shands' trauma programs in Jacksonville and Melbourne.

Building more trauma centers would take some of the pressure off existing units, he said, which would help lower their costs and allow them to invest in staff and technology.

The study will also look at potential ways to allocate state funds to individual trauma units based on such measures as number of patients, financial stability and the severity of cases treated, Tepas said.

The Florida Department of Health issued a similar report in 2000 that outlined plans for securing state funds for the trauma system, for opening trauma units in underserved parts of the state, and for coordinating the "planning, operation and evaluation of the state trauma system."

The department promised to meet those goals by December 2005, but little progress has been made.

Tepas concedes that the upcoming report could have little effect on lawmakers or regulators: "We are, to some degree, reinventing the wheel again." But there is more urgency now, he noted, because of the financial problems at ORMC, Halifax and a few other trauma centers.

He argues that funds for trauma centers have been ignored on the federal and state levels because of a misperception by the public of the units' purpose.

"There is a perception that trauma is gunshot wounds and drug deals gone bad, so there's no money for it," Tepas said. "So instead hospitals say, 'We'll be a heart center or cancer center or stroke center,' because there's money in the pipeline for those things."

Tepas said that 82 percent of the patients treated in Shands Jacksonville's trauma unit are victims of motor-vehicle accidents -- a figure that holds true for most of the state's trauma centers.

That statistic led Rep. Andy Gardiner, R-Orlando, to introduce a bill in 2003 and 2004 that would increase the fines for drivers who run red lights, then use a portion of the fees to fund Florida's trauma network.

The bill, which failed to gain legislative approval either time, would raise the fine from \$65 to \$125 and would direct roughly half of the penalty income to a state fund for trauma centers.

Gardiner said the bill will be reintroduced during the 2005 session. He said a solution to the financial difficulties faced by ORMC and other trauma centers "is definitely on the radar screen" of many lawmakers.

"We have to have a sustainable funding formula, so that we don't have to come hat in hand every year," Gardiner said.