

Protecting Hospital Funding in the State Budget

The state budget is the one bill Texas lawmakers must pass. A critical piece of that bill is hospital funding, which is vital to providing all Texans with the highest quality health care.

Budget development always is a challenge; this session is no exception as revenue projections are significantly lower than years past. In addition, this legislative session, lawmakers have the added complexity of creating a budget that ties a portion of hospital funding to a revenue-generating traffic fines and penalties program that is the subject of repeal efforts.

The Texas Hospital Association supports:



Maintaining payments to offset some of the costs of providing uncompensated trauma care; **and** enhanced Medicaid payments for trauma, safety-net and rural hospitals.



Protecting the funds in “Account 5111,” which make up all uncompensated trauma care payments and much of the additional Medicaid payments.

Critical Hospital Funding Needed in State Budget (2018-19)

\$29 million

Uncompensated trauma care payments for trauma-designated hospitals

\$153 million

Additional Medicaid payments for trauma-designated hospitals

\$25 million

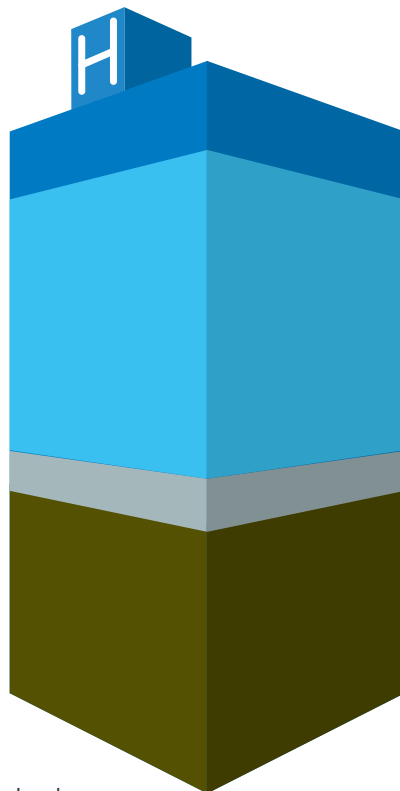
Additional Medicaid payments for rural hospitals

\$129 million

Additional Medicaid payments for safety-net hospitals

\$336 million total

(State general revenue and other funds from Account 5111)



Uncompensated Trauma Care Payments:

- Offset some of Texas trauma hospitals’ more than \$300 million in annual trauma care costs that are not covered by third-party insurance.
- Help hospitals continue providing specialized, life-saving care to more than 130,000 Texans annually.
- Ensure trauma hospitals can meet the needs of a rapidly growing state.
- Help hospitals provide trauma care quickly, no matter where a victim is in the state.

Additional Hospital Medicaid Payments:

- Protect the health care safety-net for Medicaid and low-income populations.
- Protect access to care for all Texans.
- Reduce hospitals’ reliance on supplemental payments.
- Provide critical stability for Texas hospitals at a time when the future of Medicaid financing is uncertain.
- Without rate enhancements, Medicaid reimbursement would cover an even smaller percentage of the cost of inpatient care (currently, reimbursement covers, on average, 58 percent of the costs of inpatient care for Medicaid enrollees).

For more information, visit:
www.tha.org/StateBudget