



# Wyoming Healthcare Commission

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Dec. 8, 2004

Wyoming Governor Dave Freudenthal  
Wyoming Legislature

## **Re: Recommendations to 2005 Legislature**

Dear Governor Freudenthal and Wyoming Legislators,

On Dec. 7, the Wyoming Healthcare Commission met to consider several recommendations for your consideration during the 2005 legislative session. These recommendations come from subcommittees of the Commission that have been working on specific issues related to the healthcare delivery system in Wyoming, and specifically its cost and accessibility. Those recommendations are as follows:

### **Unreimbursed Trauma Care:**

On Oct. 28, 2004, the Wyoming Healthcare Commission received a report from Navigant Consulting, "Unreimbursed Catastrophic and Trauma Care," that found unreimbursed trauma care costs statewide totaled approximately \$5.4 million in SFY 2004.

Navigant's study indicated, however, that Wyoming hospitals have not consistently reported trauma care cases in the State's Trauma Registry. Therefore, the number of trauma care cases may be significantly understated. Assuming that only one-fourth of the total trauma care discharges have been recorded in the State's Trauma Registry, Navigant projects that unreimbursed SFY 2004 trauma care costs could be as much as \$21.6 million.

After a 30-day public comment period on the Navigant "Unreimbursed Catastrophic and Trauma Care" report, the Commission developed and approved in early December recommendations intended to relieve the uncompensated trauma care burden on Wyoming hospitals.

### **Recommendation 1:**

The Wyoming Healthcare Commission recommends that the Wyoming State Legislature pass

legislation allowing for implementation of a \$5.4 million trauma care pool for Wyoming residents to pay the **costs** of all inpatient trauma care diagnosis coded hospital discharges for individuals after a threshold amount of \$10,000. The State should limit eligibility to individuals below 250 percent of the federal poverty level. An additional \$150,000 should be set aside for administration of the fund by the Wyoming Department of Health Emergency Medical Services Trauma Office. The hospitals receiving monies from the fund must fully comply with the reporting requirements of the Trauma Registry to receive reimbursement, and must agree to be audited for compliance with Trauma Registry reporting requirements.

The Wyoming Healthcare Commission makes this recommendation with the caveat that this is a short-term, interim solution that will continue a system within which hospitals do not have the ability to recover these uncompensated trauma care costs. A mechanism is needed for cost containment but until such time that said mechanism is enabled, this recommendation will stand.

**Recommendation 1(a):**

The Wyoming Healthcare Commission acknowledges that Recommendation 1 will do little if anything to alleviate the uncompensated trauma care burden borne by physicians, particularly trauma surgeons and other emergency responding physicians. The Commission recommends legislation be passed mandating the study of uncompensated trauma costs incurred by physicians in Wyoming and the emergency transportation providers delivering patients from accident sites to hospitals and from hospital to hospital.

**Recommendation 2:**

The Wyoming Healthcare Commission recommends that the state of Wyoming require all licensed drivers to provide proof of purchase of a minimum of \$50,000 in automobile medical coverage. The Commission recognizes that there are currently no medical coverage requirements in state statute, but there are liability requirements under W.S. 31-9-405 (b)(ii).

The Commission recognizes that consumer automobile coverage costs are likely to increase as a result of this recommendation, although it is believed the cost of coverage is inexpensive relative to the cost shifting to private health insurers resulting from uncompensated care.

**Recommendation 3:**

The Wyoming Healthcare Commission recommends amending state statute to require health and property and casualty insurers to cover injuries and/or automobile accidents involving intoxicants. This will require amendment of W.S. 26-18-126 and new legislation prohibiting insurers from making any exclusion for intoxicants.

The Wyoming Healthcare Commission recognizes that the Insurance Department and Insurance Commissioner have the authority to regulate only a portion of the insurance industry; self-funded insurance plans are exempt and will still be able to make intoxicant exclusions without penalty.

**Closed claims statute:**

The Wyoming Healthcare Commission recommends that the Wyoming Insurance Department be required to monitor and maintain records of all jury verdicts and settlements of cases and claims

relating to the liability of a practitioner licensed to practice medicine for a breach of professional duty toward a patient, including, without limitation, the amount of each jury verdict or settlement, and for each case or claim the defendants' and plaintiffs' attorneys' costs.

The goal of the Commission's recommendation is to provide policymakers with information in the future that details the complete cost of a medical malpractice claim, not only from the perspective of physicians (defense costs) but also from the injured patient (plaintiffs' costs). It is important to compile data that would allow the state to determine how productive/efficient the current tort system is. Currently only four states have closed claim statutes and the Commission prefers Nevada's as a model from which Wyoming's can be drafted. The Commission acknowledges the frustration experienced by policymakers able to capture only aggregate insurance data from the Insurance Commissioner under current reporting requirements.

### **Healthy Living, Healthy Learning:**

- Add all willing Wyoming school districts and communities to the Department of Education's *Wyoming Healthy Living, Healthy Learning Program*. Nineteen districts in Wyoming applied for Department of Education funding to pilot the program in 2004. Six pilots were funded. We ask the Legislature provide all districts wishing to participate with \$65,000 per year to cover the cost of a school health coordinator, and that the DOE be funded with an additional \$90,000 per year for program evaluation and professional development. We also recommend the program funding be extended for 12-13 years to effect a generational change and documentation of results.
- Increase funding for the tobacco prevention and control program to the CDC recommended minimum level. In 1999, the CDC minimum level was \$15.39 per capita or \$7.6 million per year based upon the 2000 census. This recommended level of funding complemented with an updated strategic plan, work plan, budget and rollout to implement a **COMPREHENSIVE** tobacco control program in all of the counties and communities in Wyoming should be developed and deployed, so that a critical mass of effort is undertaken to "turn the curve" and decrease tobacco use rates.
- Ask the Wyoming Department of Health to change the name of Substance Abuse Division to the Division of Addictive Diseases, which better defines the basic physiological basis for these problems.

### **Methamphetamine production abatement:**

The Wyoming Healthcare Commission asks that the Wyoming Legislature support the work being done by policymakers and health and law enforcement officials in the state to curtail the making and distribution of methamphetamines.

Respectfully submitted,

T. Chris Muirhead  
Chairman