

The Texas Driver Responsibility Program

Compliance, Collections, and Hospital Funding
in the First Five Years (2003-2008)

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TDRP Study Overview

- Phase I:
 - Evaluate program implementation (2003-2005)
 - Compare driver compliance and collections with the New Jersey Program
 - Quantify the initial impact of funding for uncompensated trauma care on Texas trauma hospitals
- Phase II:
 - Update data on compliance, collections and trauma funding in 2006-2008

Methods & Materials

- Descriptive analysis and synthesis of publicly available data
 - Texas State Auditor's report on the TDRP
 - Fee payment compliance and revenue collection data (TXDPS)
 - Published information on the TDRP development and implementation
 - Published data on the New Jersey insurance surcharge program
 - Revenue distributions to trauma hospitals (TX DSHS)
 - Number and designation level of trauma hospitals (TX DSHS)

Driver Responsibility Program

- Enacted in September 2003
- Transportation Code – Chapter 708
- Driver Point System for moving violations
 - 2 points for moving violation (3 if resulting in accident)
 - Drivers with ≥ 6 points paid \$100 plus \$25 for each additional point
- License surcharges for no DL (\$100), invalid DL (\$250), no insurance (\$250), and DWI convictions
- State Traffic Fee of \$30 on all offenses of the Traffic Code, Subtitle C
- Initially expected to generate \$322M/yr (total)

TDRP DWI Surcharges

- 1st offense - \$1,000/year for 3 years
- 2nd and subsequent offense - \$1,500/year for 3 years
- High BAC offense (≥ 0.16) - \$2,000/year for 3 years

New Jersey Driver Point System

- Enacted in 1984
- Driver point system and insurance surcharges
- Credited with reducing total MVC crash rates by 25%
- Revenue generated - \$10.3M/mo (2005)
- *Our surcharge is not a remedial program; it's a revenue-gathering program. Safer roads may be a byproduct but that's not what our program is out to do.* -- David Weinstein, NJMVC

TDRP Surcharge Assessments, Collections and Compliance

TDRP Surcharge Collections and Compliance (Projected versus Actual)

Impact Category	TDRP – Projected for 27 months ^a	TDRP – Actual 9/2003-12/2005 ^b
Surcharge cases	1,230,750	870,789
Fees billed	---	\$281,726,666
Fees collected	\$525,375,000	\$59,595,513
Proportion of assessed fees collected	---	21%
Proportion of offenders in compliance	66%	28%

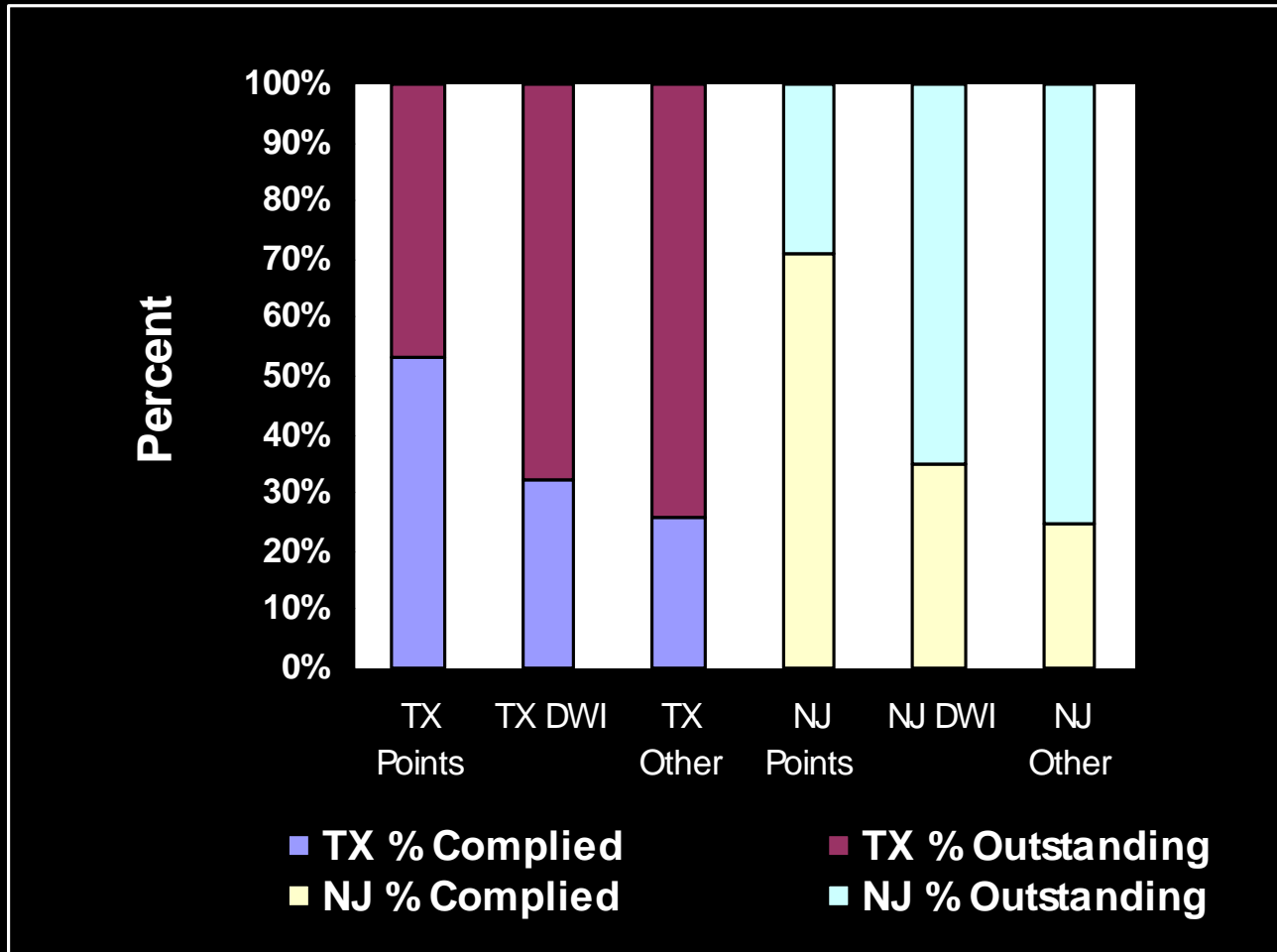
Sources codes: ^a From HB3588 Fiscal Note, 2003; ^b From TXDPS report, 2006. --- indicates data were not available.

TDRP vs. New Jersey ISP (2003-2005)

Impact Category	TDRP ^a	New Jersey Program ^b
Fees billed	\$10,434,321/mo	\$11,357,075/mo
Fees collected	\$2,207,241/mo	\$10,321,935/mo
Proportion of assessed fees collected	21%	91%
Proportion of offenders in compliance	28%	36%

Source codes: ^a From TXDPS report, 2006; ^b From Voorhees & Bloustein, 2006.

TDRP and New Jersey IS Fee Compliance Rates

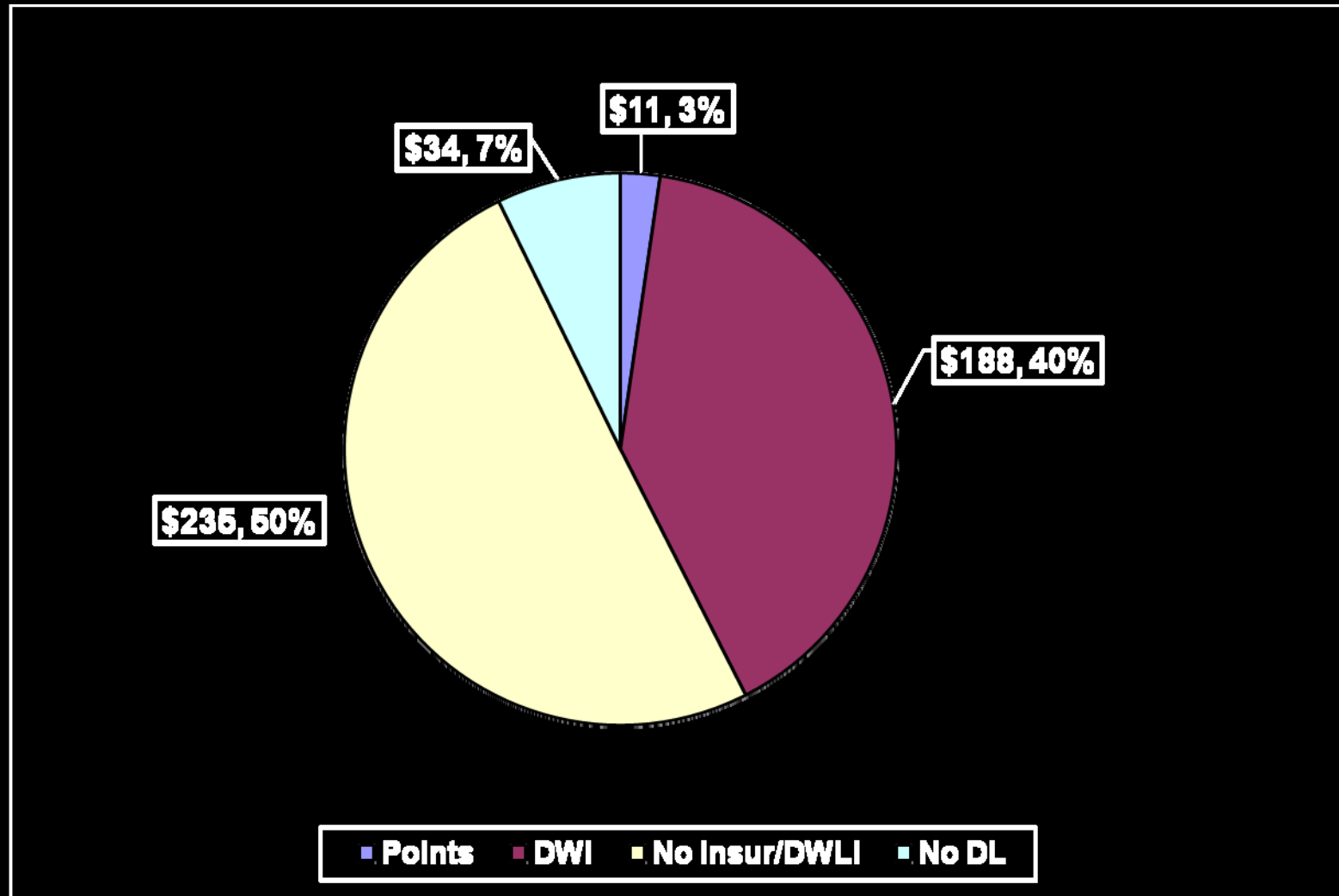


Sources: TXDPS, 2006b; Voorhees & Bloustein, 2006

TDRP Modifications

- September 2007 – drivers who defaulted on an installment plan were allowed to re-enter the installment program
- June 2008 – drivers began receiving notices advising them of the installment plan re-entry option
- Fall 2008 – DPS began calling drivers with overdue payments
- Fall 2008 – SB1723 created Amnesty, Incentive and Indigency programs to allow compliant drivers to pay less
- Currently DPS is researching indigency program options

TDPR Fees Collected (in millions) 2003 – 2008



Collections and Compliance Rates 2003 – 2008

Offense	Collections	% Compliant
Points Program	\$10.8 M	69%
No Insurance	\$235 M	38%
DWI	\$188 M	37%
No DL/invalid DL	\$34 M	27%
Total	\$468 M	37%

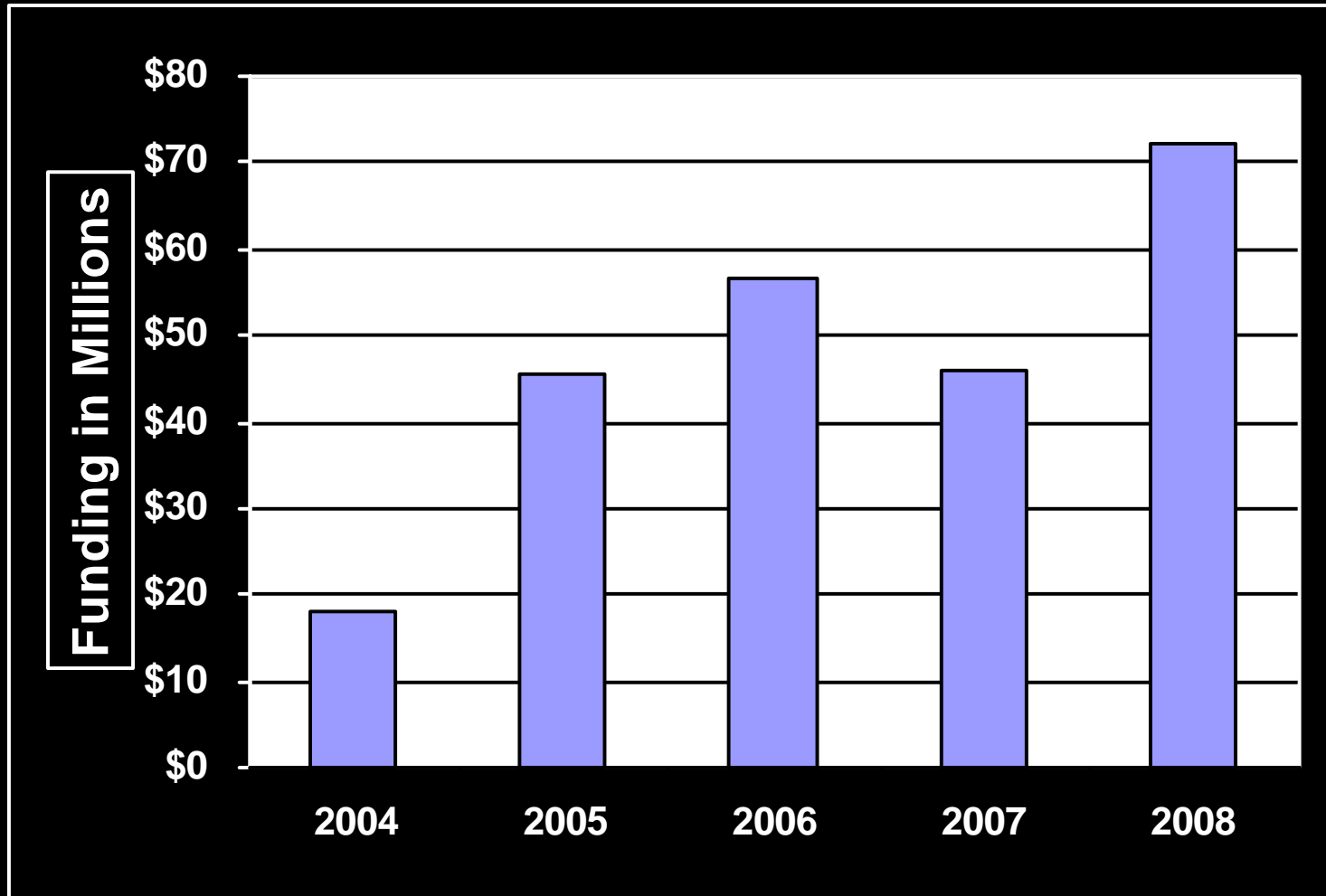
Total Fines and Collections 2003 - 2008

- \$1.27 billion in fines assessed
- \$468 million collected
- \$802 million in unpaid fines
- 54.9% of surcharges billed led to license suspension for non-compliance (TX LBB Report, 2007)

TDRP Fee Revenue Distribution

- 49.5% to Department of State Health Services to fund a portion of uncompensated trauma care provided at hospitals
- 49.5% to Texas Mobility Fund or General Revenue Fund
- 1% to Texas Department of Public Safety for program administration

TXDRP Revenue Distributed to Hospitals, 2004-2008



Source: Texas Department of State Health Services, 2008

Total = \$239,123,060

Uncompensated Trauma Care Disbursement Methodology

- 15% of the funds are divided equally among eligible applicants (designated hospitals or those in pursuit of designation)
- 85% are distributed based on the % of uncompensated trauma care each hospital provided (in relation to the total uncompensated care provided by all hospitals)
- Previous CY uncompensated trauma care charges reported by eligible hospitals on *Uncompensated Trauma Care Fund Applications* were used in the funding formula

Selected Hospital Disbursements (2003-2008)

Hospital	Level	Funding
Ben Taub General (Houston)	I	\$24,622,364
Parkland (Dallas)	I	\$24,805,226
University (San Antonio)	I	\$14,570,712
UTMB (Galveston)	I	\$6,707,767
Brackenridge (Austin)	II	\$7,497,657
Laredo Medical Center	III	\$1,672,855
College Station Medical Ctr	IV	\$202,477

Texas Designated Trauma Facilities 2003 vs. 2008

August 31, 2003	September 2003	July 1, 2008 (with % increase)
12 Level I	HB 3588 went into effect	13 Level I (8%)
9 Level II		10 Level II (11%)
36 Level III		40 Level III (11%)
131 Level VI		184 Level IV (40%)
188 Total		247 Total (31%)
133 Counties		164 Counties (23%)

Source: DSHS, 2008

Conclusions

- TDRP Collections have been lower than predicted
- Offender surcharge payment compliance rates have been lower than predicted
- Unintended consequence of offenders not renewing their licenses appears likely
- TDRP trauma funding is associated with a 31% increase in designated trauma facilities

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Questions

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