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Delaware Healthcare Association

Brian W. Frazee
President & CEO

The Honorable Kimberly Williams
Chair
Joint Finance Committee
411 Legislative Ave
Dover, DE 19901

The Honorable Trey Paradee
Vice-Chair
Joint Finance Committee
411 Legislative Ave.
Dover, DE 19901

Dear Chair Williams and Vice-Chair Paradee,

On behalf of the Delaware Healthcare Association (DHA), which represents Delaware's hospitals, health systems, and related healthcare organizations, thank you for the opportunity to comment on the FY 2026 DHSS budget. DHA's 2025 advocacy priorities are strengthening Delaware's healthcare workforce, ensuring access to quality and affordable healthcare, and advancing health equity. These priorities are aimed at finding collaborative solutions to Delaware's biggest healthcare challenges. We respectfully request that the Joint Finance Committee and Governor Meyer ensure needed funding to address these healthcare challenges to enable every Delawarean to achieve optimal health. We want to work together to make the First State first in health.

With that in mind, DHA is deeply concerned about the potential for billions of dollars in federal cuts to Medicaid and other key healthcare funding, which would have a detrimental impact on Delawareans. Medicaid provides essential health benefits for over 200,000 low-income families, seniors, and disabled individuals in Delaware. Cuts could lead to fewer people covered, more delayed care, worsening conditions and more hospital visits. This may also mean lower or in some cases no reimbursement for healthcare providers, straining critical resources. Our nonprofit hospitals will continue to care for everyone that enters our doors 24/7/365, regardless of ability to pay. We are ready to be the backstop for harmful federal policies and it has never been more important that we work together to ensure continued health services and support for our all in our state.

Strengthening the healthcare workforce is top of mind for states around the country, but it is an urgent issue for the First State. Delaware's population is aging and growing rapidly — Delaware is the 6th oldest and 8th fastest growing state in the nation. These factors will continue to increase demands on the state's healthcare infrastructure. At the same time, Delaware faces a healthcare workforce shortage. The First State's hospitals are doing everything possible to recruit and retain doctors, nurses, and other providers. DHA is also working collaboratively on strategies to support today's workforce while also developing a future pipeline of healthcare professionals to meet Delaware's evolving care needs in the future.

- We respectfully request support for a **healthcare workforce scholarship** program to help more Delawareans access the education and training needed for a career in healthcare in the First State.



We also support incentives to encourage more of the current healthcare workforce to serve as preceptors, educating and training the next generation of our healthcare workforce.

A strong health care workforce is necessary to ensuring access to quality and affordable care, another DHA priority. Access to quality and affordable care is about making sure everyone in our state can get the care they need when they need it. Unfortunately, insurance company denials and payment delays can deter patients from seeking care, increase burnout for healthcare providers, and contribute to higher healthcare costs. One way to ensure access to needed care while also supporting our healthcare workforce is to support pre-authorization (also known as prior authorization) reform.

- We respectfully request support for **prior authorization reform** legislation this year that reduces the burden on healthcare providers and helps remove barriers that prevent patients from accessing needed care.

Finally, advancing health equity is about ensuring equitable access to care for all Delawareans. DHA recently launched a Health Equity Council to help inform the internal and external policies that will reduce healthcare disparities and promote health equity in Delaware. Some of these initiatives include providing health coverage to the most vulnerable populations without access to such coverage.

- We support extending health insurance coverage for the uninsured, underinsured and most vulnerable, including preventative coverage for prenatal care and dialysis care. Providing health coverage for prenatal care will help ensure babies can grow to be as healthy as possible, leading to cost savings well into the future. Similarly, providing coverage for regular outpatient dialysis, rather than only providing dialysis when the patient is experiencing a health emergency, is best for the patient and will achieve savings for the state. We request that the Joint Finance Committee prioritize these health equity initiatives that improve the health of our neighbors while also reducing unnecessary emergency department utilization, leading to lower health care costs.

DHA looks forward to working collaboratively with Governor Meyer and the Delaware General Assembly to strengthen the healthcare workforce, ensure access to quality and affordable care, and advance health equity to achieve a healthier Delaware.

Sincerely,

A handwritten signature in black ink that reads 'Brian Frazee'.

Brian Frazee
President & CEO
Delaware Healthcare Association