

March 21, 2024

The Honorable David P. Sokola Senate President Pro Tempore Delaware General Assembly 411 Legislative Ave. Dover, DE 19901 The Honorable Valerie Longhurst Speaker of the House of Representatives Delaware General Assembly 411 Legislative Ave. Dover, DE 19901

Nemours Children's Health Mark Marcantano President Delaware Valley Operations

Bayhealth
Terry Murphy,
President & CEO

Beebe Healthcare
David A. Tam,
MD, MBA,
President & CEO

ChristianaCare Janice E. Nevin, MD, MPH President & CEO

TidalHealth Nanticoke
Penny Short, MSM, BSN,
RN
President

Saint Francis Hospital James Woodward President & CEO Trinity Health Mid-Atlantic Region

Delaware Healthcare Association Brian W. Frazee President & CEO Dear Senate President Pro Tempore Sokola, House Speaker Longhurst, and Members of the Delaware General Assembly,

As Chairs of the Boards of Directors of our nonprofit community hospitals, we urge you to oppose legislation that would replace our role as local community leaders with a politically appointed board tasked with managing Delaware's hospitals. A Hospital Cost Review Board (H.B. 350) poses a grave threat to quality healthcare in the state.

The quality of Delaware's major hospital systems – ranked No. 3 in the nation in hospital quality by U.S. News and World Report – would be threatened by a state board of political appointees making major budget decisions that are currently made by our local community boards, those closest to the patients we serve.

In a rapidly growing and rapidly aging state, our residents' needs for access to health care and medical services will only continue to increase. As you are well aware, Delaware is already in the grips of a historic healthcare provider shortage. A risky plan to grab control of our health system's ability to recruit and retain skilled doctors and nurses is destined to worsen our workforce challenges.

Delaware hospitals serve as community safety nets by taking care of all patients who enter their doors, regardless of ability to pay. Their mission extends beyond hospital walls, providing access to care to the underserved and partnering with local nonprofits to provide for unmet social needs that improve public health. They're also the state's largest private-sector employer, pumping nearly \$8 billion into the state's economy in 2022.

We know all too well that medical costs are rising but singling out the industry patients most rely on is not the answer and will fail the needs of the public.

Solving the challenge of healthcare costs requires all the players - health insurers, pharmaceutical companies, government, providers, practitioners, labor and medical device firms - to develop an approach that puts patients and community health first.

Recently, we have proven our willingness to work collaboratively with policymakers to reach a historic agreement to tax Delaware hospitals so that the state could receive more than \$100 million in additional federal dollars to invest in health care priorities.

We urge you to oppose H.B. 350 as we believe it will threaten access to care, the provision of quality care, and innovation in health care for our citizens.

Thank you for your time and attention.

Sincerely,

Bayhealth

Gregory Moore, Board Chair

Beebe Healthcare

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Michael Meoli, Board Chair

<u>TidalHealth Nanticoke</u>

Maria Georg Lehman

Maria Lehman, Board Chair

Saint Francis Healthcare

Vince Gordon, Board Chair

ChristianaCare

Nick Marsini, Board Chair,

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Christiana Care Health System, Inc.

Lolita Lopez, Board Chair,

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Christiana Care Health Services, Inc.