

Brian Frazee

June 30, 2024

The Honorable Kerri Evelyn Harris Delaware General Assembly 411 Legislative Ave. Dover, DE 19901

The Honorable Sarah McBride Delaware General Assembly 411 Legislative Ave. Dover, DE 19901

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

President & CEO

ChristianaCare
Janice E. Nevin,
MD, MPH
President & CEO
DHA Board Vice Chair

Bayhealth
Terry Murphy
President & CEO
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TidalHealth Nanticoke
Penny Short, MSM, BSN,
RN
President

Saint Francis Hospital
James Woodward
President & CEO
Trinity Health MidAtlantic Region

Delaware Healthcare Association Brian W. Frazee President & CEO Dear Representative Harris and Senator McBride,

The Delaware Healthcare Association, representing Delaware's hospitals, health systems, and related healthcare organizations, is pleased to support House Substitute 1 for HB 383 with the inclusion of Senate Amendment 1.

Senate Amendment 1 updates HB 383 to prohibit discrimination by pharmacy benefits managers against 340B covered entities. The 340B program allows hospitals and other safety-net providers to reduce the price of outpatient pharmaceuticals for patients and expand health services to our communities. The program allows eligible hospitals that care for a large number of underserved patients to stretch scarce resources in providing care and support for low-income and uninsured individuals. Hospitals use 340B savings to help provide a range of services that benefit the underserved in Delaware, including charity care, free health screenings and vaccines, programs to address food insecurity, other social drivers of health, and more. Statewide, Delaware hospitals provide nearly \$1 billion annually in community benefit spending. This includes nearly \$776 million in the unpaid cost of patient care and more than \$202 million in programs and services that improve the health of our communities.

Thank you for the opportunity to share DHA's support for HS 1 for HB 383 with SA 1.

Sincerely,

Brian Frazee President & CEO

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Delaware Healthcare Association