



March 27, 2024

*Brian W. Frazee*  
President & CEO

The Honorable Valerie Longhurst  
Speaker of the House  
Delaware General Assembly  
411 Legislative Ave.  
Dover, DE 19904

The Honorable Bryan Townsend  
Senate Majority Leader  
Delaware General Assembly  
411 Legislative Ave.  
Dover, DE 19904

*Nemours Children's Health*  
Mark Marcantano, JD  
Regional President,  
Nemours Children's  
Delaware Valley

Dear Speaker Longhurst and Majority Leader Townsend,

The Delaware Healthcare Association, representing Delaware's hospitals, health systems, and related healthcare organizations, strongly opposes House Substitute 1 for House Bill 350.

*Bayhealth*  
Terry Murphy,  
President & CEO

House Substitute 1 for House Bill 350 as a risky plan that would harm patient care and fail to control healthcare costs in Delaware. Developing a plan to contain healthcare costs requires insurers, government, practitioners, labor, medical device and pharmaceutical companies to work together. To single out only the frontline institutions delivering high-quality health care every day will deteriorate the quality of care and access to care in our state.

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

This deterioration has played out in the very state HB 350 is modeled after. In Vermont, eleven of the fourteen hospitals operate in debt while having the nation's fifth highest healthcare costs. Vermont's quality of care has deteriorated over the years that this model has been in place. Delaware ranks third best in the nation for hospital quality whereas Vermont ranks 32nd, according to U.S. News and World Report.

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

Our hospitals are an \$8 billion economic engine delivering innovation and a high quality of life and care because decisions are made by community boards responding to community needs. If the decision-making of five political appointees is imposed upon hospitals and healthcare professionals, we risk meaningful harm to patients and communities.

*TidalHealth Nanticoke*  
Penny Short, MSM, BSN,  
RN  
President & CEO

Delaware's hospitals have proven they can work collaboratively with state leaders, recently reaching a historic agreement to tax hospitals so that the state receives more than \$100 million in additional federal dollars to invest in shared priorities such as behavioral health, workforce, access, and health equity.

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

We stand ready to work in collaboration with you and all the key stakeholders to address Delaware's healthcare challenges, but we are concerned that the approach taken in HS 1 for HB 350 would weaken the essential healthcare system that serves the citizens of Delaware.

*Delaware Healthcare Association*  
Brian W. Frazee  
President & CEO

Thank you for the opportunity to share DHA's concerns with HS 1 for HB 350. We respectfully request that you not advance this bill until we can work collaboratively on an approach to address healthcare costs that will not harm access to quality healthcare in our state and appreciate the conversations we have had recently to achieve that shared goal.

Sincerely,

A handwritten signature in black ink that reads "Brian Frazee". The signature is written in a cursive style with a large initial "B".

Brian Frazee  
President & CEO  
Delaware Healthcare Association