

2022 Annual Report

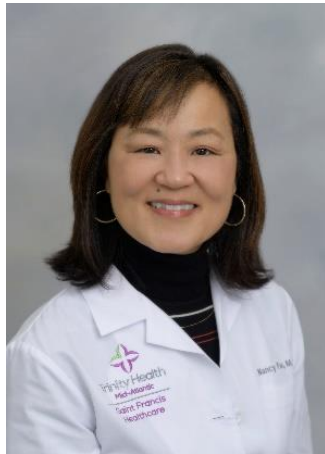
Department of Health and Social Services

Office of the Secretary
Delaware Health Care Commission



Table of Contents

Letter from the Chair – Nancy Fan, MD	3
Executive Summary	5
Delaware Health Care Commission	7
Delaware Health Care Commission Staff - 2022	9
Highlights of 2022	10
Delaware Health Care Commission Strategic Retreat	10
Health Workforce Subcommittee	11
CostAware	13
Delaware Health Care Commission Programs.....	14
Delaware Institute of Dental Education and Research (DIDER).....	14
Delaware Institute of Medical Education and Research (DIMER)	18
Health Care Spending and Quality Benchmarks Program	22
Primary Care Reform Collaborative (PCRC).....	27
Health Resources Board (HRB).....	31
Health Care Provider Loan Repayment Program (HCPLRP)	35
Delaware State Loan Repayment Program (SLRP).....	37
Delaware Health Insurance Individual Market Stabilization Reinsurance Program	37



*“If I cannot do great things, I can do small things in a great way.”
Martin Luther King, Jr*

As I write this introduction to the 2022 Annual report of the Delaware Health Care Commission, it is with mixed reflections on the last 3 years in the pandemic. March 11, 2023 marked the third anniversary of the declaration of the COVID-19 pandemic by the World Health Organization. The public health emergency measures created for the pandemic will be coming to an end and that is due in large part to an extraordinary collaboration of government, science and public health. Within the span of three years, the nation has been able to resume “normal” life, primarily because we were able to develop: highly effective vaccines to protect against a lethal virus; rapid testing to curb the extremely contagious nature of the virus; and medications to mitigate and shorten the illness span of infection. I count all of those achievements as great things. Here in Delaware, we continue to do small things in great ways. After all, we are the “Small Wonder” and I have been known to promote the concept that while Delaware is small, we are mighty.

“The DHCC strives to foster initiatives, design plans, and implement programs that promote equitable access to high-quality affordable care, improve outcomes for all Delawareans, and foster collaboration among the public and private sectors regarding health care.”

Because of the pandemic, the concept of equitable access requires access to be broader, more robust and more nuanced than pre-pandemic. The use of telehealth since 2020, has filled a widening gap of needed care access, whether it was to evaluate patients for COVID, assess the status of patients with chronic conditions, such as diabetes, or meet behavioral health needs. Now we realize that similar to the challenges for patients to make in person office visits due to lack of transportation, there are challenges to optimizing telehealth, whether due to lack of internet connectivity for patients, the cost of establishing and maintaining adequate virtual platforms for providers or ensuring adequate compensation for telehealth services. We have learned that building health policy to meet these challenges do not just include supporting expansion of innovative telemedicine, such as remote monitoring with medical devices and applications for smart devices, but also through non-medical measures, such as expanding the availability of broadband services and supporting caregivers who give up time and work, to help others make those in person office visits or medical procedures. One of the unfortunate long term negative effects of the pandemic is the worsening crisis in health care workforce. The pandemic has only exacerbated the attrition rate for all health care workers, including physicians, nurses, and hospital medical and non-medical staff. Developing and supporting initiatives which replace the health care workforce to ensure a sustainable and robust health care delivery system in Delaware is a priority for the DHCC Workforce Committee. With the successful implementation of the Health Care Provider Loan Repayment Program, DHCC works to provide a tool for recruitment and retention of health care providers, at the professional

level. However, we also learned there are more needs which may be met through this program, and hope to revise a broader, more inclusive program to reflect this need.

How to achieve “high quality, affordable care”? Data from the three years of the pandemic will always be marked with an asterisk* but it is essential for policy development. The Benchmarking program continues to analyze the forces that drive our total cost of health care spending and what drives Delaware into the “not affordable” as one of the most expensive states in the nation, for health care spending. The Reinsurance program provides health insurance carriers with an alternative so that coverage may be provided to larger populations without increasing their premium cost. The Cost Aware program provides transparency regarding what medical services costs and encourages patients and providers to be more aware, literally, of these costs. And of course, the Primary Care Reform Collaborative supports changes which promotes primary care as the crux to a health care delivery system, so that high quality affordable care is achievable.

Finally, progress can come from change. The passing of Sherman Townsend and the loss of the long-standing Chair for DIMER was saddening. However, I know he would have supported the leadership change that is necessary and possible use this as an opportunity to reflect on the composition, mission, and goals of DIMER. Change may be necessary but with the goal that DIMER could continue to successfully meet the needs of Delaware students for a medical education in the 21st century.

The consequences of the pandemic, both positive and negative, will continue to cast a long shadow in the delivery of health care for years to come. How the nation responded to the initial acute crisis of the pandemic and how it continues to learn and respond to the long-term problems of the pandemic, may result in both great things and small things in a great way.

Executive Summary

In 2022, the commissioners updated the Delaware Health Care Commission (DHCC) mission statement to incorporate diversity, equity and inclusion. The new statement:

The DHCC strives to foster initiatives, design plans, and implement programs that promote equitable access to high-quality affordable care, improve outcomes for all Delawareans, and foster collaboration among the public and private sectors regarding health care.

Roles, Responsibilities and/or Goals:

- Collaborate with other state agencies, instrumentalities, and private sector
- Convene diverse stakeholders
- Initiate pilots
- Analyze the impact of previous and current initiatives, especially on diverse and underserved populations
- Recommend policy changes to support improving equitable access to high-quality, affordable care

Highlights of Calendar Year 2022

- On May 5, 2022, the Department of Health and Social Services (DHSS) and DHCC released Delaware's second annual [Quality and Spending Data Trend Report¹](#). This Report summarizes the spending and quality data collected from all payers who voluntarily participated in the benchmark data collection process.
- The **Health Resources Board (HRB)** approved seven Certificate of Public Review applications for an estimated capital expenditure total of \$106,206,000.00.
- The **Delaware Institute of Medical Education and Research (DIMER)** welcomed 36 first year medical students for the incoming class of 2022 with DIMER's medical education partners again exceeding their contractual commitments. Sidney Kimmel Medical College (SKMC) welcomed 23 students, while 13 students matriculated to Philadelphia College of Osteopathic Medicine (PCOM). The graduating class of 2022 provided 38 newly graduated physicians looking forward to residency training. For those Delaware medical students who graduated from SKMC and PCOM in 2022, 53% went into a primary care specialty training.
- The **Delaware Institute of Dental Education and Research (DIDER)** academic year 2021 – 2022 (starting July 1, 2021, and ending June 30, 2022), Temple received 20 applications from Delaware student (10 students accepted and 4 enrolled).
- In 2021, the **State Loan Repayment Program** received 22 applications.
- The Commissioners convened a **Strategic Retreat** on November 4, 2022, to reach an agreement on the priorities of the DHCC for the 2023 calendar year. This was the

¹ <https://dhss.delaware.gov/dhss/dhcc/files/benchmarktrendreport2020.pdf>

DHCC's fifth consecutive Annual Strategic Retreat, a tradition brought back by DHCC Chair, Dr. Nancy Fan.

- In collaboration with other public health stakeholders, the **Health Workforce Subcommittee** supported the "State of the Healthcare Workforce in Delaware: Action and Opportunity" [report and website](#)² which launched in 2022.
- DHSS/DHCC administered the third year of the **Delaware Health Insurance Individual Market Stabilization Reinsurance Program & Fund**. The State Reinsurance Program's (SRP) premium stabilizing effects, coupled with federal premium tax credit enhancements and increased marketing spend, has resulted in a vibrant individual market as Marketplace enrollment has increased by 53% from 2019 to 34,000 in 2023. Further meeting its promise, the SRP set a favorable environment for issuer participation, and in 2023, two new market entrants will compete on the Marketplace.

This report will delve deeper into the DHCC programs and initiatives.

² <https://dehealthforce.org/>

Delaware Health Care Commission

DHCC Board Activity for Calendar Year 2022

The DHCC conducted 9 board meetings and a Strategic Retreat.

- | | |
|---------------------|-----------------------------|
| ○ February 3, 2022 | Virtual Board Meeting |
| ○ March 3, 2022 | Virtual Board Meeting |
| ○ April 7, 2022 | Virtual Board Meeting |
| ○ May 5, 2022 | Virtual Board Meeting |
| ○ June 2, 2022 | Virtual Board Meeting |
| ○ July 7, 2022 | Virtual Board Meeting |
| ○ September 1, 2022 | Virtual Board Meeting |
| ○ October 6, 2022 | Virtual Board Meeting |
| ○ November 4, 2022 | In-person Strategic Retreat |
| ○ December 1, 2022 | Virtual Board Meeting |

Board Composition

Delaware Code, Title 16, Chapter 99, § 9902 states the Commission shall consist of 11 members, 5 of whom shall be appointed by the Governor, 1 of whom shall be appointed by the President Pro Tempore of the State Senate and 1 of whom shall be appointed by the Speaker of the House of Representatives. Of the 5 members appointed by the Governor, at least 1 member shall be a resident of each county. The Insurance Commissioner, the Secretary of Finance, the Secretary of Health and Social Services, and the Secretary of Services for Children, Youth and Their Families or their designees shall serve as ex officio members of the Commission.

2022 Health Care Commission Board Members

Nancy Fan, MD

Chairperson
Governor

Richard Geisenberger, MGA

Cabinet Secretary, Department of Finance
Ex Officio

Molly K. Magarik, MS

Cabinet Secretary, Department of Health
and Social Services
Ex Officio

Richard Margolis, MD

Cabinet Secretary Designee, Department of
Services for Children, Youth and Their
Families
Ex Officio

Trinidad Navarro

Insurance Commissioner, Department of
Insurance
Ex Officio

Theodore W. Becker

Governor

Roger Harrison, PhD
Governor

Jan Lee, MD
Governor

Nicholas A. Moriello, R.H.U.
Governor

Richard Heffron, Esq
President Pro Tempore of the State Senate

Melissa Jones, R.D.H.
Speaker of the House of Representatives

Delaware Health Care Commission Staff - 2022

Elisabeth Massa

Executive Director

- Primary liaison between the Commission and other key public, private partners on health policy matters, including health care workforce, health care access, quality, and cost initiatives
- Provide oversight of all DHSS/DHCC initiatives and programs

Stephanie Hartos

Public Health Administrator I

- Program manager for Benchmark, Primary Care Reform Collaborative, and special initiatives.
- Provide DHCC management support in absence of the Executive Director and/or if requested

Latoya Wright

Manager of Statistics and Research

- Program manager for Health Resources Board (including epidemiological services for nursing home and assisted living)
- DHCC chief financial officer providing oversight of fiscal operations and auditing

Eschalla Clarke (resigned June 2022)

Colleen Cunningham (effective November 2022)

Social Services Senior Administrator

- Program manager for health care workforce development and education initiatives – SLRP, HCPLRP, DIMER, DIDER, and Health Workforce Subcommittee

Tynietta Congo-Wright

Administrative Specialist III

- Provide administrative support for variety of operational areas for the DHCC

Highlights of 2022

Delaware Health Care Commission Strategic Retreat

The DHCC held an in-person Strategic Retreat on November 4, 2022, at the Hilton Wilmington Christiana hotel in Newark. This was the DHCC's fifth consecutive Annual Strategic Retreat, a tradition brought back by DHCC Chair, Dr. Nancy Fan.

The purpose of the Retreat was for the commissioners to reach an agreement on the priorities of the DHCC for Calendar Year 2023, create an action plan, and achieve the following objectives:

1. Discuss critical issues and reach agreement on DHCC role and action plan.
2. Discuss and reach agreement on ways to advance DHCC programs and initiatives.
3. Discuss and reach agreement on strategic direction and focus for the coming year.

The theme for the 2022 Retreat was "Resetting and Transforming Health Care in Delaware," which emphasized the role commissioners play in recommending policy changes that transform the health care system, so it is more accessible and health outcomes are improved. Dr. Devona Williams, with Goeins-Williams Associates, Inc., served as the meeting facilitator.

At the meeting, the commissioners discussed two critical issues: diversity, equity, and inclusion in health care policy and workforce, and agreed their focus for 2023 should continue to prioritize these areas. A summary of the meeting is available on the [DHCC website](https://dhcc.delaware.gov/dhcc/files/minutes110422.pdf)³.

³ <https://dhss.delaware.gov/dhss/dhcc/files/minutes110422.pdf>

Health Workforce Subcommittee

Background

The Health Workforce Subcommittee, chaired by Commissioners Nick Moriello and Secretary Rick Geisenberger, was created in December 2020 to assess and address Delaware’s health care workforce deficiencies. In the Subcommittee’s first year, stakeholders from across Delaware were invited to share their challenges in developing and sustaining the workforce in several health care fields including geriatrics, Alzheimer’s, child psychiatry, substance abuse, and mental health. These discussions revealed a desire to understand the data and motivational drivers for Delaware’s health care workforce.

Discussions with community partners identified a need for understanding the health workforce bandwidth in Delaware, shortages in primary care disciplines and other specialties, developing a predictive model for workforce development, and providing Delaware with scientific data to keenly address workforce needs. As a result, in November 2021, the DHCC contracted with the Delaware Academy of Medicine / Delaware Public Health Association to develop a database, Delaware Health Force, to document the distribution of health professionals in Delaware.

Timothy Gibbs, Executive Director for Delaware Academy of Medicine / Delaware Public Health Association, worked closely with DHCC staff and the Subcommittee co-chairs throughout 2022 on the Health Force Initiative. Delaware Health Force uses the web platform, Salesforce, as a way to store, present, and analyze data. Salesforce aggregates data to allow the user to create reports, which touch live data and can create a variety of dashboards. These dashboards have downloadable graphics that allows users to grab the graphic and insert it into their own PowerPoint or report, allowing the data to be exported and used in various capacities.

The Delaware Health Force database is currently being used to monitor the distribution of licensed health professionals throughout the state. This includes data on registered nurses, physicians, LPNs, pharmacists, social workers, dental hygienists, and a variety of other provider types. This data will be used throughout the state to spur conversations surrounding Delaware’s health workforce and can also be used to drive legislation and recommendations for future health care provider recruitment programs. “State of the Healthcare Workforce in Delaware: Action and Opportunity” [report and website](#)⁴ launched in 2022.

Health Workforce Subcommittee Activity for Calendar Year 2022

The Subcommittee convened 4 meetings:

- | | |
|---------------------|-----------------|
| ○ February 17, 2022 | Virtual Meeting |
| ○ April 20, 2022 | Virtual Meeting |
| ○ June 15, 2022 | Virtual Meeting |
| ○ August 17, 2022 | Virtual Meeting |

⁴ <https://dehealthforce.org/>

2022 Health Workforce Subcommittee Members

Nicholas Moriello, R.H.U., co-Chair

Highmark Inc.,
Blue Cross Blue Shield Delaware

Geoffrey Christ, JD

Division of Professional Regulations

Timothy E. Gibbs, MPH

Delaware Academy of Medicine &
Delaware Public Health Association

Cheryl Heiks

Delaware Health Care Facilities
Association

Elisabeth Massa, MA

Delaware Health Care Commission

Maggie Norris-Bent, MPA

Westside Family Healthcare

Gwendolyn Scott-Jones, PhD

Delaware State University

Mark Thompson, MHSA

Medical Society of Delaware

Richard Geisenberger, MGA, co-Chair

Department of Finance

Katherine Collison, MPA

Division of Public Health, Bureau of
Health Planning and Resources

Stephanie Hartos, MPH

Delaware Health Care Commission

Melissa Jones, RDH

The Dental Group

Kathleen Matt, PhD

University of Delaware

Michael J. Quaranta

Delaware Chamber of Commerce

Wayne Smith, MPA, MGA

Delaware Healthcare Association

CostAware

Background

In early 2020, DHSS and DHCC began working with the Delaware Health Information Network (DHIN) to develop and implement various health care cost and quality analyses. These analyses leverage data in the Delaware Health Care Claims Database (HCCD), managed by DHIN, and will be used by DHSS to inform and support a variety of policy initiatives. The goals of the project include expanding the claims database analysis, measurement and reporting capabilities to increase transparency, highlighting variation in health care system performance, adding to consumers' knowledge base, and identifying opportunities to improve quality and reduce costs for Delaware residents. The project also complements existing initiatives, including the Delaware Health Care Spending and Quality Benchmarks, the Office of Value-Based Health Care Delivery, and the Primary Care Reform Collaborative. Results of the analyses are summarized in reports and made available through a public-facing, consumer-friendly [website](#)⁵ which launched in the spring of 2022.

CostAware provides average cost and utilization information for specific medical procedures (office visits, lab tests) and common episodes of care (vaginal and cesarean births, knee and hip replacements and more). In addition to cost and utilization data, the website also includes quality measures published by the Centers for Medicare and Medicaid Services (CMS) as part of its Hospital Compare and Medicare Shared Savings Program initiatives. CostAware users can see the average costs for medical services and episodes of care and variation by unnamed Hospital Systems or Accountable Care Organizations (ACOs). Information on utilization and quality is integrated into the interactive website views as well.

Calendar Year 2022 Activities and Accomplishments

- The initial version of CostAware, launched on April 7, 2022, compared hospital costs for several common episodes of care at six unnamed hospital systems: cardiac procedures, C-section birth, emergency department visits, knee and hip replacement, and vaginal delivery. The costs across five accountable care organizations (ACOs) are also compared for seven common services: blood count, colonoscopy, doctor visits, hemoglobin A1c, head CT, lumbar spine MRI and screening mammography.
- Following the April 2022 launch of CostAware, DHSS/DHCC held stakeholder engagement meetings with representatives from Delaware hospitals to solicit feedback on the methods used to generate the reported measures and discuss the enhancements described above. Modifications made in response to feedback received from the Delaware Healthcare Association and representatives of Delaware hospitals.

⁵ <https://costaware.dhss.delaware.gov/>

Delaware Health Care Commission Programs

Delaware Institute of Dental Education and Research (DIDER)

Background

The Delaware General Assembly created the Delaware Institute of Dental Education and Research (DIDER) in 1981. In 2001, administration and operation of DIDER transferred from the Office of Management and Budget to the DHCC, and the total members on the board of directors expanded to ten public/private representatives statewide.

DIDER Board Activity for Calendar Year 2022

DIDER conducted three board meetings during 2022:

- | | | |
|--------------------|---------------|-----------------|
| ○ January 12, 2022 | Board Meeting | Virtual Meeting |
| ○ April 13, 2022 | Board Meeting | Virtual Meeting |
| ○ October 5, 2022 | Board Meeting | Virtual Meeting |

DIDER also participated in several DHCC meetings to provide quarterly updates on activities. The DIDER board approved a Dental Aptitude Prep Scholarship Program that will be modeled after the MCAT Program that is funded by the Star Group. DIDER is requesting \$10,000.00 from the Delaware Health Care Commission to support the pilot. This effort is ongoing with expected begin 2023.

Delaware's Dental School

In 2005, Delaware established an affiliation agreement with Temple University Kornberg School of Dentistry, ensuring a minimum of (six) 6 eligible residents of Delaware would be guaranteed first-year admissions to a highly qualified dental education. Over time, funding decreased, and today, four (4) seats are now reserved annually at Temple for Delaware residents entering their first year of dental education in the Doctor of Medicine in Dentistry (DMD) programs. At the outset of this program, funding was also in place to help offset tuition expenses, but has since been eliminated as well.

2021 – 2022 Application Cycle

- 3453 Total Applications
- 2781 Reviewed for consideration
 - Avg. Age: 22
 - Avg. DAT Score: 21.3
 - Avg. Sci GPA: 3.52
 - Avg. Overall GPA: 3.57
 - Most Common Major: Biology
 - Number of US States Represented: 19
 - 53% Male/47% Female
 - 43% Pa Resident, 48% non-resident, 9% non-US Citizen

2021 – 2022 Application for Delaware

- Applicants: 20
- Applicants Reviewed: 18
 - Withdrew before action: 1
 - Failed First Review: 2
 - Interviewed: 12
 - Accepted: 10
 - Declined: 3
 - Enrolled: 4
 - Invited to apply to Post Bacc: 7
 - Enrolled in Post Bacc: 4

2022 – 2023 Application Cycle (as of October 4, 2022)

- 3139 Total Applications
- 2197 Reviewable for Consideration
- Delaware Candidates
 - 17 Applications
 - 8 Invited to Interview, 7 interviewed
 - 4 Currently under review
 - 5 Completing application

General Practice Residency (GPR)

ChristianaCare supports eight (8) general practice residents. While DIDER formerly supported one of these positions, funding was eliminated several years ago. ChristianaCare graduated (eight) 8 GPR residents in June 2022, (two) 2 of the graduates were Delaware residents and (seven) 7 took the Delaware Boards and stayed in Delaware. In 2022, there are (eight) 8 GPR residents and all applied to take the board in Delaware in January 2023. The 2023-2024 application process has started, and 70 applicants have been received and 53 have been deemed complete.

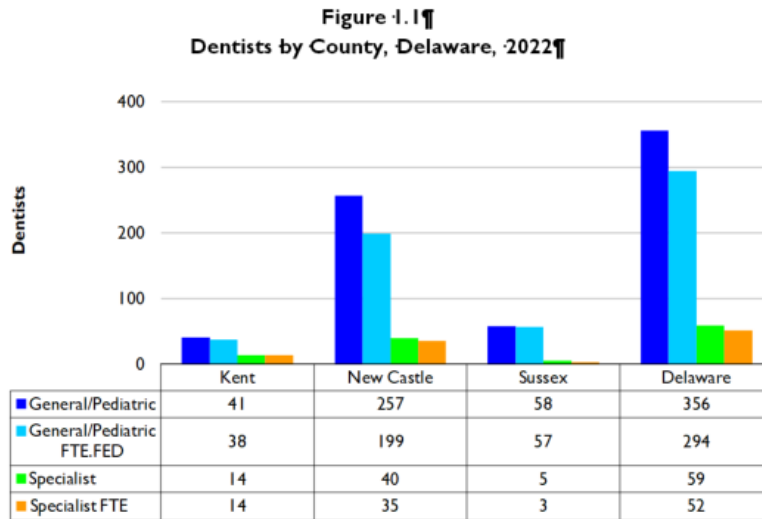
Dental Workforce Capacity Survey

At the October 5, 2022, DIDER meeting, Tibor Tóth, Ph.D. Assistant Professor with the Biden School of Public Policy and Administration, presented a summary of the survey data on dentists and dental students/residents in Delaware 2022. For the first survey that looked at dentists, the survey population included all dentists in Delaware providing direct patient care in Delaware. The Division of Professional Regulation provided a list of 542 active dentists as of April 1, 2022. From this list, 78 were duplicates and 464 Unique + 27 identified through input from Dentists for a total of 491 contacted. Dr. Tóth's study included data points on dentists practicing in Delaware such as practitioner's age, education, residency, practice site, etc. The study also looked at workforce shortages.

The second survey Dr. Tóth conducted looked at dental students and residents in Delaware. The study population count was unknown and survey recruitment was through emails to

schools/residency programs, personal contacts, and appeal to dental program training participants. Dr. Tóth received 29 responses and 22 were usable. Data points included the student/resident state of residency, location where they intend to practice, educational debt, and dental licensure.

Below is a breakdown of dentists by county:



Source: Delaware Department of Health and Social Services, Division of Public Health, Delaware Dentist Survey 2022

Dental Care Access Task Force

On August 30, 2022, Governor John Carney signed Senate Bill 277 of the 151st General Assembly. The legislation was sponsored by Senator Sarah McBride. Summary of the legislation:

- Increases opportunities for federally qualified health centers (“FQHC”) and government-operated dental clinics to serve the indigent and other underserved communities with dental care and improves flexibility with updated provisional licensing processes for FQHC and government-operated dental clinic applicants.
- Assists FQHCs and government-operated dental clinics in recruiting dentists to serve those most in need.
- Adds FQHCs to the Delaware Institute for Dental Education and Research Board.
- Creates the Dental Care Access Task Force (“Task Force”) to examine and recommend a course of action to address all of the following: (1) Dental care access, including for underserved populations and communities. (2) Dental licensure practices and requirements. (3) Dental provider type and scope of practice. (4) Dental provider recruitment and retention strategies. (5) Dental insurance networks and coverage, including for the uninsured and underinsured. The Task Force must submit its report no later than February 1, 2023.

- From the DIDER board, Dr. Louis Rafetto, Dr. Vincent Daniels, Dr. Jeffrey Cole, and Dr. Nick Conte serve on the 23-member Task Force.

2022 DIDER Board of Directors

Louis K. Rafetto, DMD, MEd, Chair

Delaware State Dental Society

Theodore Becker, Jr.

Delaware Health Care Commission

Nicholas Conte, DMD, MBA

State of Delaware Dental Director

Ex-Officio

Lisa Goss, RDH, BS

Delaware Dental Hygienist Association

Andrew Swiatowicz, DDS

Delaware State Board of Dentistry and

Dental Hygiene

Bruce McAllister, DDS

Department of Education, Higher Education
Office

Ray Rafetto, DDS

Delaware State Dental Society

Jeffrey Cole, DDS

Christiana Care

Erika Williams, DMD

New Castle County

Vincent Daniels, DMD

Public Member

Delaware Institute of Medical Education and Research (DIMER)

**Excerpt below from the “DIMER 2022 Annual Report” Executive Summary*

History and Background

The Delaware Institute of Medical Education and Research (DIMER) was founded in 1969, as an alternative to an in-state medical school, to address the concern of access to high-quality medical education for Delaware residents. Upon creation, DIMER formalized a relationship with Thomas Jefferson University for 20 admission slots for Delawareans at Jefferson Medical College (now Sidney Kimmel Medical College (SKMC)). In 2000, DIMER expanded its education relationships to also include the Philadelphia College of Osteopathic Medicine (PCOM), further increasing access to medical education for Delawareans. Upon creation, PCOM held five admission slots for qualified Delaware applicants and in 2019, the number of admission slots was increased to 10. DIMER is incredibly grateful to both institutions, who continue to exceed their commitments in accepting highly qualified Delawareans into their respective medical education programs and provide the highest quality training to future physicians.

The DIMER Advantage

Delaware is one of four states that does not offer an in state medical school. This would ordinarily present a disadvantage for Delaware residents seeking medical education and future careers in medical professions. However, through its innovative relationships with SKMC and PCOM, Delaware has secured a minimum number of slots for highly qualified Delaware applicants. As a DIMER applicant, Delaware resident applications are pulled from the 10,000 plus applications received by each institution and evaluated against Delaware only applicants. This significantly improves the odds, to being one of ultimately 30 or more slots out of approximately 90-100 Delaware applicants. DIMER therefore provides one of the best medical education admission advantages in the country for qualified applicants from the First State.

Delaware Branch Campus and Residency

DIMER is not only focused on providing medical education opportunities for Delawareans but also on the retention of Delaware physicians to serve our communities. DIMER’s relationships extend beyond its education partners and into Delaware’s health systems and Delaware Health Sciences Alliance (DHSA) partners. DIMER medical students at SKMC and PCOM have an opportunity to conduct their third- and fourth-year rotations at the Delaware Branch Campus. The Delaware Branch Campus provides medical students clinical training at ChristianaCare, Nemours, and the Wilmington VA Medical Center. In addition, PCOM clinical rotations also include Bayhealth’s Kent and Sussex Campuses as well as recently adding opportunities for rotation at Beebe Healthcare also in Sussex County.

The opportunities for residency training in Delaware are numerous and expanding. ChristianaCare, Nemours, Saint Francis, and Bayhealth have active and expanding residency opportunities. Beebe Healthcare is preparing for the launch of its family medicine residency program in summer 2023. Recruitment and retention of Delaware physicians is enhanced with

the increased opportunities for Delawareans to complete their medical training and serve their community in their home state.

Abstract Data

DIMER welcomed 36 first year medical students for the incoming class of 2022 with DIMER's medical education partners again exceeding their contractual commitments. SKMC welcomed 23 students, while 13 students matriculated to PCOM.

The graduating class of 2022 provided 38 newly graduated physicians looking forward to residency training. For those Delaware medical students who graduated from SKMC and PCOM in 2022, 53% went into a primary care specialty training.

DIMER Board Activity for 2022

The DIMER Board remained active in 2022 despite the on-going COVID-19 pandemic. The Board of Directors held virtual meetings and met four times over the course of the year. There was broad Board participation for the DHSA-facilitated outreach events for prospective DIMER students in each of Delaware's three counties which produced a record account of participation with over 240 individual households registered. DIMER & DHSA leadership were also heavily engaged in virtual engagements for current DIMER students, solidifying its commitment to providing a network of support for DIMER Students in their journey to becoming a practicing physician.

The DIMER Board recognizes the high cost for medical education and enormous debt students face upon graduation and continues to advocate for DIMER graduates relative to the newly launched Health Care Professionals Loan Repayment Program (HCPLRP) through the State of Delaware. THE HCPLRP provides loan repayment assistance of up to \$200,000 over four years for recent graduates of residency training who have secured employment to deliver care in Delaware in primary care ambulatory outpatient settings. DIMER leadership looks forward to continued engagement and advocacy as the new loan repayment program is utilized to increase opportunities to retain and recruit physicians to Delaware.

DIMER has a rich tradition of extending its activities beyond its mission to ensure access to quality medical education for Delaware residents. DIMER and its partners are committed to providing a network of support for its students and engage students throughout the academic year in a variety of ways. In collaboration with DHSA, DIMER provided care packages to each student; co-hosted virtual receptions with PCOM and SKMC for DIMER students to network with DIMER and institutional leadership; and conducted virtual awareness events in every county with prospective students and families to discuss the many benefits of DIMER.

The DIMER Board would like to acknowledge the late Sherman Townsend, former DIMER Board Chair, who passed in October 2022. Mr. Townsend's legacy and dedication to DIMER and Delaware Medical Students is unmatched. We will continue the work he led passionately in creating and ensuring Delaware residents have access to quality medical education and are supported in their return to practice medicine in their home state.

Conclusion

The DIMER program continues to represent an incredible value for Delawareans' medical education. The full annual report contains detailed information on the demographics and data relative to DIMER's 2020 incoming and graduating classes, as well as personal stories from state and institution leadership, including DIMER students. DIMER's approach to partnering with the DHSA and all our partners in Delaware and beyond, has resulted in a robust array of services to facilitate Delawareans' pathway, not only to medical school but helping them return to Delaware to practice medicine in geographic and specialty areas of need. We express our gratitude for all who have supported DIMER over its 50-year plus history and look forward to even greater achievements in the future.

With appreciation to the Delaware Health Sciences Alliance (www.dhsa.org) for their partnership for this Summary and the DIMER 2021 Annual Report. Contacts: Dr. Omar Khan, President & CEO (okhan@dhsa.org) & Pamela Gardner MSM (PGardner@dhsa.org)

2022 DIMER Board of Directors

Sherman L. Townsend, Chair
Vacant (since November 2022)
University of Delaware

David A. Barlow, PhD
Delaware Higher Education Office

Katherine Collison, MSM
Department of Health and Social Services
Division of Public Health, Ex-Officio

Chai Gadde, MBA
University of Delaware

John Glenn, MD (resigned March 2022)
Joseph Rubacky III, DO (appointed March 2022)
Kent County – Public Member

Marshá T. Horton, PhD (resigned February 2022)
Vacant (since March 2022)
Delaware State University

Neil Jasani, MD
ChristianaCare

Janice Lee, MD
Delaware Health Care Commission

Brian Levine, MD
ChristianaCare

Vincent Lobo, Jr., DO
Sussex County – Public Member

Kathleen Matt, PhD
University of Delaware

Lisa Maxwell, MD
ChristianaCare

Robert Monteleone, MD
Saint Francis Hospital
Medical Residency Program

Wayne A. Smith, MGA, MA
Association of Delaware Hospitals

Jessica Tomaszewski, MD
Nemours
Medical Residency Program

Carl E. Turner, MD
Wilmington – Public Member

Vacant
New Castle County – Public Member

Health Care Spending and Quality Benchmarks Program

Background

Historically, Delaware has one of the highest per-capita health care spending rates in the country. This spending has routinely outpaced the state's inflation and economic growth and accounts for more than a quarter of Delaware's annual budget. The rate of growth of health care spending is twice that of the state's revenue growth, resulting in the crowding out of needed investments in schools, communities, and infrastructure. These findings brought about House Joint Resolution 7, signed in September 2017, which tasked the DHSS with the establishment of an annual health care benchmark as a strategy to address the unsustainable growth in health care spending that was contributing to the state's deficit. This legislation led to the signing of [Executive Order 25 \(EO 25\)](#)⁶, which formally established the Health Care Spending and Quality Benchmark initiative.

On August 19, 2022, Governor Carney signed [House Amendment 1 for House Bill 442 \(HA1 for HB442\)](#)⁷. This legislation replaced EO 25 and established the Health Care Spending and Quality Benchmark initiative into Delaware Code. The codification of these benchmarks supports the continuation of Delaware's Road to Value by improving the transparency of health care spending and quality, as well as providing attainable goals needed to achieve better health care, lower costs, and healthier communities.

House Amendment 1 for House Bill 442

DHSS has successfully collected and published three years' worth of health care spending and quality data from Commercial Payers, Medicare, Medicaid, VHA, and public sources such as the Centers for Disease Control (CDC). While this program had a successful first three years due to the Executive Order, DHSS recognized that to continue this meaningful work in the long term, the initiative needs to be enacted into Code. This led to HA1 for HB442 being introduced, passed, and signed during the 2022 legislative session.

The ratification of this program not only kept this prominent work alive, but continues showcasing Delaware as the leader that it is in the world of health care spending and value. Delaware was one of the first states to enact a program of this significance in 2018, with nearly 10 other states now following suit. Many states are looking to put a program like this into law, and with the support of the Governor and this Legislature, Delaware is again in the forefront of health care spending innovation.

The contents of this Bill reflect closely to EO 25. The following major components remain unchanged:

⁶ <https://governor.delaware.gov/executive-orders/eo25/#:~:text=Executive%20Order%2025%20-%20Governor%20John%20Carney%20-,and%20Quality%20Benchmarks%20Skip%20to%20ContentSkip%20to%20Navigation>

⁷ <https://legis.delaware.gov/BillDetail?legislationId=129690>

- DHCC and the Delaware Economic and Financial Advisory Council (DEFAC) Subcommittee are still responsible for establishing and monitoring the State of Delaware Health Care Spending and Quality Benchmarks.
- The Spending Benchmark remains set at 3.0% for 2022 and 3.1% for 2023; this Benchmark will be reevaluated annually by the DEFAC Subcommittee.
- The methodology used to compute the Benchmark remains unchanged.
 - The Spending Benchmark shall be the per capita Potential Gross State Product (PGSP) growth rate which shall be calculated as the sum of the following:
 - *The expected growth in national labor force productivity; plus, the expected growth in Delaware’s civilian labor force; plus, the expected national inflation*
 - *Minus Delaware’s expected population growth*

Prominent new components of this Bill:

- The DEFAC Subcommittee shall report spending methodology changes to DEFAC by May 31 of each year; DEFAC shall finalize any changes and report to the Governor by June 30.
- Delaware payers and DMMA are required to report accurate, attested to health care spending and quality data by October 1 of each calendar year. Data from the VHA will also continue being collected.
- Should any new payers be introduced in Delaware’s Health Insurance Market, DHCC will have the authority to require their spending and quality data.
- The next round of Quality Benchmarks shall be finalized by December 31, 2024, and every three years thereafter.

Health Care Spending Benchmark – 2022 Update

The first spending benchmark went into effect on January 1, 2019, and was set at 3.8%. That spending benchmark was not met, as the finalized health care spending for 2019 grew at a rate of 5.8%. For calendar year 2020, with which the data was finalized and presented in 2022, the spending benchmark was set at a more ambitious target of 3.5%. This benchmark was met as the 2020 Total Health Care Expenditures (THCE) per-capita change from the prior year was estimated at -1.2%. Total expenditures encompass health care spending associated with Delaware residents from private and public sources. Total Health Care Expenditures increased by \$39 million in calendar year 2020, totaling \$8.1 billion. However, with Delaware’s population increasing by 1.7% from 2019 to 2020, the per-capita total decreased from \$8,268 in 2019 to \$8,173 in 2020.

While the decreases in per-capita health care spending and the spending growth rate appear at first glance as a positive change, it is important to note that the COVID-19 pandemic had a significant impact on preventative health care services, health care facility utilization, service delivery, and payer/provider finances. These benchmark findings need to be viewed in the context of the extraordinary circumstances faced in 2020, that will likely continue being reflected in data from 2021 and beyond. Due to these dramatic changes in health care utilization, making equitable comparisons with previous calendar years can be extremely difficult.

Health Care Quality Benchmarks – 2022 Update

Delaware's quality benchmarks are established by the DHCC and are supported by DEFAC, the Governor, and other relevant state agencies. As EO 25 only established quality benchmarks for calendar years 2019-2021, methodology for the 2022-2024 quality benchmarks were reviewed in 2021 and will subsequently be reviewed every three (3) years thereafter, per HA1 for HB442. The following shows the health care quality benchmarks that were collected and analyzed in calendar year 2021 and 2022 for calendar year 2020 data:

- **Adult obesity:** The benchmark for 2020 was to reduce the percentage of Delaware adults who are obese to 29.4%. The 2020 result: 36.5%; an increase from 2019 and 7.1 percentage points higher than the benchmark.
- **Use of opioids at high dosages:** This is a new benchmark for 2020, which used the Delaware Prescription Monitoring Program to observe the rate at which high-dose opioids were prescribed. The 2020 benchmark: 12.4%; the 2020 result: 11.1%. This is a positive observation.
- **Opioid-related overdose deaths:** The benchmark for 2020 was to reduce the mortality rate to 15.5 deaths per 100,000. The 2020 result: 43.9 deaths per 100,000. This is an increase from 2019.
- **Emergency department utilization:** The National Committee for Quality Assurance (NCQA) significantly changed the methodology for this quality measure, so it was given first-year status and no calendar year 2020 data was reported.
- **Persistence of beta-blocker treatment after a heart attack:** The benchmark rate for 2020 was to increase the percentage of patients who receive beta-blocker treatment to 84.9% of commercial insurance patients and to 80.1% for Medicaid patients. The 2020 results: 91.7% for commercial insurance patients and 78.1% for Medicaid patients. While the Medicaid patients did not reach the benchmark, this is a significant improvement from the 2019 results of 73.5%.
- **Statin therapy for patients with cardiovascular disease:** The benchmark rate for 2020 was to increase the percentage of patients who receive statin therapy to 80.5% of commercial insurance patients and 61.5% for Medicaid patients. The 2020 results: 83.6% for commercial insurance patients; 72.6% for Medicaid patients. For both markets, results were better than the respective benchmark.

Beginning for calendar years 2022-2024, the following four (4) quality benchmarks are being added to the data collection and analytical process:

- Breast Cancer Screening for women ages 50-74
- Colorectal Cancer Screening for individuals ages 50-75
- Cervical Cancer Screening for women of various age groups
- Percentage of Eligibles Who Received Preventive Dental Services ages 1-20 and who are enrolled in Medicaid or CHIP Medicaid.

More information on the 2022-2024 quality benchmarks can be found at the following link: [Formatted Document \(delaware.gov\)⁸](#).

Details about the methodology for establishing the benchmarks and reporting performance against them can be found in the Version 4.0 of the Delaware Health Care Spending and Quality Benchmarks Implementation Manual: [Report \(Vertical\) \(delaware.gov\)⁹](#).

Calendar Year 2022 Activities and Accomplishments

- In the Spring of 2022, DHSS/DHCC, along with Benchmark contractor Mercer, released Delaware’s second Quality and Spending Data Trend Report. This report consists of spending and quality data from 2018, 2019, and 2020. Spending data were collected voluntarily from Delaware’s top commercial carriers, as well as Medicaid, Medicare, and the Veterans’ Administration. Quality data were collected through the same carriers and payers, as well as the CDC and NCQA-HEDIS® (see implementation manual on how to obtain this data). The Trend Report can be found at [benchmarktrendreport2020.pdf \(delaware.gov\)¹⁰](#).
- In April 2022, DHSS Cabinet Secretary Molly Magarik presented this Trend Report to the public and other relevant stakeholders to increase transparency and public knowledge around Delaware’s health care spending and the progression of the quality benchmarks towards our goals.
- In June 2022, Benchmark Spending targets were reviewed and approved by the Delaware Economic and Financial Advisory Council (DEFAC).
- In August 2022, the DHCC was informed by the Division of Medicaid and Medical Assistance (DMMA) that their application for federal funding for the Benchmark initiative was approved by the Centers for Medicare & Medicaid Services (CMS). The DHCC now has a combination of 90/10 and 75/25 match funding from the federal government to support and evolve this initiative.
- In August 2022, the DHCC released an updated Benchmark Implementation Manual and Data Collection Templates for insurers, as well as a webinar to go through the data validation and submission processes. This Implementation Manual can be found at [Report \(Vertical\) \(delaware.gov\)¹¹](#).
- On August 19, 2022, Governor Carney signed House Amendment 1 for House Bill 442 into law, establishing the Health Care Spending and Quality Benchmarks initiative into Code.
- In the fall of 2022, DHSS/DHCC began collecting calendar year 2021 data and recollecting 2020 data from insurers and Medicaid, Medicare and the Veterans’ Administration to establish a spending baseline for 2020 against which the spending growth for 2021 can be measured. This upcoming 2021 Trend Report will include

⁸ <https://dhss.delaware.gov/dhcc/files/benchmarkproposedqly04092021.pdf>

⁹ https://dhss.delaware.gov/dhss/files/benchmarkmanualv4_091322.pdf

¹⁰ <https://dhss.delaware.gov/dhcc/files/benchmarktrendreport2020.pdf>

¹¹ https://dhss.delaware.gov/dhss/files/benchmarkmanualv4_091322.pdf

spending and quality data from 2019, 2020, and 2021, to best demonstrate the direction at which health care spending and quality have moved over a three-year period.

- Feedback from the 2020 Trend Report has been reviewed and is being used to strengthen the 2021 Trend Report, which is set to be released in the Spring of 2023. Updates on this Trend Report can be found at [GLOBAL HEALTH CARE BENCHMARK - Delaware Health and Social Services - State of Delaware](#)¹².

¹² <https://dhss.delaware.gov/dhcc/global.html>

Primary Care Reform Collaborative (PCRC)

Background

Delaware is facing a crisis in its primary health care system. Throughout the State, primary care and preventative health services are becoming increasingly more difficult for Delawareans to access. Shortfalls in primary care access and resources can worsen existing inequities in health care and impact citizens across various aspects of life. These findings brought about [Senate Bill 227 \(SB227\)](#)¹³, which established a Primary Care Reform Collaborative (PCRC) to assist with the development of recommendations to strengthen the primary care system in Delaware.

Following the development of the PCRC, [Senate Substitute 1 for Senate Bill 116 \(SS1 for SB116\)](#)¹⁴ was signed by Governor Carney in August of 2019. This bill expanded the membership of the PCRC and created an Office of Value-Based Health Care Delivery (OVBHCD) in the Department of Insurance. The [OVBHCD](#)¹⁵ was created with the goal of “reducing health care costs by increasing the availability of high quality, cost-efficient health insurance products that have stable, predictable, and affordable rates.”¹ This office works closely with DHCC and the PCRC on various aspects of primary health care transformation.

While the 2019 legislation laid the groundwork to begin transformation in Delaware’s primary health care system, primary care providers, legislatures, payers, and other state entities recognized the need for more progressive thinking and bold legislation. This brought about the introduction, passage, and signage of [Senate Substitute 1 for Senate Bill 120 \(SS1 for SB120\)](#)⁴.

Summary of SS1 for SB 120

SS1 for SB120 is an act to amend Title 16 and Title 18 of the Delaware Code, Chapter 189, Volume 82 of the Laws of Delaware, and Chapter 392, Volume 81 of the Laws of Delaware, as amended by Chapter 141, Volume 82 of the Laws of Delaware, related to primary care services. This Act continues previous efforts of strengthening the primary care system for this State of Delaware by doing the following:

- i. *Directing the DHCC to monitor compliance with value-based care delivery models and develop, and monitor compliance with, alternative payment methods that promote value-based care.*
- ii. *Requiring rate filings limit aggregate unit price growth for inpatient, outpatient, and other medical services, to certain percentage increases over the next four (4) years.*
- iii. *Requiring an insurance carrier to spend a certain percentage of its total cost on primary care over the next 4 years.*⁴

¹³ <https://legis.delaware.gov/BillDetail?LegislationId=26743>

¹⁴ <https://legis.delaware.gov/BillDetail?LegislationId=47843>

¹⁵ <https://insurance.delaware.gov/divisions/consumerhp/ovbhcd/>

⁴ <https://legis.delaware.gov/BillDetail/68714>

The legislation also continues the Medicare Parity by stating that carriers shall provide coverage for primary care and chronic disease management at a reimbursement rate that is no less than the Medicare reimbursement rate for comparable services.

SS1 for SB120 states that by 2025, at least 60% of all Delawareans shall be attributed to value-based payment models. This goal is also concurrent with the Primary Care Spending Benchmark which states that by 2025, 11.5% of total health care spending shall be utilized on primary care. This benchmark will gradually be met over a four (4) year period by the meeting the following targets:

- i. By 2022, spend at least 7 percent of its total cost of medical care on primary care.*
- ii. By 2023, spend at least 8.5 percent of its total cost of medical care on primary care.*
- iii. By 2024, spend at least 10 percent of its total cost of medical care on primary care.*
- iv. By 2025, spend at least 11.5 percent of its total cost of medical care on primary care.*

The legislation includes the requirement of rate filing limits to slow the growth of costs for inpatient, outpatient, and other medical services. Rate filings for health benefit plans may not include aggregate unit price growth for nonprofessional services that exceed the following:

- i. In 2022, the greater of 3 percent or Core CPI (Consumer Price Index) plus 1 percent.*
- ii. In 2023, the greater of 2.5 percent or Core CPI plus 1 percent.*
- iii. In 2024, 2025, and 2026, the greater of 2 percent or Core CPI plus 1 percent.²*

The OVBHCD is also required to establish mandatory minimums for payment innovations (including APM's) and evaluate compliance with these minimums on an annual basis. Updates on the minimums will be posted on the [OVBHCD's website¹⁶](#) when they occur.

SS1 for SB120 and the PCRC's involvement maintains Delaware's trajectory on the Road to Value by prioritizing primary care spending, developing and implementing APM's, and ensuring that medical care will be affordable, attainable, and beneficial to all citizens of the State.

Calendar Year 2022 PCRC Meetings

The PCRC conducted 7 meetings:

- | | |
|----------------------|-----------------|
| ○ January 10, 2022 | Virtual Meeting |
| ○ March 12, 2022 | Virtual Meeting |
| ○ April 11, 2022 | Virtual Meeting |
| ○ May 16, 2022 | Virtual Meeting |
| ○ June 13, 2022 | Virtual Meeting |
| ○ September 12, 2022 | Virtual Meeting |
| ○ December 12, 2022 | Virtual Meeting |

¹⁶ <https://insurance.delaware.gov/divisions/consumerhp/ovbhcd/>

Calendar Year 2022 Activity

- The PCRC began focusing on the SS1 for SB120 requirement of developing a value-based primary care payment model that is specific to Delaware payers. To ensure that this new model was developed with input from all involved stakeholders, the PCRC developed three workgroups consisting of a mix of primary care providers, health care personnel, accountable care organization (ACO) representatives, commercial payers, PCRC members, and representatives from the Medical Society of Delaware. These members were placed into one of three workgroups that best matched their expertise. These workgroups are:
 - i. Payment and Attribution*
 - ii. Care Coordination*
 - iii. Quality Measures and Benchmarks*
- The first two workgroups, Payment and Attribution and Care Coordination, developed the framework for the model, which is now being referred to as the “Delaware Primary Care Payment Model”. The framework is able to be viewed by the public at [DE PC Model Initial Framework 060922 FINAL \(delaware.gov\)](https://dhss.delaware.gov/dhcc/files/designframewrk060922_FINAL.pdf)¹⁷.
- Following the design of the framework, the three workgroups began convening monthly to add additional detail to the model. While updates were being presented to the PCRC on regular basis, the final presentation of these workgroup recommendations occurred at the December 12 PCRC meeting. A copy of these slides and workgroup recommendations can be found at [- Delaware Health and Social Services - State of Delaware](https://dhss.delaware.gov/dhcc/collab.html)¹⁸.
- In August 2022, the DHCC was informed by the Division of Medicaid and Medical Assistance (DMMA) that their application for federal funding for the PCRC program was approved by the Centers for Medicare & Medicaid Services (CMS). The DHSS/DHCC now has 90/10 federal match support to continue the process of primary care transformation and value-based care implementation throughout the state.
- In response to being awarded 90/10 federal match funding, the DHCC released a Request for Proposals (RFP), seeking professional services to support the PCRC and other special projects brought about through the signage of SS1 for SB120.
- The DHSS/DHCC has received and reviewed proposals for this RFP and are currently working to finalize a contract with their selected vendor. This vendor will begin work in January 2023.
- The DHCC and PCRC continued working closely with DOI and the OVBHCD on the development of the Delaware Primary Care Payment Model and will continue this working relationship to ensure the success of the SS1 for SB120 legislation, as well as the overall improvement of primary care in our state.

¹⁷ <https://dhss.delaware.gov/dhcc/files/designframewrk061322.pdf>

¹⁸ <https://dhss.delaware.gov/dhcc/collab.html>

2022 Primary Care Reform Collaborative (PCRC) Members

Dr. Nancy Fan, Chair

Delaware Health Care Commission

Representative David Bentz

House Health & Human Development
Committee

Steve Groff

Division of Medicaid & Medical Assistance

Dr. James Gill

Medical Society of Delaware

Dr. Rose Kakoza

Delaware Healthcare Association

Kevin O'Hara

Highmark

Steven Costantino (*Proxy for Secretary M. Magarik*)

Department of Health & Social Services
(DHSS)

Commissioner Trinidad Navarro

Department of Insurance (DOI)

Faith Rentz

State Benefits Office/Department of Human
Resources

Deborah Bednar

Aetna

Senator Bryan Townsend

Senate Health & Social Services Committee

Maggie Norris-Bent

Westside Family Healthcare

Dr. Rita Meadows

Delaware Nurses Association

Health Resources Board (HRB)

Background

The Delaware Health Resources Board (HRB) Certificate of Public Review (CPR) program, like other national Certificate of Need (CON) programs, originated to regulate the number of beds in hospitals and nursing homes and essentially prevent excessive purchasing of expensive equipment. Per the Joint Sunset Committee 2012 Final Report, HRB transitioned from the Division of Public Health to DHSS, Office of the Secretary, DHCC. DHSS/DHCC provides the administration and staffing for the board. The purpose of the HRB is to foster the cost-effective and efficient use of health care resources and the availability of and access to high quality and appropriate health care services.

The CPR program is regulated by 16 *Del. C.* § 9301. The primary goal for the CPR process is to control health care cost through a formal review process used to ensure public scrutiny of certain health care developments in the state. These reviews are focused on balancing concerns for access, cost, and quality. A Letter of Intent begins the CPR process and a formal application review process used to ensure public scrutiny of health care developments in the state of Delaware.

CPR Applications in Calendar Year 2022

Received	Approved	Denied	Withdrawn	Total Capital Expenditure
7	7	0	0	\$106,206,000.00

Applicant	Project	Capital Expenditure
Outpatient Procedure Center	Convert office-based surgery facility to a freestanding surgery center	\$ 156,000
Post- Acute Medical	40-bed inpatient rehabilitation facility	\$33 million
Encompass Health Rehabilitation Hospital	10-bed expansion	\$9.8 million
Delaware Surgical Arts	One additional operating room	\$450,000
Nemours	Construction of NICU	\$17.5 million
Nemours	Dental, Ophthalmology and Surgical Specialty Clinic	\$15.3 million

Beebe	Hybrid Freestanding Emergency Department	\$30 million
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Joint Legislative Oversight and Sunset Committee

In June 2019, the DHCC received notification that the Joint Legislative Oversight and Sunset Committee (JLOSC) voted to conduct a comprehensive legislative oversight and sunset review of the HRB. Legislative oversight and sunset review is a periodic review of an entity with the purpose of determining where there is a public need for the entity and, if so, whether the entity is effectively performing to meet that need. The COVID-19 pandemic cut short the review and public meeting schedule. In 2020, all entities under JLOSC review, including HRB, were held over until January 2021.

In March 2021, the JLOSC conducted two recommendations meetings. The purpose of those meetings was to provide an overview of the JLOSC staff’s findings and recommendation report drafted by the JLOSC staff regarding the sunset and oversight review of the HRB. The DHCC received the [JLOSC’s staff findings and recommendations report](#)¹⁹ in March 2021. The JLOSC staff provided five [recommendations](#)²⁰ that were adopted in April 2021.

The HRB was held over as of 2022 and should report to the JLOSC in January 2023. The HRB submitted progress reporting to the JLOSC staff regarding the progress and implementation of all adopted recommendations on the following scale:

- Progress Report #1- August 1, 2022
- Progress Report #2- October 1, 2022
- Progress Report #3- December 1, 2022

To streamline operations during the period of holdover, and pending legislation, the JLOSC implemented new policies effective as of June 6, 2022, and was adopted as the sixth JLOSC [recommendation](#)²¹. The HRB discontinued use of review committee meetings during the CPR process. The HRB will review and vote on applications during the applicant’s presentation at the HRB meeting instead of beginning the initial review of the applications during separate review committee meetings.

¹⁹ https://legis.delaware.gov/docs/default-source/jloscdocuments/2020_jloscreviews/dehealthresearchboard/staffrecommendationsandfindingsreporthrb2021.pdf?sfvrsn=b7138c38_2

²⁰ https://legis.delaware.gov/docs/default-source/jloscdocuments/2020_jloscreviews/dehealthresearchboard/jloscadoptedhrbrecommendations_april272021.pdf?sfvrsn=7d498c38_2

²¹ https://legis.delaware.gov/docs/default-source/jloscdocuments/2020_jloscreviews/dehealthresearchboard/jloscadoptedhrbrecommendationsasofjune62022.pdf?sfvrsn=ea7f8e38_2

HRB Board Activity for Calendar Year 2022

HRB conducted eight Board meetings and five Review Committee meetings:

○ January 27, 2022	Board Meeting	Virtual Meeting
○ February 24, 2022	Board Meeting	Virtual Meeting
○ March 24, 2022	Board Meeting	Virtual Meeting
○ May 26, 2022	Board Meeting	Virtual Meeting
○ July 28, 2022	Board Meeting	Virtual Meeting
○ September 22, 2022	Board Meeting	Virtual Meeting
○ October 27, 2022	Board Meeting	Virtual Meeting
○ December 15, 2022	Board Meeting	Virtual Meeting
○ February 2, 2022	Review Committee Meeting	Virtual Meeting
○ April 11, 2022	Review Committee Meeting	Virtual Meeting
○ May 13, 2022	Review Committee Meeting	Virtual Meeting
○ May 16, 2022	Review Committee Meeting	Virtual Meeting
○ May 18, 2022	Review Committee Meeting	Virtual Meeting

2022 Health Resources Board of Directors

Brett Fallon

Chair and Public at Large

Leighann Hinkle

Representative involved in purchasing health-care coverage on behalf of State employees and Vice Chair

Michael Hackendorn

Labor representative

Margaret Strine

Public at Large

John Walsh

Public at Large

Kathleen Craige (appointed May 2022)

Representative of a provider group other than hospitals, nursing homes or physicians

Vincent Lobo, Jr. DO

Licensed to practice medicine in Delaware

Elizabeth Brown, MD

Department of Health and Social Services

Theodore Becker

Delaware Health Care Commission

John Hundley (appointed May 2022)

Health care administration representative

Cheryl Heiks (appointed May 2022)

Long-term care administration representative

Pamela Price

Health insurance industry representative

Vacant

Representative involved in purchasing health care coverage for employers with more than 200 employees

Health Care Provider Loan Repayment Program (HCPLRP)

Background

Delaware is facing a shortage of primary care providers. These shortfalls make it more difficult for Delawareans to access health care services throughout the state. As a result of this shortfall, House Bill (HB) 48 with House Amendment (HA) 1 established the Health Care Provider Loan Repayment Program (HCPLRP) for new primary care providers.

Summary of HB 48 with HA 1

On August 10, 2021, Governor Carney signed House Bill 48 with House Amendment 1, establishing a Health Care Provider Loan Repayment Program (HCPLRP) for new primary care providers. DHSS/DHCC are responsible for the administration of the program and may award education loan repayment grants to new primary care providers up to \$50,000 per year for a maximum of four years.

Program Parameters

- Eligible clinicians must be a new primary care provider in an ambulatory or outpatient setting and completed graduate education within six-months of the application for HCPLRP grant being submitted.
- Eligible degrees: Doctor of Medicine (MD), Doctor of Osteopathic Medicine (DO), Nurse Practitioner (NP), Certified Nurse Midwife (CNM), Clinical Nurse Specialist (CNS), Physician Assistant (PA)
- Eligible specialties: Adult Medicine, Family Medicine (including osteopathic general practice), Pediatrics, Psychiatry/Mental Health, Geriatrics, Women's Health (obstetrics and gynecology)
- Sites eligible to apply for grants on behalf of their new primary care providers must be located in underserved areas or areas of need and must accept Medicare and Medicaid participants.
- Priority consideration may be given to Delaware Institute of Medical Education and Research (DIMER)-participating students and participants in Delaware based residency programs.
- Grants to hospital sites must be matched on a dollar-for-dollar basis by the applicant hospital
- Awarded clinicians will be asked to commit to an initial contract term of two (2) years with the State of Delaware to receive loan repayment.



Calendar Year 2022 Activity

- DHCC created an Advisory Committee to assist with the development of the program parameters, application, review process, and timeline.
 - Advisory Committee consists of a representative from the following organizations - Delaware Healthcare Association, DHCC, Delaware Health Sciences Alliance,

Delaware Institute of Medical Education and Research, Medical Society of Delaware, Highmark Delaware, and three at-large members.

- Advisory Committee held public meetings:
 - November 8, 2021
 - December 13, 2021
 - January 10, 2022
 - January 24, 2022
 - February 16, 2022
 - March 14, 2022
- In January 2022, DHSS/DHCC released a Request for Proposal to procure a vendor to develop an electronic (online) application process/system.
 - The bids received did not meet the business needs for the program, and a vendor was not selected.
 - DHSS/DHCC is exploring other internal options.
- In January 2022, DHSS/DHCC secured a marketing vendor (Aloysius Butler & Clark) to develop a logo, marketing materials, tool kit, website design, and develop a statewide campaign strategy for increasing brand and program awareness.
- On May 4, 2022, DHSS/DHCC formally launched HCPLRP and started accepting applications
- DHSS/DHCC received 18 applications; four were found eligible for award and are under contract with the State of Delaware to receive a 2-year loan repayment award, four applicants were found to be ineligible, and 10 applications were incomplete and are pending additional documentation.

Calendar Year 2022 Awards

- DHSS/DHCC received 18 applications during the calendar year January 1, 2022, to December 31, 2022; four were found eligible for awards and ten applications are pending review. Four applicants were found ineligible for the program.

HCPLRP Provider Type	Employer	HPSA ID	Total Award Amount for 2-Year Contract	Contract Start Date
DO	Just for Kids Pediatrics- Newark	1107638531	\$60,000	December 2022
DO	Dover Family Physicians	1105587710	\$30,000	December 2022
DO	ChristianaCare	1105587710	\$60,000	December 2022
MD	ChristianaCare	1107638531	\$60,000	December 2022

Delaware State Loan Repayment Program (SLRP)

Background

Delaware has operated a State Loan Repayment Program (SLRP) since 2000. DHSS/DHCC serves as the lead administrative entity for the program. The program is supported by the Health Resources and Services Administration (HRSA) of the U.S. Department of Health and Human Services (HHS). A multi-year federal grant totaling \$900,000 was awarded September 1, 2018, through August 31, 2022. The DHCC received an additional one-year no-cost-extension to spend the remaining funds from the grant. In the spring of the 2022, the DHCC applied for a new grant and was notified in August 2022 that Delaware would receive a 3-year grant in the amount of \$675,000 (\$225,000 annually).

SLRP strives to create healthier communities by recruiting and retaining quality health care professionals to practice in designated Health Professional Shortage Areas (HPSAs). The program offers financial assistance up to \$100,000 for verifiable educational loans to qualified dental, behavioral/mental health, and primary care professionals for a minimum of two consecutive years of full-time (40 hours per week) or half-time (20-39 hours per week) service in shortage areas across the State.

Calendar Year 2022

- In Calendar Year 2022, DHSS/DHCC received 23 SLRP applications.
 - 9 were eligible for award of which 2 eligible candidates were no longer interested and withdrew from consideration
 - 6 applications were incomplete (missing documents)
 - 6 applicants were found ineligible

SLRP Provider Type	Employer	HPSA ID	Total Award Amount for 2-Year Contract	Contract Start Date
NP	James T. Vaughn Correctional Facility	1103090629	\$30,000	December 2020
FNP	Helen F Graham Cancer Center	1107638531	\$19,265	December 2022
FNP	ShIPLEY State Service Center	1103602647	\$30,000	December 2022
LCSW	Limen House, Inc.	1107638531	\$45,000	December 2022
LPC	Limen House, Inc.	7106228533	\$30,000	December 2022

Delaware Health Insurance Individual Market Stabilization Reinsurance Program (1332 Waiver)

Background

From its implementation in 2014, the Affordable Care Act's reforms resulted in the growth of Delaware's individual health coverage market to its peak of 34,500 enrollees in 2016. These years of enrollment growth were bolstered by public demand for newly affordable health coverage, significant federal spending in marketing and consumer assistance, and a temporary transitional reinsurance program that supported premium stability.

Early trends pivoted in 2017, as unsustainable premium increases, enrollment attrition, and loss of choice in health coverage carriers destabilized the individual market. The end of the transitional reinsurance program (2017), increasing enrollee morbidity, and the cessation of cost sharing reduction payments from the federal government (2018) were key drivers of declining marketplace performance.

These headwinds risked reversing all of Delaware's health coverage gains as enrollment decreased in 2019 to 22,800 enrollees, down 34% from 2016. Unsubsidized enrollees accounted for 82% of coverage losses as monthly premiums increased to \$735 in 2019, up \$274 from 2016. Through this period of decreasing enrollment/affordability, the marketplace was supported by enrollees with premium tax credits, whose share of total enrollment peaked at 75% in 2019.

To address the affordability crises Delaware took legislative action:

1. Senate Concurrent Resolution 70 (SCR 70). Passed on June 28, 2018, and authorized the State's 1332 waiver application.
2. House Bill 193 (HB 193). Passed and was signed by Governor Carney on June 20, 2019.

As a result, the Delaware Health Insurance Market Stabilization Reinsurance Program & Fund was established in 2019 under a Section 1332 State Innovation Waiver. The waiver is effective January 1, 2020, through December 31, 2024, to implement a state-based reinsurance program. The State Reinsurance Program (SRP) helps stabilize Delaware's Individual market by lowering premium rates, increasing enrollment, and improving the morbidity of the single risk pool overall. Through its impact of lowering Individual market premium rates, the primary goal of the SRP is to help ensure that health care is as accessible and affordable as possible for Delaware citizens.

Following implementation, the SRP has contributed to significant premium reductions in 2020 and 2021 (19% and 1%, respectively) and stable premium growth in 2022 and 2023 (3% and 5.5%, respectively). The SRP's premium stabilizing effects, coupled with federal premium tax credit enhancements and increased marketing spend, has resulted in a vibrant individual market as Marketplace enrollment has increased by 53% from 2019 to 34k in 2023. Further

meeting its promise, the SRP set a favorable environment for issuer participation, and in 2023, two new market entrants will compete on the Marketplace.

Each year, the DSS/DHCC estimates the SRP’s expected costs for the approved premium reduction target. In 2023, the SRP’s 15.6% premium reduction target is estimated to cost \$59.7 million. Under the State Innovation Waiver, SRP costs are supported by state and federal funds. These federal “passthrough” funds are determined by the estimated federal savings in premium tax credits associated with the SRP’s premium reduction. In 2023, the state cost is estimated at \$20.8 million with passthrough funds expected to cover \$38.9 million in program costs.

Table 1 provides data on key Marketplace indicators for Delaware’s individual market from 2016 – 2023.

Table 1. Delaware Individual Marketplace Enrollment & Premiums. (2016 – 2023)

	2016	2017	2018	2019	2020	2021	2022	2023
Individual Market Enrollment	34,500	28,700	23,400	22,800	25,940	28,950	34,000	36,000
Healthcare.gov Enrollment ⁺	28,256	27,584	24,500	22,562	23,961	25,320	32,113	34,742
Enrollment (APTC)	19,300	18,000	17,000	17,300	19,100	21,300	25,900*	26,500*
<i>Average Premium</i>	\$150	\$162	\$119	\$113	\$108	\$102	\$113*	TBD
Enrollment (no APTC)	15,200	10,700	6,400	5,500	6,700	7,700	6,500*	7,200*
<i>Average Premium</i>	\$461	\$552	\$719	\$735	\$603	\$610	\$634*	TBD
(% Rate Increase)	22%	30%	25%	3%	-19%	-1%	3%	5%
Carriers	2	2	1	1	1	1	1	3

SOURCES:

⁺<https://www.cms.gov/newsroom/fact-sheets/marketplace-2023-open-enrollment-period-report-final-national-snapshot>

*Estimates provided by Oliver Wyman Actuarial Analysis for DHCC (2022)

2014 - 2023 Marketplace Open Enrollment Public Use Files

State Reinsurance Summary Report, CMS (2020 – 2023)

Reflects the enrollment data provided by Healthcare.gov at the end of year’s Open Enrollment Period.

Importantly, this enrollment data does not report effectuations, i.e. enrollees who paid their first month’s premium.

2022 Plan Year Payment Parameters

The SRP reimburses issuers who offer comprehensive coverage in Delaware’s Individual Market

for a percentage (coinsurance percentage) of the annual claims which they incur on a per member basis between a specified lower threshold (attachment point) and upper threshold (reinsurance cap), to be determined each year by DHSS/DHCC.

For the 2022 plan year, the attachment point was \$65,000, a coinsurance rate of 80%, and a reinsurance cap of \$300,000. At those parameters, the program reduced member premiums in the individual market by approximated 15.0% relative to if no reinsurance program were in place. DHSS/DHCC's determination process is supported by actuarial analysis of issuer enrollment/claims information, and considers program fiscal sustainability, estimated federal passthrough funds, and enrollment impact. DHSS/DHCC reports that SRP funding is sufficient for the estimated \$52.2 million in SRP payments for the 2022 plan year.²²

Calendar Year 2022 Activities and Accomplishments

- In March 2022, DHSS/DHCC issued a *Letter to Issuer*, an annual paper providing administrative guidance for SRP participating issuers to meet SRP requirements under the Delaware Code and regulations.
- In May 2022, CMS issued a letter to DHSS that the Department of the Treasury's final administrative determination for Delaware's pass-through funding amount was \$35,010,817 for calendar year 2022.
- On June 24, 2022, the DHSS/DHCC hosted a virtual [Public Forum](#)²³ to provide the public an opportunity to give meaningful comment on the progress of the Section 1332 Waiver. The 2023 payment parameters were announced:
 - Attachment point: \$65,000
 - Coinsurance rate: 75%
 - Reinsurance cap: \$340,000
- In July 2022, DHSS/DHCC remitted \$41,880,680.78 in reinsurance payments to the participating issuer for 2021 claims, accounting for 16% of marketplace claims costs.
- In September 2022, the DHSS/DHCC submitted pass-through funding data to CMS.
- In October 2022, the DHSS/DHCC released the [2021 SRP Annual Report](#)²⁴.
- In October 2022, the Highmark Blue Cross Blue Shield Delaware submitted to DHSS/DHCC their 2021 State Reinsurance Program Report, including:
 - SRP-enrollee demographic and enrollment detail
 - Information on chronic diseases experienced by the SRP population

²² In years where there is no moratorium on the Health Insurance Providers Fee, a 1.0% premium assessment will be charged to finance the program; In years where there is a moratorium on the Health Insurance Providers Fee, a 2.75% premium assessment will be charged to finance the program.

²³ <https://dhss.delaware.gov/dhss/dhcc/reinsur1332waiver.html>

²⁴ <https://dhss.delaware.gov/dhss/dhcc/files/report2021.pdf>

- Information on the issuer’s chronic disease management program and impact on the SRP population.
- In December 2022, at the monthly DHCC commission meeting, the DHSS Office of the Secretary and DHCC’s actuary and policy support consultants, presented a comprehensive [overview](#)²⁵ about the program’s history, impact, and policy implications.

²⁵ <https://dhss.delaware.gov/dhss/dhcc/files/reinsprogpresentation120122.pdf>



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