Diamond State Hospital Cost Review Board Meeting

Delaware Department of Health and Social Services (DHSS)

Herman M. Holloway Sr. Health and Social Services

Main Administration Building

Conference Room 2CR

1901 N. DuPont Highway

New Castle, DE 19720

July 21, 2026

Agenda

I. Welcome/Call to Order
II. Approval of June 9, 2026, Meeting Minutes
III. Working Session for Draft Administrative Regulation
IV. Board Duties and Overview of SS 1 for SB 13
V. Upcoming Meetings
VI. Public Comment
VII. Closing Remarks/Next Steps
VIII. Adjourn

Welcome/Call to Order

David Singleton, Chair

Approval of June 9, 2026, Meeting Minutes

David Singleton, Chair

DSHCRB Administrative Regulations Working Session, SS1 for SB13, and Look-Ahead

Diamond State Hospital Cost Review Board

July 21, 2026

Meeting Agenda

Agenda Item	Time
Welcome	10:00 AM – 10:05 AM
Walkthrough of Draft Administrative Regulation	10:05 AM – 11:05 AM
SS1 for SB13	11:05 AM – 12:00 PM
Look-Ahead: Upcoming Meetings	12:00 PM – 12:10 PM
Public Comment	12:10 PM – 12:25 PM
Next Steps & Close	12:25 PM – 12:30 PM

Walkthrough of Draft Administrative Regulation

Overview of Draft Administrative Regulation

Section	Title
1	Definitions
2	Applicability and Computation of Time
3	Submission of Audited Financial Statements
4	Submission of Hospital Information
5	Uniform Reporting Manual
6	Posting of Public Records
7	Requesting Extension for Submission

Section 1: Definitions

- Defines key terms used in the regulation. The section clarifies what documents are included in audited financial statements and ties the Manual to Section 5.0.

Section 2: Applicability and Computation of Time

- States that the regulation applies to hospitals as defined under Delaware law. Explains how deadlines are calculated, including that deadlines falling on weekends or State holidays move to the next business day.

Section 3: Submission of Audited Financial Statements

- Requires hospitals to submit audited financial statements annually within 30 days after they are finalized through ordinary internal governance procedures. Hospitals may include an explanatory statement, and certain audit-related documents are treated as confidential upon submission.

Section 4: Submission of Hospital Information

- Sets the annual process and timeline for hospital information submissions. Hospitals must submit information by January 31, covering the most recent finalized fiscal year and showing changes from the prior year. Board staff review submissions, may ask questions, schedule hospital presentations, issue recommendations, publish public records, hold public hearings, allow public comments, and issue written findings on whether hospitals satisfy State health-care spending policy directives.

Section 5: Uniform Reporting Manual

- Establishes the Manual as the source for uniform definitions and annual submission requirements. The Board will issue yearly guidance for the upcoming reporting period and will provide submission templates or forms on its website.

Section 6: Posting of Public Records

- Identifies which submitted materials are public records and requires them to be posted online. Hospitals may submit a redacted version of the filing for public posting with accompanying statements asserting the basis for each redaction. Entire submissions cannot be designated confidential.

Section 7: Requesting Extension for Submission

- Allows hospitals to request deadline extensions when circumstances outside their reasonable control materially impair compliance. The section explains timing, required contents of extension requests, Board review factors, written determinations, limits on granted extensions, and Board authority to extend deadlines for one or more hospitals when broader emergencies affect compliance.

Legislative Update: SS1 for SB13

SS1 for SB13: Purpose

- As medical debt increases, policymakers in some states have instituted stronger patient protections in the form of charity care laws and requirements.

- The purpose of the stronger requirements to reduce medical debt by improving the provision of charity care through clear income thresholds, eligibility standards, and a universal application.

- Stronger laws and requirements also improve transparency and accountability for the provision of charity care.

- SS 1 for SB13 replaces Delaware's existing hospital charity care system with new financial assistance program standards.
  - Psychiatric, rehabilitation, and long-term acute care hospitals are not subject to the new standards but continue to be subject to the existing "charity care" requirement.
  - The Act covers the same hospitals as currently required to submit Hospital Information to the Board.

- SS1 for SB13 closely aligns with the State of Washington's charity care requirements.

SS1 for SB13: High-level Summary of Board Duties

- The Diamond State Hospital Cost Review Board is required to:
  - Oversee the program
  - Set the standard application and rules
  - Post hospital policies and reports
  - Review compliance.

- The Board may adopt regulations to administer, enforce, or implement its duties as prescribed by the Act.
  - Financial assistance income standards take effect January 1, 2027.
  - Everything else will take effect when the Board publishes notice of final regulations or July 1, 2027, whichever is first.

Section-by-Section Summary

Section	Section Purpose
1 (§ 9311, Title 16)	Limits the old charity care requirement to hospitals providing exclusively psychiatric, rehabilitative, or long-term acute care services. All other hospitals must instead follow the new financial assistance rules. DHSS enforces the old charity care requirement.
2 (new Subchapter VII, §§ 9961–9966, Title 16)	Outlines new financial assistance program. Defines key terms; sets minimum financial assistance tiers and medical hardship discounts; establishes patient protections; requires annual reporting to the Board; requires published financial assistance policies covering presumptive eligibility, applications, appeals, Medicaid coordination, and refunds; authorizes Board oversight and Division of Health Care Quality penalties.
3 (§ 2505J, Title 6)	Bars medical creditors and debt collectors from extraordinary collection actions against patients who qualify — or likely qualify — for financial assistance.
4 (§ 2508J, Title 6)	While an application or appeal is pending, creditors/collectors may not pursue collection communications (without written notice the patient isn't responsible), file lawsuits or arbitration, or refer/sell the debt.
5 (§ 2511J, Title 6)	Makes hospital noncompliance or patient eligibility a complete defense in medical debt lawsuits; blocks default judgments unless a hospital officer files an affidavit that the patient was offered financial assistance screening.
6 (Effective dates)	Financial assistance income standards: January 1, 2027. Everything else upon Board notice of final regulations, or July 1, 2027, whichever is first.

Board Duties and Requirements: (§ 9963(b))

With input from the Delaware Healthcare Association:

- Establish categories of information/documentation hospitals may request from applicants.
  - Information is limited to what's reasonably necessary to verify income and household size (hospitals cannot ask for anything outside these categories).
- Establish categories of presumptive eligibility (e.g., enrollment in income-based public benefits, subsidized housing residency, homeless services receipt, or other income indicators).
- Establish methodologies for identifying presumptively eligible patients (historical data, predictive modeling, etc.)
  - The Board may require, permit, or restrict specific methodologies.
- Establish by regulation that recipients must be Delaware residents.

Board Duties and Requirements: (§ 9963(c))

The Board must prescribe:

- A standard financial assistance application all hospitals must use
  - Must approve modified applications that reduce applicant burden
  - May not approve modified applications requiring documentation beyond the established categories

- A standardized list of acceptable forms of income verification.

- A list of income-based public assistance programs and associated verification forms.

Board Duties and Requirements: (§ 9963(d))

The Board must maintain a public website posting including the following:

- Hospital financial assistance policies and reports (within 30 days of receipt).
- Information on financial assistance rights, hospital policies, and Board-prescribed items.
- All documents the Board is required to prescribe per (§ 9963(c)).

Board Duties and Responsibilities: **(§ 9963(e))**

- The Board may initiate reviews triggered by:
  - Credible complaints of noncompliance.
  - Outlier reporting patterns (high denial/closure rates, long determination times, low presumptive eligibility usage).
  - Evidence of missing written communication during billing/collection while a determination was pending.
  - Other risk indicators the Board may establish by regulation.

Other Board Responsibilities

- Receive hospital reports (applications received; approvals/denials/closures with reasons; presumptive screenings and determinations; time-to-determination; assistance provided at cost and as a percentage of operating expenses) in a form, manner, and frequency the Board sets (§ 9962(j)).

- May specify by regulation which categories of services are or are not "hospital services" (§ 9961(8)d).

- Prescribe the appeals process hospitals must follow for denied applications (§ 9964(3)e).

- Notify the Division of Health Care Quality upon finding a hospital noncompliant (§ 9965(a)).

- Publish notice in the Register of Regulations when final implementing regulations are adopted.

Upcoming Meetings

Upcoming Meeting Topics

Board Meeting	Topics
*August 6, 2026**	*Delaware Health Care Commission Presentation* (see slide 24 for presentation outline) **Board is welcome to attend, but it is not required.*
August 11, 2026	• Introduction to Hospital Audited Financial Statements • Possible vote on draft Administrative Regulation
September 8, 2026	• Back-up vote on draft Administrative Regulation • Delaware's current charity care system • Charity care Administrative Regulation: Board discussion of issues
October 2026	• Benchmark Compliance Plan criteria • Meaningful Cost Containment Arrangements • Charity care Administrative Regulation: Continuing Board discussion

Upcoming Board Meeting Topics Cont.

Board Meeting	Topics
November 2026	• Review/discuss plain language draft charity care Administrative Regulation
February 2027	• Target date for Board approval of charity care Administrative Regulation
June 2027 - July 2027	• Initiate development of amendment (Phase 2) to Administrative Regulation #1 to incorporate Benchmark Compliance Plan and Meaningful Cost Containment provisions

Outline for Delaware Health Care Commission Presentation

Board Focus to-date: Draft Administrative Regulation

- Agreed on Phase 1 Administrative Regulation focused on annual hospital information collection
- Deferred Benchmark Compliance Plan and Meaningful Cost Containment Arrangement to Phase 2
- Determined necessary components for Phase 1
- Held stakeholder Work Sessions in addition to receiving written feedback
- Grappled with key issues related to:
    - Policy and engagement
    - Submission schedule and annual review
    - Reporting burden
    - Scope
    - Confidentiality

Target Date for Submission of Administrative Regulation to Registrar: August 15, 2026

- **Upcoming Board work:**
    - Introduction to Hospital Audited Financial Statements
    - Development of Administrative Regulation for implementing SS1 for SB13
    - Discussion of Benchmark Compliance Plan and Meaningful Cost Containment Arrangement Criteria
    - Review Hospital Information submissions beginning in 2027

Administrative Regulation Timeline

Activity	**August Submission Timeline**	**September Submission Timeline**
Board vote on draft Administrative Regulation (DSHCRB Meeting)	August 11th	September 8th
Submit Proposed Administrative Regulation to Registrar	August 17th	September 15th
Proposed Administrative Regulation Published	September 1st	October 1st
Public Comment Period Opens	September 2nd	October 2nd
Public Comment Period Closes	October 2nd	November 2nd
Final Regulation Submitted (if there are no material changes to regulation)	October 13th	November 13th
Final Regulation and Order are published	November 1st	December 1st
Regulation goes into effect	November 11th	December 11th

Public Comment

Closing Remarks/Next Steps

Adjourn