

Narrative

Hospital Name: [Insert Hospital Name]

Instructions: Provide succinct, complete, accurate answers to the questions. Additional exhibits may be attached or included as supplemental material.

- 1) What material information is important for the Board to consider when reviewing your Audited Financial Statement? Examples include one-time or other non-recurring events, service line changes, changes to key personnel, or financial restructuring.
- 2) Were there any material changes in the restatement of the prior-year figures? If so, explain why.
- 3) Summarize the top expenses affecting hospital operations in Delaware and any measures that have been taken to address or otherwise mitigate them.
 - a. Describe the primary drivers of pharmaceutical expenses and the specific strategies used to manage or mitigate these costs (e.g., formulary management, biosimilar adoption, group purchasing arrangements, 340B utilization, or site-of-care optimization).
- 4) Summarize the hospital's investments in workforce development initiatives, including the objective(s) associated with the investments.
- 5) Explain how the hospital approaches establishing and monitoring employee compensation, including any benchmarking techniques.
- 6) Explain how the hospital approaches establishing and monitoring its prices for medical services, including any benchmarking techniques.