Delaware Health Resources Board's Public Hearing for TidalHealth's Ambulatory Surgery Center

Main Administration Building

Herman M Holloway Sr. Health and Social Services Campus

1901 North Dupont Highway New Castle DE 19720

June 5, 2026



Agenda

I: OPENING COMMENTS

II: TIDALHEALTH PRESENTATION REGARDING THE AMBULATORY SURGERY CENTER CERTIFCATE OF PUBLIC REVIEW APPLICATIONS

III: PUBLIC COMMENTS

IV: ADJOURN

TIDALHEALTH PRESENTATION

TidalHealth Millsboro North Campus – Ambulatory Surgery Center

Certificate of Public Review
Delaware Health Resources Board Proposal

June 5, 2026

TidalHealth

Vision

To be the trusted leader in health and wellness, providing world-class care while serving as the premier destination for healthcare professionals to excel and thrive.

Mission

To improve the health of the communities we serve.



“From day one, our commitment has been to deliver and provide access to best-in-class clinical quality, unmatched patient safety, and affordability. This new campus is an extension of that promise,” Dr. Leonard.

TidalHealth, serving Delmarva for nearly 130 years

Three Acute-Care Hospitals

Over 477 Providers

More than 65 Locations

Over 6,000 Team Members

Integrated Population Health

Growth in Graduate Medical Education

Research & Innovation

Trauma Center

Joint Partners

TidalHealth

Delivering High-Quality Orthopaedic Care

- For 2025, TidalHealth Nanticoke is designated a Blue Cross Blue Shield Blue Distinction Center for total Hip and Knee Replacement Surgery for its dedication to treating individuals living with joint pain.
- For 2026, TidalHealth Nanticoke earns The Joint Commission's Gold Seal of Approval® for Advanced Total Hip and Knee Replacement Certification, reflecting the hospital's commitment to providing safe, high-quality patient care.
- TidalHealth Nanticoke was recognized in the 2025 First State Favorites – South Community's Choice Awards.

Blue Distinction® Center Knee/Hip

THE JOINT COMMISSION NATIONAL QUALITY APPROVAL®

2025 THE OFFICIAL COMMUNITY'S CHOICE AWARDS First State Favorites • SOUTH • WINNER

Project Overview

Construction of the TidalHealth Millsboro North Ambulatory Surgery Center, including site development, will encompass a modern surgical environment designed to support efficient workflows, advanced technology, and safe, high-quality care.

Expansion of Orthopaedic Access in Sussex County will enhance access to advanced, convenient, and patient-centered outpatient orthopaedic surgical care for residents of one of Delaware's fastest-growing regions.

Comprehensive orthopaedic outpatient surgery services will be designed to improve timely access, reduce travel burden, lower costs versus hospital-based settings, and support coordinated care across the full continuum of musculoskeletal diagnosis, treatment, surgery, recovery, and follow-up.

TidalHealth investment of **$12.4M – $14.8M**



Current TidalHealth locations in Millsboro, DE

TidalHealth Millsboro Pavilion, Millsboro DE

- Cardiovascular
- Ear, Nose & Throat
- Family Lab
- Orthopaedics
- Pediatrics Development & Therapy
- Primary Care

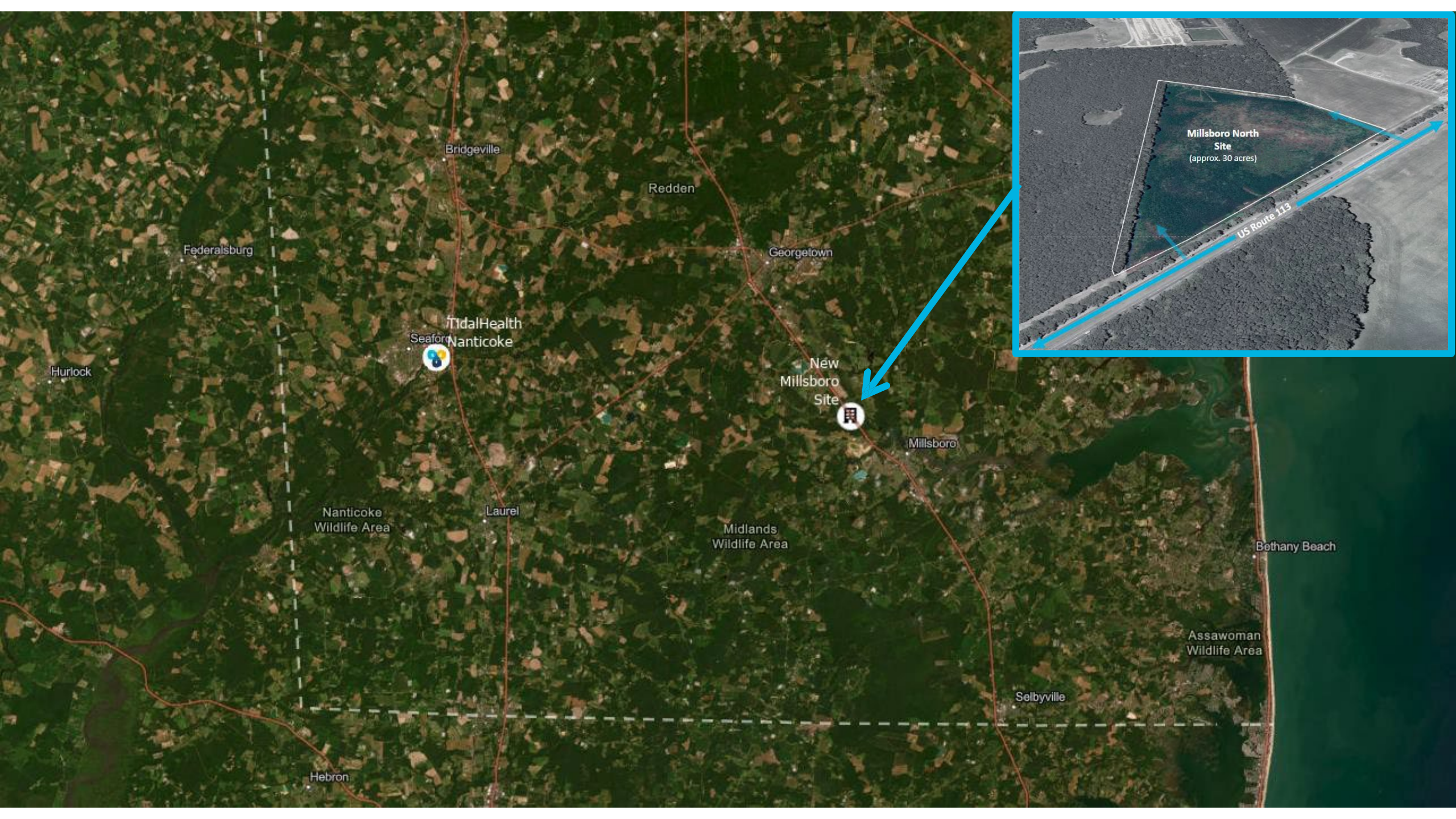
TidalHealth Sleep Center, Millsboro DE

- Sleep Medicine



TidalHealth Millsboro North Campus – Ambulatory Surgery Center

TidalHealth


Millsboro North
Site
(approx. 30 acres)
US Route 113
Bridgeville
Redden
Federalsburg
Georgetown
TidalHealth
Seaford
Nanticoke
Hurlock
New
Millsboro
Site
Millsboro
Nanticoke
Wildlife Area
Laurel
Midlands
Wildlife Area
Bethany Beach
Assawoman
Wildlife Area
Selbyville
Hebron

Site Plan

Millsboro North Campus

- 30 acres
- 180,000- square foot campus
- Three buildings
- Conveniently located near the intersection of Routes 113 and 20 in Millsboro
- Integrated medical care – close to home at lower costs



**ASC: Ambulatory Surgery Center.*

Artist rendering



Expanding Access to Orthopedic Surgery in Sussex County

Dedicated Orthopaedic ASC Capacity

- Four operating rooms dedicated to high-demand orthopaedic procedures, including total joints, sports medicine, spine, hand, and foot & ankle surgery.

Strategic Inland Sussex Location

- Located along the Route 113 growth corridor in Millsboro, improving access for rapidly growing inland Sussex communities.

Integrated Orthopaedic Care Model

- Connected to TidalHealth physicians, imaging, rehabilitation, specialists, and hospitals to support seamless pre-surgical, surgical, and post-surgical care.

Right Care in the Right Setting

- Allows appropriate outpatient orthopaedic procedures to be performed in a lower-cost, patient-centered ambulatory setting while preserving hospital capacity for higher-acuity care.



Improving Access for a Growing and Aging Population

- Serves central and western Sussex County, including some of Delaware's fastest-growing inland communities.
- Reduces travel burden for patients who currently navigate coastal congestion and longer travel times for outpatient surgery.
- Dedicated orthopaedic operating room capacity helps improve scheduling access and reduce delays in care.
- Supports same-day surgical recovery closer to home in a convenient outpatient environment.
- Enhances access for Sussex County's growing Medicare population, which utilizes musculoskeletal and orthopaedic services at significantly higher rates.
- Strengthens long-term access to orthopaedic care as regional demand continues to increase.



Lower Cost, More Efficient Surgical Care

Better for Patients

Affordability and more convenient outpatient surgical experience.

Better for Payers

Lower-cost ambulatory surgery setting supports more affordable care delivery and reduced healthcare spending.

Better for Hospitals

Preserves hospital operating rooms for trauma, inpatient, emergent, and higher-acuity surgical cases.

Better for Delaware

Supports statewide affordability and healthcare efficiency goals through appropriate site-of-care utilization.



Meeting Orthopaedic Growth Demand in Sussex County

We Are Meeting Growth – Not Shifting Volume

- Sussex County continues to experience sustained population growth and retiree in-migration, driving long-term orthopaedic demand.
- Older adults utilize orthopaedic procedures at significantly higher rates, particularly joint replacement, spine, and musculoskeletal services.

Integrated Orthopaedic Destination Campus

- The Millsboro North Campus will include primary care, orthopaedics, imaging, rehabilitation, and specialty services that support coordinated outpatient surgical care.



Projected Orthopaedic Growth

- Over the next decade, Millsboro is projected to experience substantial growth in:
  - Orthopaedic Procedures: **26%**
  - Orthopaedic Office Visits: **30%**
  - Orthopaedic Medical Imaging: **23%**
- Similar growth is projected collectively in Millsboro, Seaford, Laurel, Georgetown, Dagsboro and Frankford.

TidalHealth Millsboro North Campus – Ambulatory Surgery Center
Source: Sg2

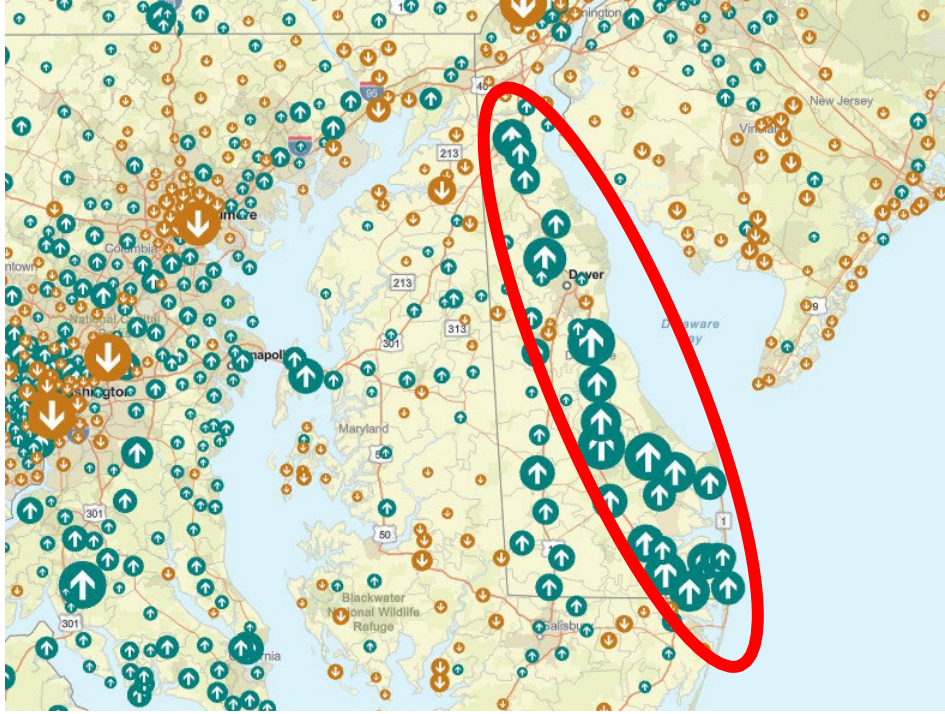
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Population Growth Is Driving Orthopaedic Demand

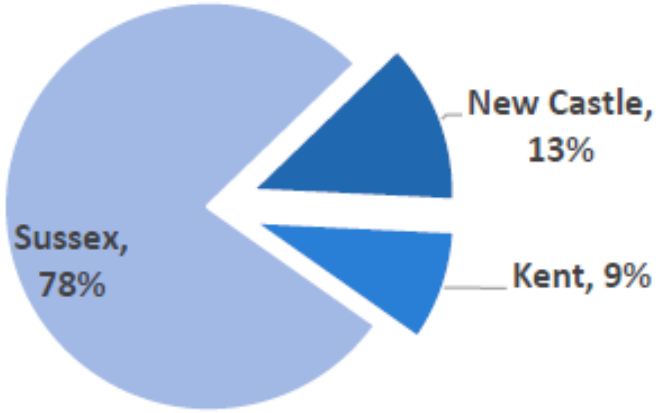
Sussex County continues to experience some of the fastest population growth in Delaware, particularly among older adults who are the highest utilizers of orthopaedic services.

As residential development expands throughout inland Sussex County, demand for musculoskeletal, joint, spine, and outpatient surgical services will continue to increase.

- Growth is accelerating along the Route 113 corridor.
- Inland communities continue to experience rapid residential expansion.
- Aging demographics are increasing demand for orthopaedic surgery and rehabilitation services.
- Healthcare infrastructure must expand to meet future access needs.



Delaware Residential Building Permits

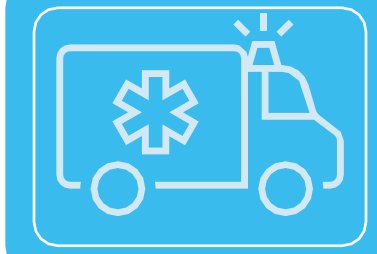


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No Alternative Better Addresses Access, Affordability, and Growth



Expanding hours at existing hospital campuses does not address the geographic access challenges facing inland Sussex County residents.



Continuing to perform lower-acuity orthopaedic procedures in hospital operating rooms is a less efficient and more costly long-term solution.



Existing hospital campuses remain subject to inpatient, trauma, and emergency surgical pressures that can impact outpatient scheduling access.

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Strengthening the Regional Healthcare Delivery System

- The ASC will operate as an integrated extension of TidalHealth's coordinated healthcare delivery system.
- Epic integration supports seamless communication between patients, surgeons, primary care providers, specialists, rehabilitation teams, and hospitals.
- The project improves regional surgical capacity while preserving hospital operating rooms for higher-acuity and emergent care.
- The ASC strengthens coordination across the orthopaedic continuum, including evaluation, imaging, surgery, rehabilitation, and follow-up care.
- This project fills an important geographic access gap in inland Sussex County.



Financial Feasibility

- Project capital cost: $12.4M–$14.8M.
- TidalHealth's solid balance sheet includes $440+ million in long-term investments and over $60 million in available funding.
- Strong financial stability ensures long-term operational support, maintenance, and staffing sustainability.
- Workforce supply secured through educational partnerships with Delaware Tech, Wor-Wic, Salisbury University, and regional imaging programs.
- Through Graduate Medical Education (GME), TidalHealth is developing a long-term physician and clinical workforce pipeline who will live, learn, and practice in our communities, ensuring long-term access to care



Supporting Affordable Orthopaedic Surgical Care

- Ambulatory surgery centers are widely recognized as a lower-cost alternative to hospital outpatient surgical departments.
- Affordable patient copays and coinsurance reduce barriers to care.
- Appropriate outpatient migration helps preserve hospital resources for trauma, inpatient, and complex surgical care.
- More efficient surgical delivery supports lower healthcare spending for employers, payers, patients, and the healthcare system overall.
- The proposed ASC supports Delaware's goals around affordability, efficiency, and value-based healthcare delivery.



Improving Quality Through Coordinated Orthopaedic Care

- Reduced scheduling delays support earlier intervention and improved patient outcomes.
- Dedicated outpatient surgical workflows improve efficiency, patient safety, and patient experience.
- Integrated Epic coordination supports seamless communication across the orthopaedic care continuum.
- Standardized outpatient pathways improve recovery, discharge coordination, and post-surgical follow-up.
- Patients benefit from receiving care in a convenient, accessible, community-based setting closer to home.



Supporting Long-Term Community Health and Access



TidalHealth's charity care policies exceed Delaware requirements, helping ensure access for underserved and vulnerable populations.



Graduate Medical Education programs help strengthen the long-term physician workforce serving Sussex County and the Delmarva region.



The Millsboro North Campus supports sustainable access to coordinated specialty care for a growing community.

TidalHealth

Bringing Advanced Orthopaedic Care Closer to Home

- Convenient access to outpatient surgery for Sussex County residents.
- Coordinated orthopaedic care connected to physicians, imaging, rehabilitation, and specialty services.
- Faster access to care in a modern, patient-centered surgical environment.
- Less travel. Less waiting. More care close to home.
- Designed to support the growing needs of inland Sussex County communities.



TidalHealth

Thank you!

Questions?



TidalHealth

PUBLIC COMMENTS

ADJOURN

THANK YOU

