



Delaware Health Care Commission (DHCC) Meeting

May 1, 2025

9:00 a.m. - 11:00 a.m.

Meeting Attendance and Minutes

Commission Members Present In-Person: Dr. Neil Hockstein, Dr. Jan Lee, Dr. Kathy Matt, Nick Moriello, Cabinet Secretary Josette Manning (DHSS), and Dr. Stephanie Traynor (DSCYF)

Commission Members Attending Virtually: Cheri Clarke Doyle and Insurance Commissioner Trinidad Navarro (DOI)

Commission Members Absent: Mike Quaranta, Dr. John Powell, and Cabinet Secretary Michael Smith (DOF)

Meeting Facilitator: Dr. Neil Hockstein, Chair

Health Care Commission Staff: Elisabeth Massa (Executive Director), Latoya Wright (Manager of Statistics and Research, Colleen Cunningham (Social Service Senior Administrator), and Sheila Saylor (Public Health Treatment Program Administrator)

Anchor Location:

Department of Health and Human Services (DHSS)
Herman M. Holloway Sr. Health and Social Services Campus
The Chapel
1901 N. DuPont Highway
New Castle, DE 19720

CALL TO ORDER

After confirming a quorum, Dr. Neil Hockstein (DHCC Chair) called the meeting to order at approximately 9:00 a.m.

BOARD BUSINESS

ACTION ITEM: Approve April 3, 2025, Meeting Minutes

Dr. Hockstein requested a motion to approve the April 3, 2025, meeting minutes. Nick Moriello made a motion to approve, second by Dr. Jan Lee. No objections were made. The commissioners approved the minute – available on the [DHCC website](#).

Commission Strategy Session

Dr. Hockstein opened the meeting with a brief follow-up on the Commissioners' Strategy Session from the April DHCC meeting. One of the key takeaways is how to ensure the Commission is an important think tank for the legislature and executive branch to make policy decisions. Dr. Hockstein commented there has been great interaction with respect to workforce. Dr. Kathy Matt added the DHCC Workforce Subcommittee is working with the Delaware General Assembly on new legislation to collect data about the health workforce and licensing in the State. Dr. Hockstein shared he recently met with Senator Ray Siegfried who is eager to be involved in health care policy and partner with the Commission. Topics discussed included health care costs and drug costs. Members of the executive have discussed and met with the State Employees Benefit Committee. There is a push that the next contract has significant transparency and access to data. Discussions are also taking place to expand medical education in the State. There are opportunities to expand upon DIMER and other learning opportunities. Dr. Hockstein also touched briefly on a topic that would be discussed later in the meeting on an idiosyncrasy of how healthcare is delivered not just in Delaware, but nationwide to people whose citizenship status has not been deemed legal.

POLICY DEVELOPMENT

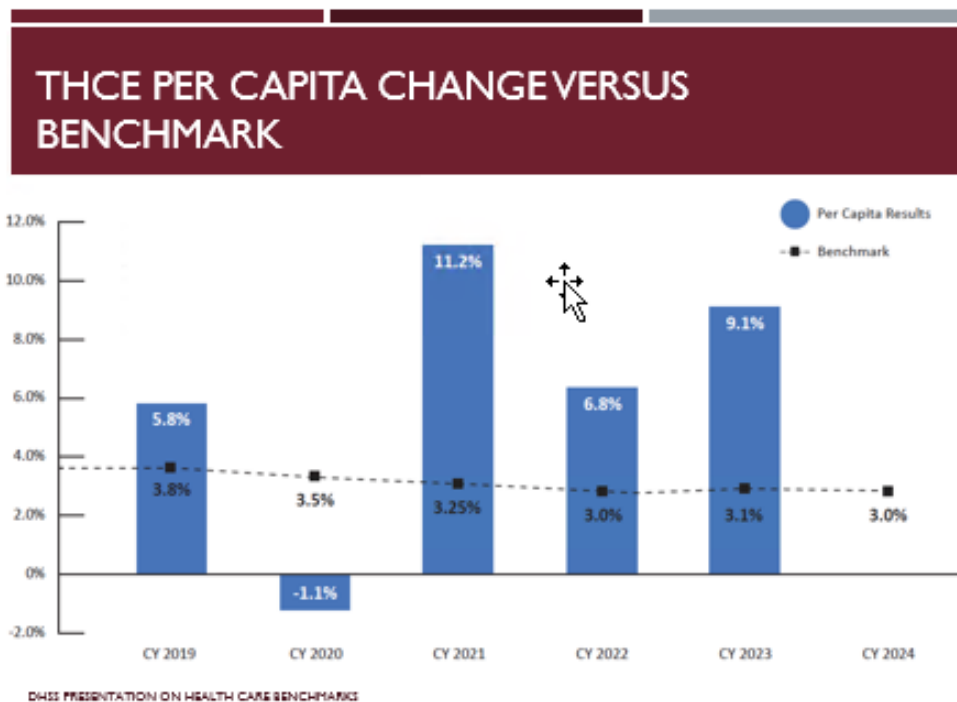
Calendar Year 2023 Benchmark Trend Report

Cabinet Secretary Josette Manning presented a summary of the Calendar Year 2023 Benchmark Spending and Quality Trend Report highlighting key findings. The benchmark data collection process has its own unique reporting requirements and methodology. Therefore, direct comparisons of this data to any other external data source of Delaware health care spending or per capita values should not be done. This data represents the fifth time DHSS has collected benchmark spending and quality data from all payers. It is the third-year payers were required to submit benchmark data via HB 442. For the CY 2023 report, DHSS collected final/refreshed calendar year 2022 and new calendar year 2023 spending data, and final CY 2023 quality data from payers.

Spending:

- The spending benchmark is the annual change in the State level per capita value of total health care expenditures for all Delaware residents based on data submitted by Delaware payers.
- CY 2023 saw significant growth of \$1.0 billion in total health care expenditures from CY 2022. This compares to a \$0.8 billion increase from CY 2021 to CY 2022.
- All major markets increased from CY 2022 to CY 2023.
- Per capita is computed by dividing total health care expenditures by Delaware's total population.
- Delaware's total population increased 1.3% in 2023 whereas total health care spending increased 10.6%.
- As a result, on a per capita basis, Delaware's estimated 2023 State level per capita increased 9.1% to \$10,588 compared to the 2022 figure of \$9,702.

- The diagram below shows the 2023 benchmark was set at a 3.1% growth rate. (The annual spending targets were originally set in 2018 and are subject to review by the Delaware Economic and Financial Advisory Council.) 2023's computed per capita represents a 9.1% increase from the 2022 per capita figure which is well above the 3.1% benchmark growth rate. There have been significant inflationary increases on health care costs and services, driving larger than expected increase nationally as well as locally within the State.



Quality:

- The Trend Report included ten quality measures, four of which were new in this benchmarking cycle. Delaware met benchmarks for breast cancer screening (commercial market), opioid dosage reduction, and showed improvements in adult obesity and opioid-related overdose deaths.

Discussion:

- The commissioners discussed the need to better align spending data with health outcomes and suggested using claims and clinical data from the Delaware Health Information Network (DHIN) to explore these links deeper.
- Steven Costantino (Director of Health Care Reform, DHSS) shared in the beginning of the benchmark process during the stakeholder dialogue process, there was an intent to not just have a spending report, but also a quality report.
- With some of the measures, there could be existing data which aligns with the quality measures and health outcomes.
- Dr. Lee commented the quality measures are not outcome measures, they are process measures. It would be interesting to find the studies for example breast cancer screening you save x amount of dollars in downstream costs. She posed the

question, are costs of health care truly tied in any direct way that we can measure to these quality metrics? DHIN could be used to explore areas deeper.

- Dr. Hockstein commented tying measures together is something that is ultimately determined by groups outside of Delaware's benchmark group and can expect to supersede the U.S. Preventive Service Task Force and other bodies.
- Mr. Moriello commented on GLP-1 medications and added the massive increase of GLP-1 occurred in 2024, before the CY 2023 benchmark data. The industry saw in 2024 utilization occurred at much higher rate than in 2023, and the underlying unit costs for care increased in 2024 greater than in 2023. He added if the Commission is contemplating public policy, maybe it is the quality measures that are improving are the areas to increase investments for that long term result.
- Dr. Hockstein commented on the slide, "Contribution to CY 2023 TME Increase." The \$269 million (28.8%) Pharmacy Prescription Drug Benefit (net of rebates) and questioned how much of that is GLP-1s. Does the benchmark have access to that data? Alyson Ramsaier (Mercer consultant) commented the Benchmark collects aggregate levels of detail. Dr. Lee shared the DHIN could provide a breakdown of pharmacy costs through the Health Care Claims Database. Dr. Hockstein commented in the aggregate it is difficult to know what to do about pharmacy spend or hospital outpatient spend (\$187 million). Dr. Lee shared on the DHIN website there is a public report that looks at pharmacy spending by year and allows you to break it out by brand generic, other over the counter, looking at insurance type, not categories of drugs, however a report could be created if requested.
- Secretary Manning commented the entire impetus of HB 350 is to seek information because 30% of the increase is attributable to hospitals outside of pharmaceuticals. HB 350 will gather and analyze that data to really understand what is driving costs.
- Secretary Manning made a motion for the Commission to form a work group to develop queries for DHIN to fill in some of these gaps. A second was made by Dr. Matt. All commissioners were in favor; motion passed. The Benchmark Workgroup will do the following:
 - Develop targeted queries for deeper analysis with DHIN.
 - Inform future policy recommendations.
 - Better understand healthcare cost drivers and their justifications
- The Commissioners discussed Delaware's spending growth as compared to other states with similar benchmark programs (Massachusetts, Connecticut, Oregon). While all states experienced increases above their benchmarks, Delaware's increase was at a higher clip, possibly due to demographic factors such as a faster aging population

Secretary Manning's [presentation](#) and [CY 2023 Trend Report](#) is available on the DHCC website.

Before moving to the next agenda topic, "Meeting Cadence," Dr. Hockstein revisited his early comments on dialysis in emergency rooms for undocumented individuals. Currently, these patients receive dialysis often 100-150 times per year in hospital emergency departments, which is costly, inefficient, and inhumane. Delaware has explored funding outpatient dialysis care for this population, but federal restrictions and fiscal constraints have hindered progress. The expected annual cost for about 30 patients is approximately

\$2.7 million, a reallocation of existing uncompensated care resources. The Commission expressed interest in building partnerships among state agencies, health systems, and other stakeholders to develop better, more cost-effective care models.

Commission Meeting Cadence

Dr. Hockstein commented the Commission has been meeting monthly with a Retreat in the fall. He asked the commissioners if this cadence was working well and should be continued or revised. Comments and suggestions from the commissioners:

- More substantive work and deeper dives should occur in subcommittees or workgroups between full Commission meetings.
- The full Commission meetings could be less frequent (quarterly or every other month) and focus more on executive summaries, updates, and setting strategic direction.
- Retreats no more than one day is necessary. It could be split into shorter sessions at the beginning and end of the year to set priorities and review progress.
- Maintaining monthly meetings was favored by some for ongoing engagement and information sharing, but with a shift toward more efficient use of time and deeper work occurring offline

A survey will be sent to the commissioners seeking additional feedback.

PUBLIC COMMENT

From the Chat Box:

Cheryl Heiks (Delaware Health Care Facilities Association) – Several long-term care facilities have installed dialysis with their footprint. It was generated with the idea to avoid transportation and exposure to infections etc. However, care for those who are undocumented is the challenge given the current federal environment. This could apply to not just dialysis. By limiting the meetings to small group activities it will limit the public's access to the content.

Brian Frazee (Delaware Healthcare Association) – Thank you all for the discussion today. The Delaware Healthcare Association is looking forward to working with you on how we can improve healthcare in Delaware. We support transparency to inform data-driven decisions, but HB 350 is not the right approach to fixing our problems. HB 350 only focuses on hospital costs and not on access or quality. The law authorizes a state-run Board to ask a hospital for their entire budget and future strategic plans. The Board decides whether a hospital has met the healthcare spending benchmark (it has not yet been determined how hospitals will be held individually accountable to the benchmark, which includes factors outside of their control). If the Board is not satisfied, they can place a hospital on a PIP. If they are not satisfied with that process, the Board has the authority to step into their private governance and take over the hospital's budget. We are a uniquely growing and aging population in Delaware and the only state in the country that has a law focused only on hospitals. We can't solve these problems alone. This law was modeled off Vermont's failed hospital control board and no other state is looking to that model because it has resulted in service

cuts and other actions that are the opposite direction of where we need to go in our uniquely growing and aging state. There was no stakeholder process to determine what makes sense for Delaware. There is a better way, and we look forward to working with you all on real solutions to tackle these complex challenges.

Oral Public Comment:

Kristen Dwyer (Nemours): Commented support for strengthening relationship with DHIN. Raised concern that the DEFAC Benchmark Subcommittee has not met per statute or reviewed the DEFAC Subcommittee report to implement or discuss further; urged adherence to legislative responsibilities.

Maggie Norris-Bent (Westside Family Healthcare): Provided comments on uncompensated care for undocumented pregnant individuals and children.

Cheryl Heiks (Delaware Health Care Facilities Association): Commented she has attended Commission meetings for a number of years, and it is a significant opportunity for the members of the public to be able to engage with the various Commission members, to make suggestions, make presentations, and changing meeting to every quarter would decrease that involvement

ADJOURN

Hearing no additional public comments, Dr. Hockstein asked for a motion to adjourn. Mr. Moriello made a motion, seconded by Dr. Lee. All commissioners were in favor, and the meeting adjourned.

PUBLIC ATTENDEES

In-Person

Alyson Ramsaier	Mercer
Laurie Klanchar	Mercer

Virtual

Kristin Dwyer	Nemours
Frederick Gibison	Mercer
J.B (student)	
Jordan Bublik	Mercer
Peter Kaczmarek	Oliver Wyman
Christina Bryan	Delaware Healthcare Association
Susan Jennette	DOI
Pamela Price	Highmark Delaware
Nick Conte	DHSS
Jessica Luff	DOI
Jules Villecci	Delaware Healthcare Association
Cristine Vogel	DOI
Brian Frazee	Delaware Healthcare Association

Martha Lodge-Helajoki	DHSS
Alexa Scoglietti	DHSS
Steven Costantino	DHSS
LoriAnn Rhoads	Medical Society of Delaware
Jen Rini	
Daniel Isom	DHSS
Krishna Upadhyay	DHSS
Maggie Norris Bent	Westside Family Healthcare
Richa Shah	United Medical
Christina Haas	DOI
Emmelene Brown	
Anthony Onugu	United Medical
Sherry Nykiel	DHSS
Chris Otto	Delaware Nurses Association
Nora Hoban	Mid-Atlantic Association of Community Health Center
Ja'nae Bryant	
James Berryhill	DHSS
Faith Rentz	DHR
Victoria Brennan	Office of the Controller General
Pamela Gardner	Delaware Health Sciences Alliance
Cheryl Heiks	Delaware Health Care Facilities Association
Delaney McGonegal	Mid-Atlantic Association of Community Health Center