

Diamond State Hospital Cost Review Board Meeting

Herman Holloway Health and Social Services Campus
The Chapel
1901 North DuPont Highway
New Castle, Delaware 19720

February 10, 2026



Agenda

- I: Welcome/Call to Order
- II: Review/Approval of October 14 Meeting Minutes
- III: SB 213 with SA 1
- IV. Introduction of Consultants
- V: Work Plan Priorities
- VI: Public Comment
- VII: Closing Remarks
- VIII: Adjourn





Review/Approve October 14 Meeting Minutes

David Singleton, Chair



Welcome/Call to Order

David Singleton, Chair



SB 213 with SA 1

David Singleton, Chair

SB 213 with SA 1

- Signed January 30, 2026, amends Title 16 of the Delaware Code relating to hospital budget review.
- Eliminates the board's power to approve or modify future hospital budgets but requires hospitals to submit actual financials from the previous year's operations.
- Promotes transparency by requiring hospitals to include detailed annual financial information, including revenues, expenditures, operations costs, and executive compensation (for officers, directors, key employees).
- Beginning in 2027, hospitals exceeding the state's healthcare spending benchmark must submit corrective action plans outlining how they'll meet cost targets



SB 213 with SA 1

- Creates agreements called 'Meaningful Cost Containment Arrangements' between hospitals and payers to control spending growth.
- Imposes civil penalties up to \$500,000 for non-compliance with reporting requirements.
- Allows the board to make policy recommendations to the state legislature to address healthcare cost growth.

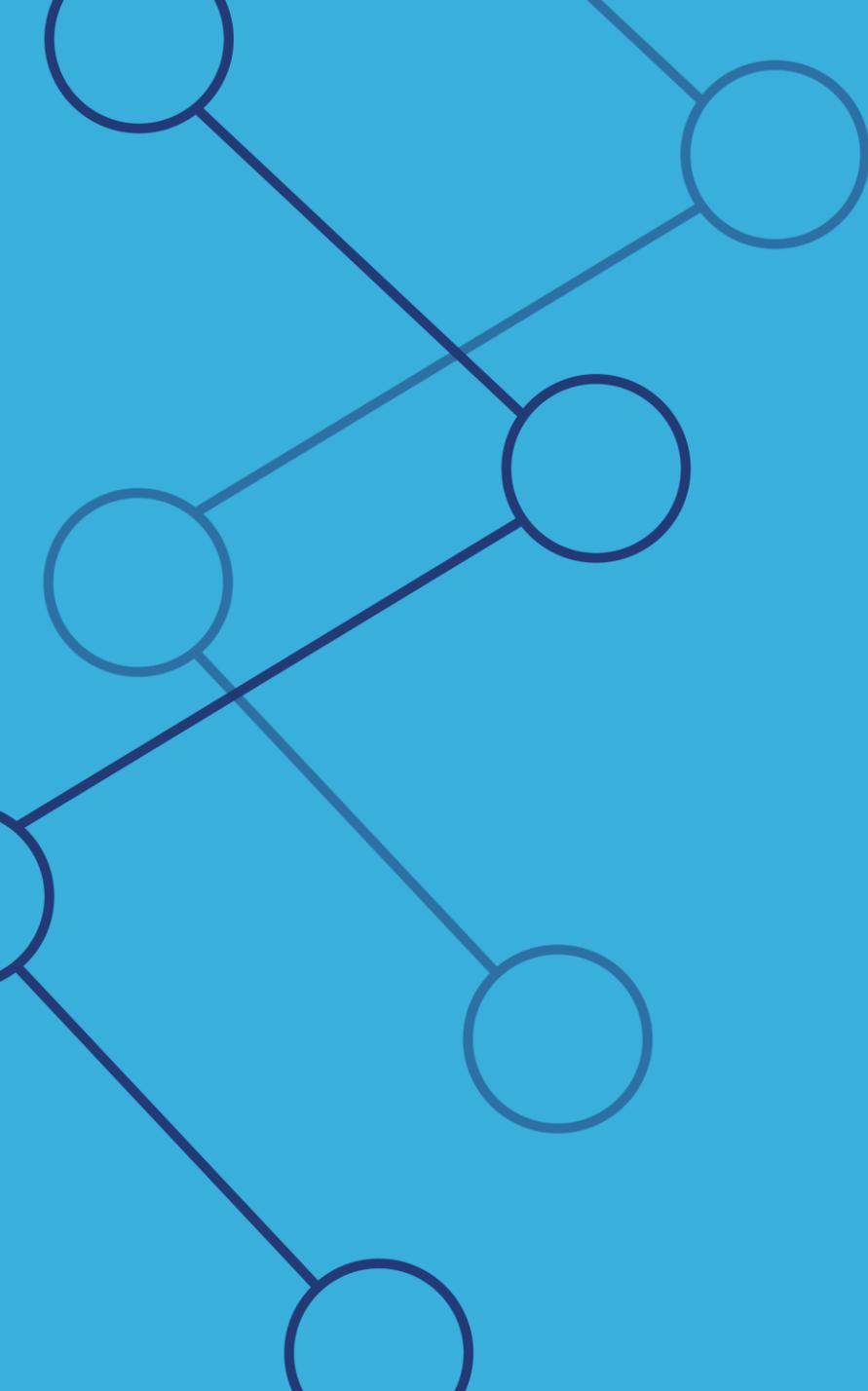




Introduction of Consultants

Diamond State Hospital Cost Review Board

February 10, 2026 Board Meeting



01. **Introduction of Consultants**

02. **Work Plan Priorities**



01. Introduction of Consultants

FHC Core Team



Ena Backus
Project Director



Sarah Lindberg
Technical Project
Director



Emma Rourke
Project Manager



Mary Jo Condon
Subject Matter
Expert



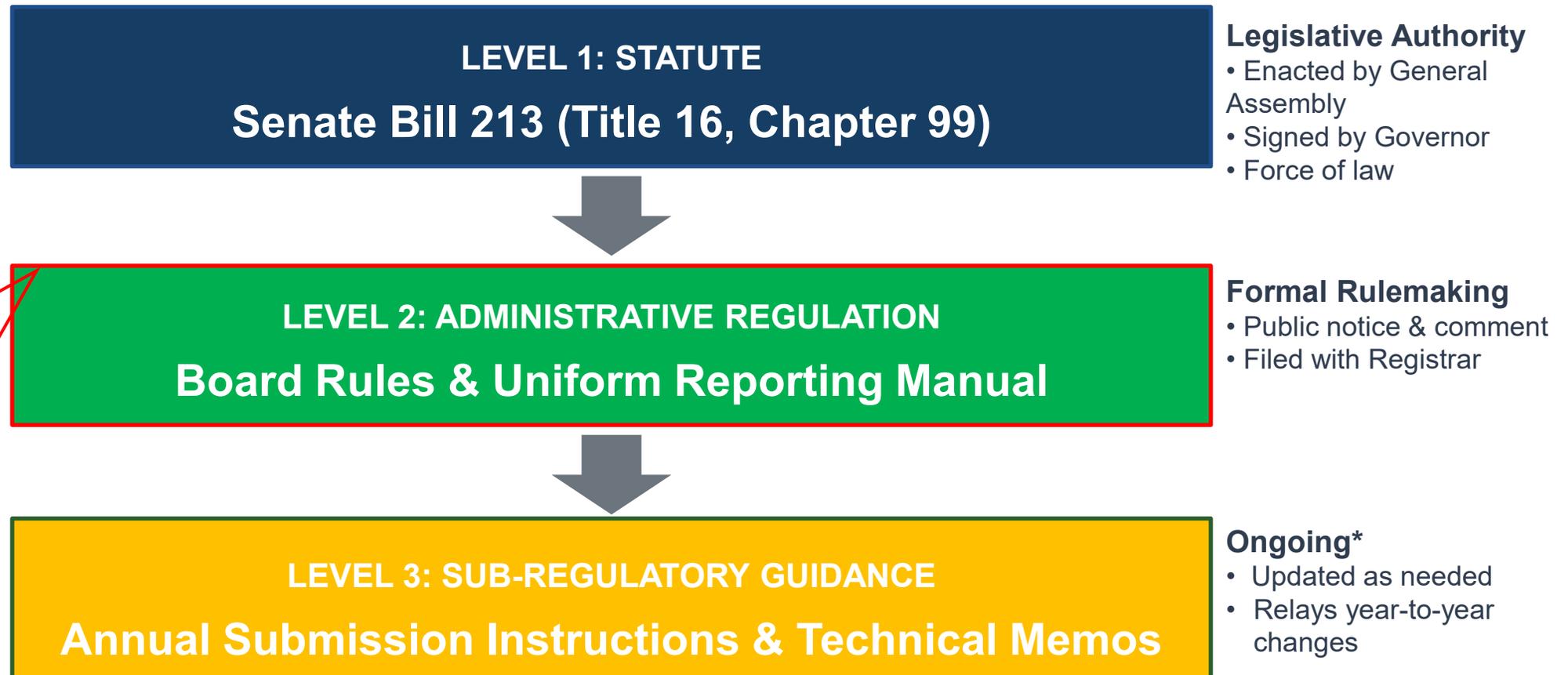
Work Plan Priorities



02. Work Plan Priorities

Delaware SB 213 Regulatory Hierarchy

Hospital Financial Information Review Framework



*Working assumption that Board will need mechanism to communicate year-over-year changes related to schedule of hospital meetings, potential technical updates to reporting templates or data submission tools.

SB 213 Requirements for Administrative Regulation

Proposed for Phase I

- Uniform Reporting Manual
 - Definitions for all financial information reporting categories
 - Submission criteria for each category
 - Consistency standards across hospitals
- Submission Schedule and Review Timeline
- Public Hearing Procedures
- Civil Penalties Procedures
- Confidentiality Protocols

Proposed for Phase II

- Benchmark Compliance Plan (BCP) Criteria
- BCP Content and Structure Standards
 - Submission and review process
 - Approval/amendment procedures
 - Progress assessment criteria
- Meaningful Cost Containment Arrangement (MCCA)
 - Must define and establish approval process for three types: Medicare or Medicaid Global Budget; Substantial downside risk arrangement; other qualifying written agreements approved by Board
 - Includes detailed criteria for each type
 - Documentation and annual verification process

Phase I Regulation Development: Hospital Financial Information Review

February 16 - May 15, 2026

Plain English Content Development

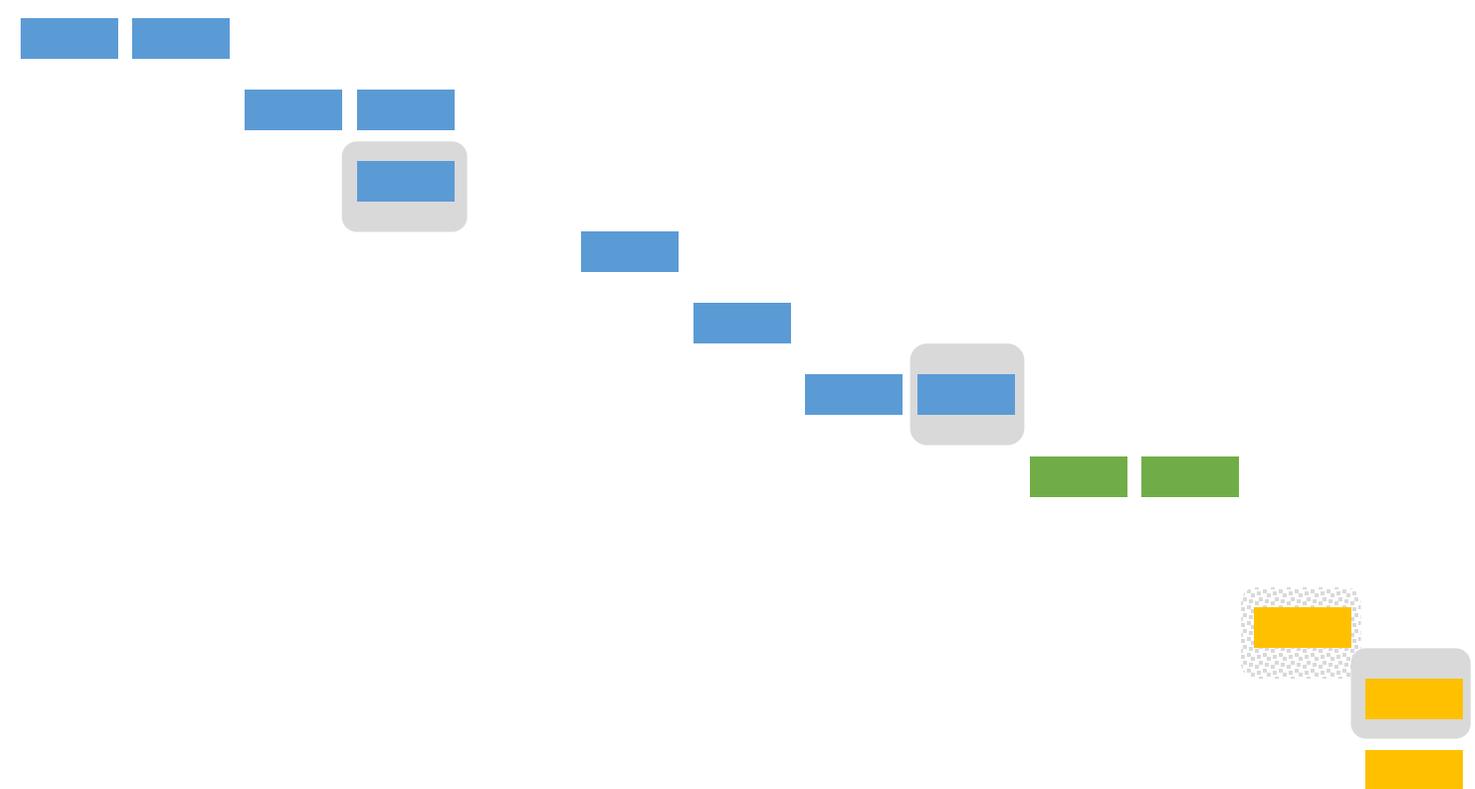
- Identify reporting elements & submission schedule
- Draft Manual contents
- Manual presentation, identification of key policy issues and discussion
- Hospital technical review; revisions
- Determine civil penalty and confidentiality protocols
- Incorporate revisions; present to Board for approval before Legal Drafting

Legal Drafting

Board Review and Approval

- Draft for Board member review*
- Board vote
- Submit to Registrar

W1	W2	W3	W4	W5	W6	W7	W8	W9	W10	W11	W12	W13
2/16-2/22	2/23-2/29	3/1-3/7	3/8-3/14	3/15-3/21	3/22-3/28	3/29-4/4	4/5-4/11	4/12-4/18	4/19-4/25	4/26-5/2	5/3-5/9	5/10-5/15



■ Content Development
 ■ Drafting
 ■ Board Review and Approval
 ■ Board Meeting
 ■ Recommended Additional Board Meeting

- **Recommend an additional meeting the week of May 3, 2026, for the Board to be briefed on the draft Administrative Regulation prior to scheduled vote**
- **Recommend additional hearing per Delaware Administrative Procedures Act: June 23**

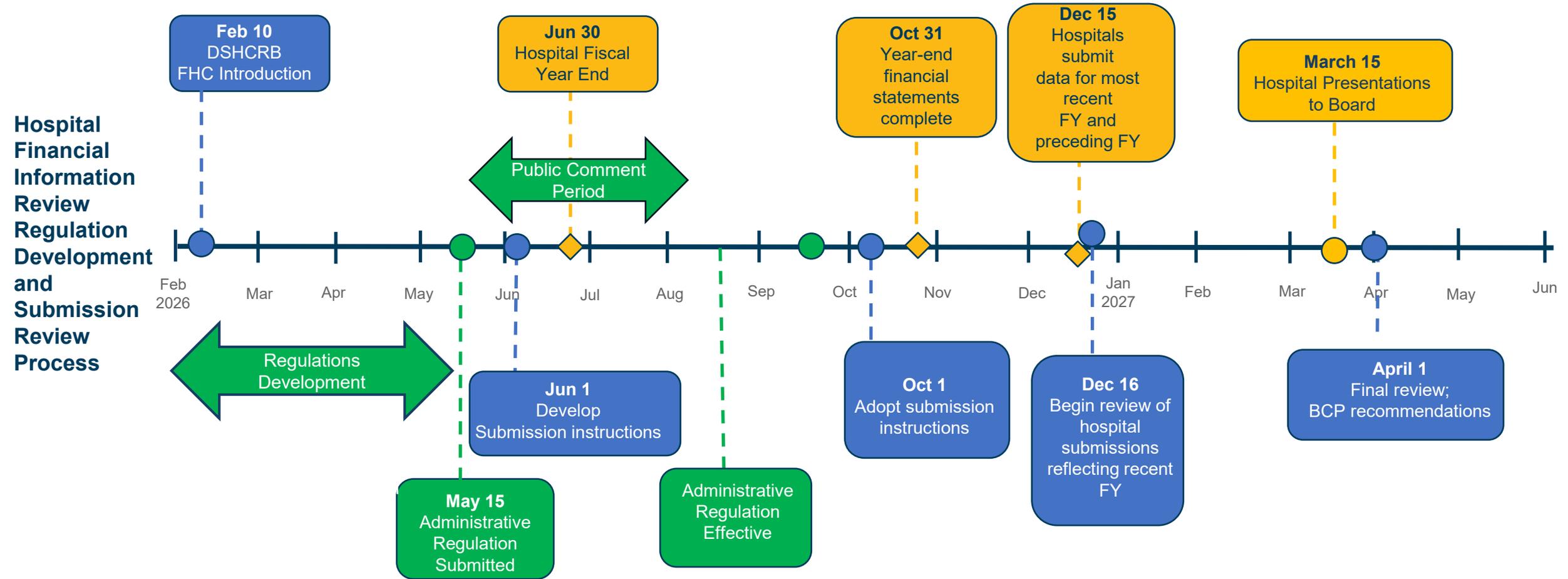
Diamond State Hospital Cost Review Board – 6 Month Meeting Schedule Suggestions

Emphasis on Administrative Regulation Development to Accommodate Regulatory Process Timeline

Meeting Dates	Meeting Topics
Feb 10, 2026	1) SB 213. 2) Introduction of consultants. 3) Work plan priorities.
Mar 10, 2026	1) Phase 1 regulation: presentation of draft Uniform Reporting Manual contents. 2) Discussion including Board direction on key policy questions e.g. what is a hospital cost?
Apr 14, 2026	1) Phase 1 regulation: presentation and discussion of revised Regulation contents. 2) Vote to proceed to legal drafting by Counsel.
May 3, 2026	<p>Special meeting</p> 1) Review Administrative Regulation in full. 2) Identify any necessary revisions.
May 12, 2026	1) Vote to submit final Administrative Regulation Draft to registrar. 2) Benchmark Trend Report review. 3) Meaningful Cost Containment Arrangement discussion.
Jun 9, 2026	1) Evaluating hospital performance with publicly available data: AFS, Cost Reports, 990s. 2) Discussion of policy issues and identification of cost drivers.
Jul 14, 2026	1) Review stakeholder feedback on regulation. 2) Review hospital performance per publicly available data. 3) Policy discussion to inform potential recommendations for written report, including cost driver analysis.

Example Hospital Financial Information Review Timeline

FY 2026-2027 Cycle



LEGEND

- ◆ Hospital Milestones
- Board Review & Guidance Milestones
- Regulation Milestones

NOTES

- First complete review cycle under new regulatory framework
- The Manual = Uniform Reporting Manual adopted by Board regulation
- Benchmark Compliance Plans (BCPs) required for hospitals exceeding cost benchmark
- Adoption of Administrative Rule assumes drafting complete, and rule submitted to Registrar of Regulations by May 15, 2026

Thank you.

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Public Comment



Closing Remarks

Meeting Schedule

Board will meet the second Tuesday of the month.

Time:

10:00 a.m. – 12:30 p.m.

Dates

- March 10, 2026
- April 14, 2026
- May 12, 2026
- June 9, 2026
- July 14, 2026
- August 11, 2026
- September 8, 2026
- October 13, 2026
- November 10, 2026
- December 8, 2026



Adjourn