2020 Annual Report

Delaware Health Care Commission

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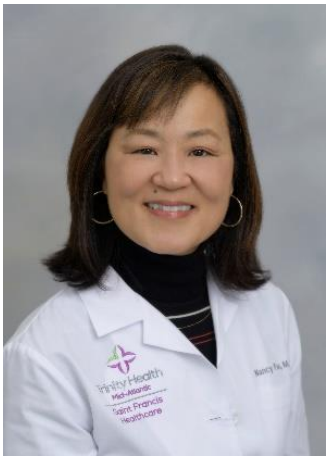
Letter From the Chair – Nancy Fan, MD



As I review the events of 2020, I definitely share the perspective that the last year was "unprecedented." With the rest of the state, the Delaware Health Care Commission successfully pivoted to a new definition of "operation" and continued to work through remote virtual meetings, digital planning and flexible processes. Despite the dominance of the pandemic over all aspects of the health care delivery system in Delaware, the Commission strived to support innovative programs, which could expand and sustain our workforce, improve the quality of care and increase access to health care, all of which may improve health outcomes. I would like to acknowledge and applaud our staff and Board members for their dedication and diligence during these "unprecedented" times.

As noted in the report, in 2020, there were a few changes on our Board, with the resignation of Dr. Kara Odom Walker, Dr. Dunleavey and Mr. Dennis Rockford and the addition of our new members, Secretary Magarik, Ms. Melissa Jones and Dr. Margolis. I deeply appreciate each member's invaluable experience and input during their time on our Board and believe that such a diversity of perspectives is crucial to achieving our mission goals. The health crisis from the pandemic has highlighted in a very stark fashion, the need for quality, affordable care, which may address the physical and mental health, as well as economical, effects, from the pandemic.

Those three words – access, quality and affordable – have provided the underpinnings of the work of DHCC in 2020. The development and implementation of the 1332 reinsurance waiver expanded the ability of the State to provide affordable health care, adding to the benefits of the Health Insurance Marketplace. Complementing the need for affordable care is the concept of quality and the work of the Benchmarking process continues to reflect what could be considered quality care and what the cost of that care is currently to Delaware. The data collection and analysis of total health care spending within our state, under the benchmarking process, is crucial to determining how to contain an unsustainable rise in health care spending and continue to have a sustainable, effective health care delivery system.

Of course, essential to a sustainable, effective health care delivery system is a sustainable workforce. The challenges in maintaining and growing our health care workforce was exacerbated by the pandemic. While the expansion in the use of telemedicine, with virtual health visits, had provided much needed access to health care during quarantine, it only provided temporary relief from the long term effects of a predicted physician shortage, especially in areas of primary care and behavioral health. One of the priorities determined during the annual strategic retreat of the Board is the need to develop a comprehensive assessment and plan to address our workforce deficiencies, across all sectors of the health care delivery system. The Health Workforce Subcommittee was created to accomplish those goals.

Additionally, the continued work of the Primary Care Reform Collaborative (PCRC), in collaboration with the Office of Value-Based Health Care Delivery (OVBHCD) under the Department of Insurance, has specifically analyzed how the current crisis in primary care access is affected by an ever-shrinking primary care workforce. Both the PCRC and the OVBHCD have proposed a framework to increase investment in primary care with an emphasis on greater adoption of value-based care delivery and alternative payment models, while striving to achieve a sustainable rate of total health care spending.

As this report comes out in early 2021, some of the reported work has already progressed. I look forward to working with the Board and the staff of DHCC in 2021, with eventual in person meetings and a possible need to expand our infrastructure to successful achieve the goals of these initiatives and any new initiatives, which may be developed or implemented to address health delivery deficiencies, resulting from the pandemic. "Unprecedented" as 2020 may have been, improving health outcomes for all Delawareans will always infuse the work of the Health Care Commission.

Executive Summary

The Delaware Health Care Commission (DHCC) respectively submits this 2020 Annual Report to the Governor and Delaware General Assembly.

Background

The General Assembly created the DHCC in June of 1990 to develop a pathway to basic, affordable health care for all Delawareans. For administrative and budgetary purposes only, the Commission is placed within the Department of Health and Social Services, Office of the Secretary. The Commission is a public/private body consisting of 11 members and responsible for the administration of three boards: the Delaware Institute of Medical Education and Research (DIMER), the Delaware Institute for Dental Education and Research (DIDER), and the Health Resources Board (HRB). In 2019, the duties of the Commission were expanded to include: 16 *Del. C.* § 9903 (f) The Commission must collaborate with the Primary Care Reform Collaborative and to develop annual recommendations that will strengthen the primary care system in Delaware and (g) The Commission shall establish the Delaware Health Insurance Individual Market Stabilization Reinsurance Program & Fund.

DHCC Mission

"The DHCC strives to foster initiatives, design plans, and implement programs that promote access to high-quality affordable care, improve outcomes for all Delawareans, and foster collaboration among the public and private sectors regarding health care."

Roles, Responsibilities and/or Goals:

- Collaborate with other state agencies, instrumentalities, and private sector
- Convene stakeholders
- Initiate pilots
- Analyze the impact of previous and current initiatives
- Recommend policy changes to support improved access to high-quality, affordable care

Highlights of Calendar Year 2020

The 2020 Annual Report highlights the activities and accomplishments of Calendar Year 2020. In late February 2020, the United States faced what would become the start of an unprecedented time in our nation's history. On March 11, 2020 Governor Carney announced the first presumptive case of COVID-19, and 11 days later, the Governor issued a stay-at-home order that would impact the lives of all Delawareans.

The DHCC, along with the other 11 DHSS divisions, changed the way business was conducted while keeping to its mission and goals DHCC has been charged. The DHCC boards convened virtual meetings, and the DHCC staff started remote working. While there were challenges, the DHCC adapted to new means to carry out of our activities.

Highlights of 2020 included:

- DHCC administered the first year of the **Delaware Health Insurance Individual Market Stabilization Reinsurance Program & Fund**. The program reduced member premiums in the individual market by approximately 13.8% in 2020 relative to if no Reinsurance Program were in place.
- As part of the **Health Care Spending and Quality Benchmark program**, in the fall of 2019 and first Quarter of 2020, the DHCC collected preliminary CY 2018 spending data at the State, market (i.e. Medicare, Medicaid, commercial), insurer, and provider level. A baseline spending analysis was publicly released on June 4, 2020 which provided a preliminary snapshot of the experience in health care spending that occurred in our State based on the data reported. This document represented a key step forward in our transparency efforts and we look forward to learning what the benchmarks will tell us about the trend in spending on health care in our state and to our knowledge about health care quality.
- The **Health Resources Board (HRB)** approved seven Certificate of Public Review applications for an estimated $129 capital expenditure.
- The **Delaware Institute of Medical Education and Research (DIMER)** incoming class of 2020 represented the largest entering class in DIMER's history with 47 students matriculating. DIMER's medical education partners have again exceeded their commitments, with SKMC matriculating 23 students and PCOM matriculating 24 students. The graduating class of 2020 also represented the largest graduating class in DIMER's history, with 41 new physicians entering residency. For those Delaware medical students who graduated from SKMC and PCOM in 2020, 21 went into primary care and 20 entered specialty training.
- The **Delaware Institute of Dental Education and Research (DIDER**) academic year 2020 – 2021 (starting July 1, 2020 and ending June 30, 2021), 23 Delaware students enrolled in the DMD program at Temple University Kornberg School of Dentistry: 10 first year, 7 second year, 3 third year, and 3 fourth year.
- In 2020, the **State Loan Repayment Program** received 19 applications and awarded 9 practitioners.
- The commissioners convened a **Strategic Retreat** in November 2020 to reach an agreement on the priorities of the DHCC for the 2021 calendar year and create an action plan.
- The DHCC created a **Health Workforce Subcommittee** in December 2020 to examine Delaware's health care workforce needs, determine policy making initiatives, and identify quality measures.

This report will delve deeper into the DHCC programs and initiatives.

Delaware Health Care Commission

DHCC Board Activity for Calendar Year 2020

- DHCC conducted nine board meetings and a Strategic Retreat.

○ January 9, 2020	Cancelled (no new business)
○ February 6, 2020	In-Person Board Meeting
○ March 5, 2020	In-Person Board Meeting
○ April 2, 2020	Cancelled (due to COVID-19)
○ May 7, 2020	Virtual Board Meeting
○ June 4, 2020	Virtual Board Meeting
○ July 9, 2020	Virtual Board Meeting
○ August 6, 2020	Cancelled (no new business)
○ September 3, 2020	Virtual Board Meeting
○ October 1, 2020	Virtual Board Meeting
○ November 5, 2020	Virtual Board Meeting
○ November 20, 2020	Virtual Strategic Retreat
○ December 3, 2020	Virtual Board Meeting

Membership

Delaware Code, Title 16, Chapter 99, § 9902 states the Commission shall consist of 11 members, 5 of whom shall be appointed by the Governor, 1 of whom shall be appointed by the President Pro Tempore of the State Senate and 1 of whom shall be appointed by the Speaker of the House of Representatives. Of the 5 members appointed by the Governor, at least 1 member shall be a resident of each county. The Insurance Commissioner, the Secretary of Finance, the Secretary of Health and Social Services, and the Secretary of Services for Children, Youth and Their Families or their designees shall serve as ex-officio members of the Commission.

In 2020, two members of the Commission (Dennis Rochford and Robert Dunleavy) stepped off the board and three new members joined (Melissa Jones, Molly Magarik, and Dr. Richard Margolis).

2020 Health Care Commission Board Members

Nancy Fan, MD
Saint Francis Healthcare Women's Center at Greenhill
Chair, Delaware Health Care Commission
Governor

Theodore Becker, Jr.
Mayor, City of Lewes
Governor
(Reappointment 10/07/19 - 10/07/23)

Robert Dunleavy, LCSW
Dept. of Services for Children, Youth & their Families
Director, Division of Prevention & Behavioral Health Services
Ex-Officio
(Stepped down 10/01/20)

Rick J. Geisenberger
Secretary, Delaware Department of Finance
Ex-Officio

Richard Heffron, Esq.
Retired, Delaware State Chamber of Commerce
President Pro Temp Senate
(Reappointment 09/30/19 - 09/30/23)

Melissa W. Jones, R.D.H.
Practice Administrator
The Dental Group
Speaker of the House
(Appointment 01/08/20 – 01/08/24)

Janice Lee, MD
Chief Executive Officer, Delaware Health Information Network
Governor
(Reappointment 11/01/19 - 11/01/23)

Molly K. Magarik, MS
Secretary, Delaware Department of Health & Social Services
Ex-Officio

Richard Margolis, MD
Psychiatrist III
Dept. of Services for Children, Youth & their Families
Ex-Officio

Nicholas Moriello, R.H.U.
President, Highmark Blue Cross Blue Shield Delaware
Governor
(Appointment 10/07/19 - 10/07/23)

Hon. Trinidad Navarro
Delaware Department of Insurance
Insurance Commissioner
Ex-Officio

Dennis Rochford
President, Maritime Exchange for the Delaware River & Bay
Speaker of the House
(Stepped down 01/08/20)

Kara Odom Walker, MD, MPH, MSHS
Secretary, Delaware Department of Health & Social Services
Ex-Officio
(Stepped down 07/31/20)

Delaware Health Care Commission Staff

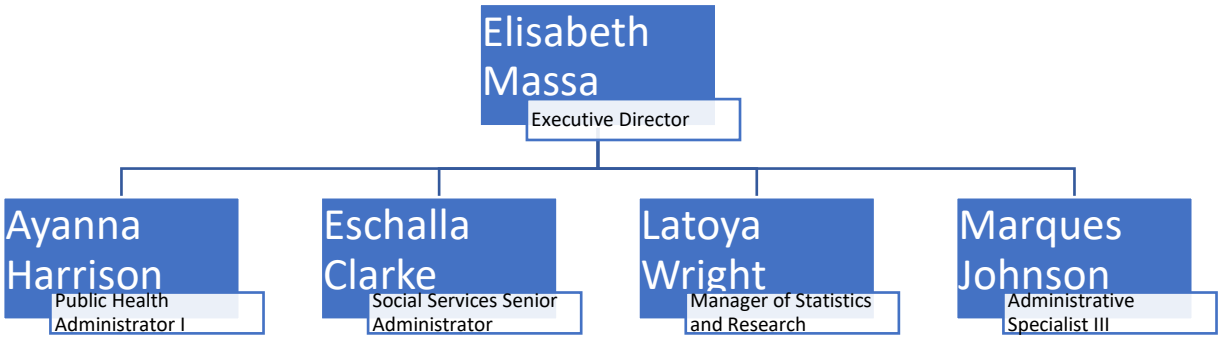
Elisabeth Massa
Executive Director
Primary liaison between Commission, Secretary of DHSS, DHSS division leaders, other key public, private constituencies, the General Assembly, and general public on health policy issues, including health care workforce, health care access, quality, and cost.

Ayanna Harrison
Public Health Administrator I
Program manager for Benchmark, Primary Care Reform Collaborative, and special initiatives.

Latoya Wright
Manager of Statistics and Research
Program manager for Health Resources Board (including epidemiological services for nursing home and assisted living) and DHCC chief financial officer providing oversight of fiscal operations and auditing.

Eschalla Clarke
Social Services Senior Administrator
Program manager for health care workforce development and education initiatives via SLRP, DIMER, and DIDER and contracts management lead.

Marques Johnson
Administrative Specialist III
Administrative support for variety of operational areas for the Delaware Health Care Commission



Highlights of 2020

Strategic Retreat

The DHCC convened a virtual Strategic Retreat on November 20, 2020. The purpose of the Retreat was for the commissioners to reach an agreement on the priorities of the DHCC for the 2021 calendar year, create an action plan, and achieve the following objectives:

1. Discuss critical issues and reach agreement on DHCC role and action plan
2. Discuss and reach agreement on ways to advance DIDER and DIMER boards and improve accountability
3. Discuss and reach agreement on strategic direction and focus for the coming year

Dr. Devona Williams, with Goeins-Williams Associates, Inc., served as the meeting facilitator.

Summary:

At the retreat, the commissioners brainstormed 2021 priories and focus items: 1) Workforce, 2) COVID, 3) Health IT and Telehealth, and 4) DIMER and DIDER. The meeting summary is available, at https://publicmeetings.delaware.gov/Document/67423_Minutes-Final.pdf.

1) Workforce
The commissioners agreed to create a Health Workforce Subcommittee to take the lead workforce on behalf of the DHCC.

2) COVID
At the Retreat, the commissioners discussed the socioeconomic determinants of health and impact of COVID, as well as the deficiencies and resources needed. The commission acknowledged DHSS and the Division of Public Health are already doing a significant amount of work in this arena. The commissioners agreed in Quarter 3 of 2021, they could revisit and discuss policy implications.

3) Health IT and Telehealth
The commissioners had an in-depth discussion at the retreat on telehealth and telemedicine. The DHCC supports legislation that expands telehealth services.

4) DIMER and DIDER
At the Retreat, the commissioners discussed DIMER and DIDER boards developing metrics and the DHCC providing resources to help the boards achieve their goals and objectives.

Health Workforce Subcommittee

Background

Recognizing the need to address medical and dental professional shortages in Delaware and to consolidate statewide health care workforce development initiatives, the Delaware Health Care Commission (DHCC) convened a health workforce subcommittee in December 2020.

The U.S. Bureau of Labor Statistics reports, "Employment in healthcare occupations is projected to grow 15 percent from 2019 to 2029, much faster than the average for all occupations, adding about 2.4 million new jobs…This projected growth is mainly due to an aging population, leading to greater demand for healthcare services."[1]

Specific to primary care, according to the 2020 Delaware Primary Care Collaborative annual report, "The crisis in primary care…still exists in the shadow of the overall [COVID-19] pandemic…there needs to be much more significant change in how primary care is delivered, including investments to help current practices thrive; enhancements for our existing and future [health] workforce and bending the cost curve with alternative payment models."[2]

The initiatives developed under the Health Workforce Subcommittee are expected to produce innovative and reformative efforts to address Delaware's health care workforce.

[1] Healthcare Occupations, U.S. Bureau of Labor Statistics, https://www.bls.gov/ooh/healthcare/home.htm
[2] Primary Care Collaborative Report 2020, https://dhss.delaware.gov/dhcc/files/collabrptfinal2020_050820.pdf

2020 Health Workforce Subcommittee Members

Under the leadership of DHCC Commissioners, Nicholas Moriello (Highmark Blue Cross Blue Shield of Delaware) and Cabinet Secretary Rick Geisenberger (Department of Finance), the Health Workforce Subcommittee consists of 15 public and private members.

Nicholas Moriello, RHU, Co-Chair
Highmark, Blue Cross Blue Shield of Delaware
Delaware Health Care Commission

Richard Geisenberger, MGA, Co-Chair
Department of Finance
Delaware Health Care Commission

Geoffrey Christ, JD
Department of State
Division of Professional Regulations

Katherine Collison, MS
Department of Health and Social Services
Division of Public Health

Timothy E. Gibbs, MPH
Delaware Academy of Medicine
Delaware Public Health Association

Ayanna Harrison
Department of Health and Social Services
Delaware Health Care Commission

Cheryl Heiks
Delaware Health Care Facilities Association

Melissa Jones, RDH
The Dental Group
Delaware Health Care Commission

Elisabeth Massa
Department of Health and Social Services
Delaware Health Care Commission

Kathleen Matt, Ph.D
University of Delaware
College of Health Sciences

Maggie Norris-Bent, MPA
Westside Family Healthcare

Michael J. Quaranta, MPP
Delaware Chamber of Commerce

Gwendolyn Scott-Jones, Ph.D
Delaware State University

Wayne A. Smith, MGA, MA
Delaware Healthcare Association

Mark B. Thompson, MHSA
Medical Society of Delaware

Delaware Health Care Commission Programs

Delaware Institute of Dental Education and Research (DIDER)

Background

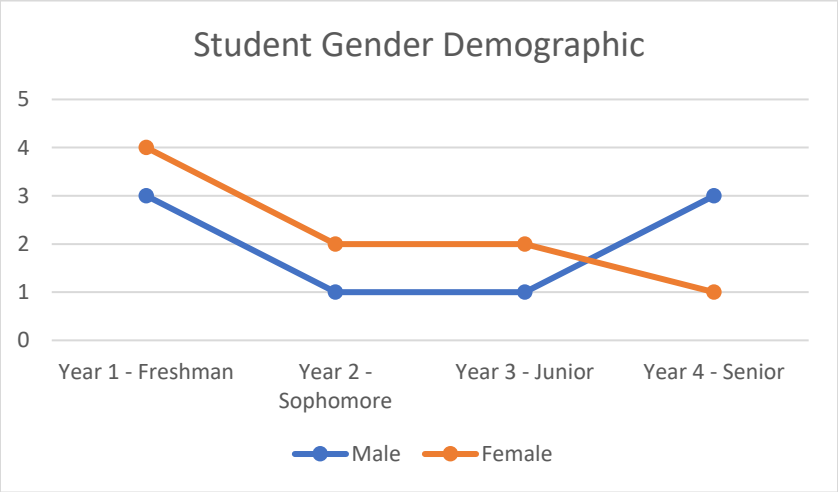
The Delaware General Assembly created the Delaware Institute of Dental Education and Research (DIDER) in 1981. In 2001, the administration and operation of DIDER transferred from the Office of Management and Budget to the Delaware Health Care Commission. The board membership also expanded in scope with the additional responsibility: 1) Expand opportunities for Delawareans to obtain dental education and 2) Develop ways to encourage dentists to practice in underserved areas and care for vulnerable populations.

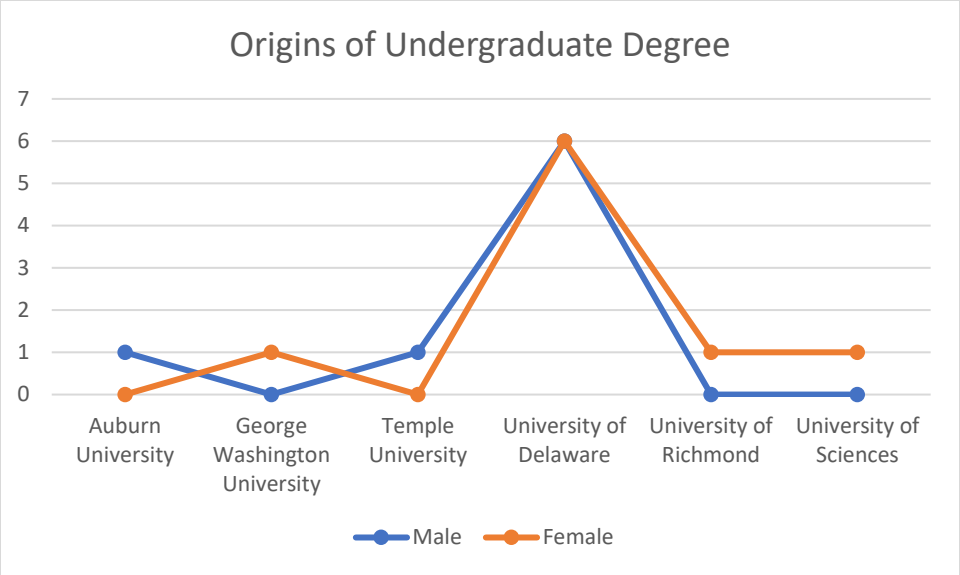
In 2006, Delaware signed an agreement with Temple University's Kornberg School of Dentistry, ensuring a minimum of six eligible residents of Delaware would be guaranteed first-year admissions to a highly qualified dental education. Over time, state funding has decreased and currently, four seats are now reserved annually for Delaware residents entering their first year of dental education in the Doctor of Medicine in Dentistry (DMD) and Doctor of Dental Surgery (DDS) programs at Temple.

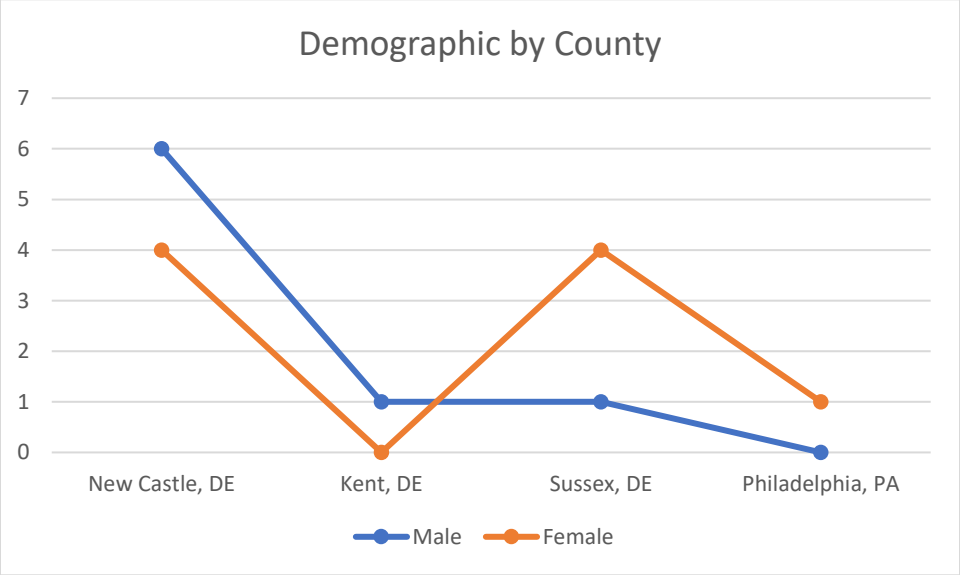
Temple University Statistics

Academic Year 2019 – 2020

In academic year 2019-2020 (starting July 1, 2019 and ending June 30, 2020), 17 Delaware students enrolled in the DMD and/or DDS programs at Temple University: 7 first year students, 3 second year, 3 third year, and 4 fourth years. 71% of first year students completed their undergraduate degree at the University of Delaware, 2 of which participated in the post-baccalaureate program at Temple University.





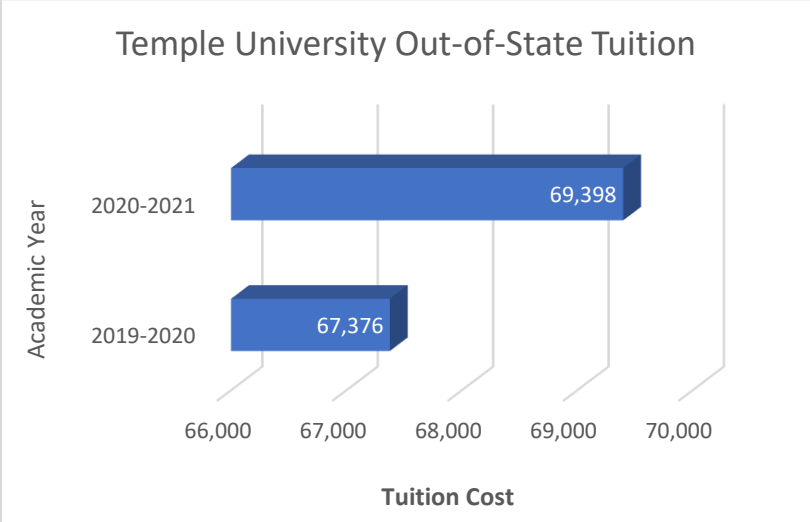


Academic Year 2020 – 2021

In academic year 2020 – 2021 (starting July 1, 2020 and ending June 30, 2021), 23 Delaware students enrolled in the DMD program at Temple University Kornberg School of Dentistry: 10 first year, 7 second year, 3 third year, and 3 fourth year. 60% of first year students completed their undergraduate degree at the University of Delaware, 2 of which participated in the post-baccalaureate program at Temple University. In addition, 3 of the 23 students currently enrolled are now Pennsylvania residents.

The Cost of Dental Education

Over the past two years, tuition at Temple University increased by $2,022. This amount does not cover mandatory university fees and dues, insurance, or scholastic materials. The average indebted for a 2019-2020 graduate of the dental four-year program is $279,878.



DIDER Board Activity for Calendar Year 2020

- DIDER conducted four board meetings, one of which was in collaboration with Delaware Institute of Medical Education and Research (DIMER) to unify and align advocacy initiatives and program development:

○ January 22, 2020	Board Meeting	In-Person Meeting
○ April 8, 2020	Board Meeting	Cancelled due to COVID-19
○ June 17, 2020	Board Meeting	Virtual Meeting
○ September 16, 2020	Collaborative Meeting	Virtual Meeting
○ November 4, 2020	Board Meeting	Virtual Meeting

- October 14, 2020, the DIDER Chair in collaboration with key stakeholders for the Department of Health and Social Services, Division of Public Health (DPH), Division of Medicaid and Medical Assistance (DMMA), and the University of Delaware, Center for Applied Demography and Survey Research convened to discuss Delaware's dental workforce capacity, identify gaps in service, access to dental care, and the impact of the Adult Medicaid bill implemented on October 1, 2020. DIDER has taken a great interest in the State's workforce capacity with implementation of the Adult Medicaid bill and hopes to issue a study in 2021.

2020 DIDER Board of Directors

Louis K. Rafetto, DMD, PA, Chair
Delaware State Dental Society

Theodore W. Becker, Jr., Mayor
Delaware Health Care Commission

Nicholas Conte, DMD, MBA
State of Delaware Dental Director
Ex-Officio

Lisa Goss, RDH, BS
Delaware Dental Hygienist Association

Bruce Matthews, DDS
Delaware State Board of Dentistry and Dental Hygiene

Bruce McAllister, DDS
Department of Education, Higher Education Office

Ray S. Rafetto, DDS
Delaware State Dental Society

Wanda Gardiner Smith, DDS*
Public Representative

Erika L. Williams, DMD
Delaware State Dental Society

Howard Zucker, DDS
ChristianaCare

* Inactive member, 12+ months

Appendix 1 – Clinical Examination and Dental Licensure

Delaware State Board of Dentistry and Dental Hygiene
Calendar Year 2020 Annual Licensure Report
January 1, 2020 – December 31, 2020

Board Members

Ryan Barnhart, DDS, President
Sussex County

Erin Cox O'Leary, DDS, Secretary
New Castle County

Bruce Matthews, DDS
New Castle County

Michael Nies, DDS
Kent County

Anthony Vattilana, DDS
New Castle County

Buffy Parker, RDH
Sussex County

Joseph Stormer, Public Member
Sussex County

June Ewing, Public Member
New Castle County

Vacant, Public Member

Meredith Hurley
Executive Staff Support

Overview

The Board of Dentistry and Dental Hygiene conducts their examinations two times per year. Normally, the exam is given during the first week of January and the first week of June. This year, due to Covid restrictions, some changes had to be made. The percentage of applicants who were successful, however, was consistent with our five year average of 92% for the Dentists and 96% for the Dental Hygienists. The purpose of the examination is to screen and identify those candidates who need additional skill improvement before serving the residents of Delaware.

January:
The exams for both the Dentists and the Dental Hygienists have traditionally been held at the DelTech Wilmington campus. This is one of the largest facilities in the state. It has available 18 identical dental operatories which are often filled to capacity. For this exam, 15 out of 16 Dentists were successful and both Hygiene candidates passed.

June:
Covid has proven to be a challenge in many areas. Because of the uncertainty, neither the Dental nor the Dental Hygiene examinations were held during that month. The DelTech facility was not able to accommodate the examinations because of the huge task of outfitting the clinic

with protective equipment (eg plexiglass barriers, aerosol collection systems, oversized HEPA filtration, increased ventilation systems, etc.). The Board was determined to provide the candidates with access to obtaining a license to practice in Delaware. Our choices were to not have the examinations or to look for another facility.

September:
By September, the necessary precautions for our profession had been outlined. We were able to identify a private, 18 chair office in Sussex County that had already taken the necessary precautions, and who volunteered to host the exam. We were once again able to accommodate all candidates that had applied. The results were consistent with prior years.

Respectfully Submitted,
Bruce E. Matthews, DDS

Delaware Institute of Medical Education and Research (DIMER)

*Excerpt below from the "2020 DIMER Annual Report" Executive Summary

History and Background

The Delaware Institute of Medical Education and Research (DIMER) was founded in 1969, as an alternative to an in-state medical school, to address the concern of access to high-quality medical education for Delaware residents. Upon creation, DIMER formalized a relationship with Thomas Jefferson University for 20 admission slots for Delawareans at Jefferson Medical College (now Sidney Kimmel Medical College (SKMC)). In 2000, DIMER expanded its education relationships to also include the Philadelphia College of Osteopathic Medicine (PCOM), further increasing access to medical education for Delawareans. Upon creation, PCOM held five admission slots for qualified Delaware applicants and in 2019, the number of admission slots was increased to 10. DIMER is incredibly grateful to both institutions, who accept qualified Delawareans into their respective medical education programs and provide the highest quality training to future physicians.

The DIMER Advantage

Of the 151 medical schools listed by the AAMC, 120 have more in-state students than out of state students. As a state with no medical school, this would ordinarily present a disadvantage for Delaware residents seeking medical education and future careers in medical professions. However, through its relationships with SKMC and PCOM, Delaware has secured a minimum number of slots for qualified Delaware applicants. On annual average, SKMC and PCOM each receive an estimated 10,000 applications for ultimately no more than 280 slots per respective institution. As a DIMER applicant, Delaware resident applications are pulled from the overall 10,000 applications received and evaluated against Delaware applicants. This significantly improves the odds, to being one of ultimately 30 or more slots out of approximately 90-100 Delaware applicants. DIMER therefore provides one of the best medical education admission advantages in the country for qualified applicants from the First State.

Delaware Branch Campus and Residency

DIMER is not only focused on providing medical education opportunities for Delawareans but also on the retention of Delaware physicians to serve our communities. DIMER's relationships extend beyond its education partners and into Delaware's health systems and Delaware Health Sciences Alliance (DHSA) partners. DIMER Medical students at SKMC and PCOM have an opportunity to conduct their third- and fourth-year rotations at the Delaware Branch Campus. The Delaware Branch Campus provides medical students clinical training at ChristianaCare, Nemours/A.I. Dupont Hospital for Children and the Wilmington VA Medical Center. In addition, PCOM clinical rotations also include Bayhealth's Kent and Sussex Campuses. Due to the global pandemic, clinical rotations for medical students at the branch campuses were reimagined. At the start of the pandemic in March 2020, students were pulled back to their medical education institutions for virtual learning. Clinical rotations were reimagined with ongoing virtual learning and conferences to ensure social distancing, as well as offering student opportunities to

support telehealth practices. All of Delaware's Branch Campuses welcomed students back on site in June 2020.

The opportunities for residency training in Delaware are numerous and expanding. ChristianaCare and Nemours / AI Dupont Hospital for Children offer an array of residency opportunities. Delaware residency match opportunities are not limited to Delaware Branch Campus partners as St. Francis also has a residency program and Bayhealth will launch its family medicine and internal medicine residency programs in 2021 with a general surgery residency program anticipated in 2022. Beebe Healthcare is also currently planning for a launch of its family medicine residency program in 2023. Recruitment and retention of Delaware physicians is enhanced with the increased opportunities for Delawareans to complete their medical training and serve their community in their home state.

Abstract Data

The incoming class of 2020 represents the largest entering class in DIMER's history with 47 students matriculating. DIMER's medical education partners have again exceeded their commitments, with SKMC matriculating 23 students and PCOM matriculating 24 students. As noted in the DIMER 50th Anniversary Report, 38% of all time DIMER students were female. However, the entering class of 2020 is comprised of 51% female students.

The graduating class of 2020 also represented the largest graduating class in DIMER's history, with 41 new physicians entering residency. For those Delaware medical students who graduated from SKMC and PCOM in 2020, 21 went into primary care and 20 entered specialty training.

DIMER Board Activity for 2020

The DIMER Board remained active in 2020 despite the COVID-19 pandemic. The Board of Directors held virtual meetings and met three times over the course of the year. There was broad Board participation on the DHSA-facilitated outreach events for prospective DIMER students in each of Delaware's three counties.

The DIMER Board continues to recognize the high cost for medical education and enormous debt students face upon graduation. As 2020 presented the dire importance and need for health care professionals, the DIMER Board continues to advocate and work closely with the Heath Care Commission, Delaware Legislators, and partners such as the Delaware Health Sciences Alliance, in support of a robust Delaware Student Loan Repayment Program. This would provide for increased participation and funding support for those physicians with Primary Care focused specialties, serving geographic areas of need throughout the State of Delaware.

The foundation for which DIMER's success is built upon is its relationships. DIMER's key relationships include its educational and clinical partners as well as with students, alumni and prospective students, families and alumni. Through its contractual partnership with the Delaware Health Sciences Alliance, DIMER implemented a robust virtual strategy for

engagement with DIMER students, alumni, and the general community in the midst of a global pandemic.

DIMER has a rich tradition of extending its activities beyond its mission to ensure access to quality medical education for Delaware residents. DIMER and its partners are committed to providing a network of support for its students and engage students throughout the academic year in a variety of ways. In collaboration with DHSA, DIMER provided personal letters to each student at the beginning of the academic year; co-hosted virtual receptions with PCOM and SKMC for DIMER students to network with DIMER and institutional leadership; and conducted virtual awareness events in every county with prospective students and families to discuss the many benefits of DIMER.

Conclusion

The DIMER program continues to represent an incredible value for Delawareans' medical education. The full annual report contains detailed information on the demographics and data relative to DIMER's 2020 incoming and graduating classes, as well as personal stories from state and institution leadership, including several DIMER alumni. DIMER's approach to partnering with the Alliance, health systems and others has resulted in a robust array of services intended to facilitate Delawareans' pathway to medical school and improved chances of returning to Delaware to practice needed specialties in their home communities. There remain important areas of needed investment such as more robust student financial support. We are confident that with the support of the State and our many partners, we can improve healthcare access for our communities with the best-trained medical workforce anywhere. We are grateful to all who have supported DIMER over its 50-year plus history and look forward to even greater achievements in the future.

With appreciation to the Delaware Health Sciences Alliance (www.dhsa.org) for their partnership for this Summary and the DIMER 2020 Annual Report. Contact: Dr. Omar Khan (okhan@dhsa.org)

2020 DIMER Board of Directors

Sherman L. Townsend
University of Delaware, Board of Trustee
Chair, DIMER Board of Directors
(Retired)

David A. Barlow, PhD
Department of Education, Delaware Higher Education Office

Katherine Collison, MSM
Department of Health and Social Services, Division of Public Health
Ex-Officio on behalf of Karyl Rattay, MD - Director

Chai Gadde, MBA*
BioTek reMEDys

John F. Glenn, MD
Kent County - Public Member

Marsha' T. Horton, PhD
Delaware State University, College of Health and Behavioral Science

Neil Jasani, MD, MBA
ChristianaCare

Janice Lee, MD
Delaware Health Care Commission

Vincent Lobo, Jr., DO
Sussex County - Public Member

Kathleen Matt, PhD
University of Delaware, College of Health Sciences

Lisa Maxwell, MD
ChristianaCare

Robert Monteleone, MD
Saint Francis Hospital, Medical Residency Program

Wayne A. Smith, MGA, MA
Delaware Healthcare Association

Carl E. Turner, MD**
Wilmington - Public Member

Vacant
New Castle County - Public Member

Vacant
A.I. Dupont Hospital for Children, Medical Residency Program

Vacant
ChristianaCare

Vacant
New Castle County Public Member
Internal Medicine Specialist

Additional Member:
Barret Michalec, PhD. – Relocated out of state, June 2020

* New member, appointed in 2020
** Inactive member, 12+ months

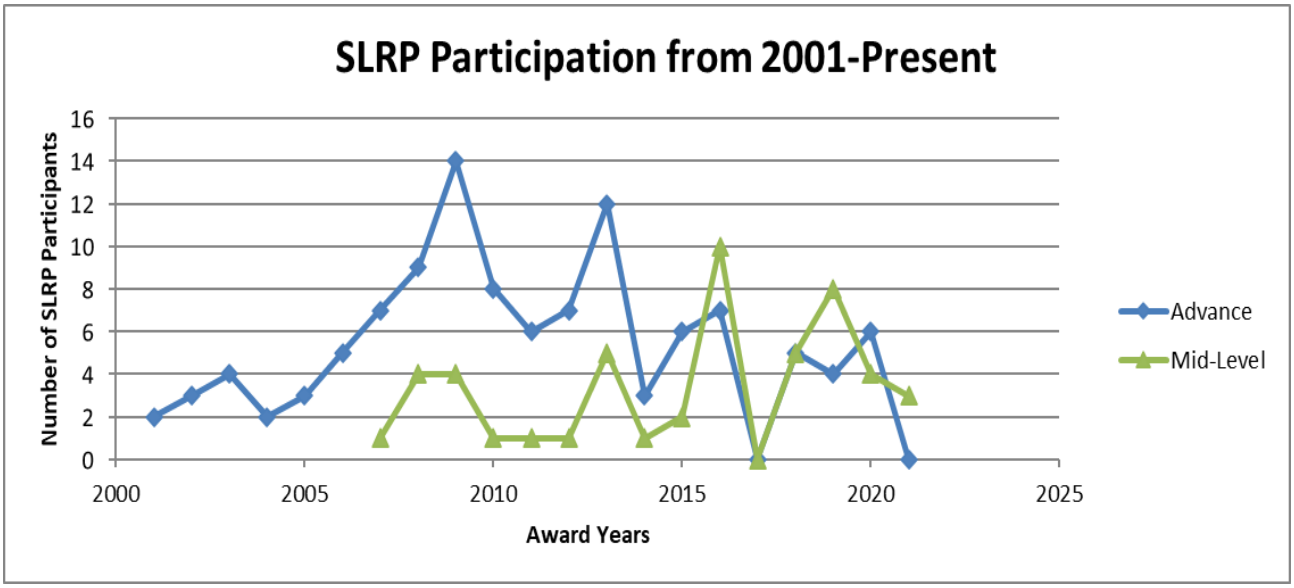
Delaware State Loan Repayment Program (SLRP)

Background

Delaware has operated a State Loan Repayment Program (SLRP) since 2000 under the direction of the Executive Office of the Governor and the Department of Health and Social Services (DHSS). The DHCC serves as the lead administrative entity for the program. The program is supported by the Health Resources and Services Administration (HRSA) of the U.S. Department of Health and Human Services (HHS). A multi-year federal grant totaling $900,000 was awarded on September 1, 2018 and runs through August 31, 2022.

SLRP strives to create healthier communities by recruiting and retaining quality health care professionals to practice in rural and urban settings designated as Health Professional Shortage Areas (HPSAs). The program offers financial assistance up to $100,000 for verifiable educational loans to qualified dental, behavioral/mental health, and primary care professionals for a minimum of two consecutive years of full-time (40 hours per week) or half-time (20-39 hours per week) service in shortage areas across the State.

Required match for this program is sourced from three entities: 1) the State of Delaware is the largest contributor with 96%, 2) Highmark of Delaware sponsors 4% of the budgeted amount, and 3) employers have the option – in the event funding is exhausted at the State-level to fund SLRP awards issued to organization-specific practitioners. September 2020 marks the 20th anniversary for the program. To date, 163 participants have received SLRP awarded:



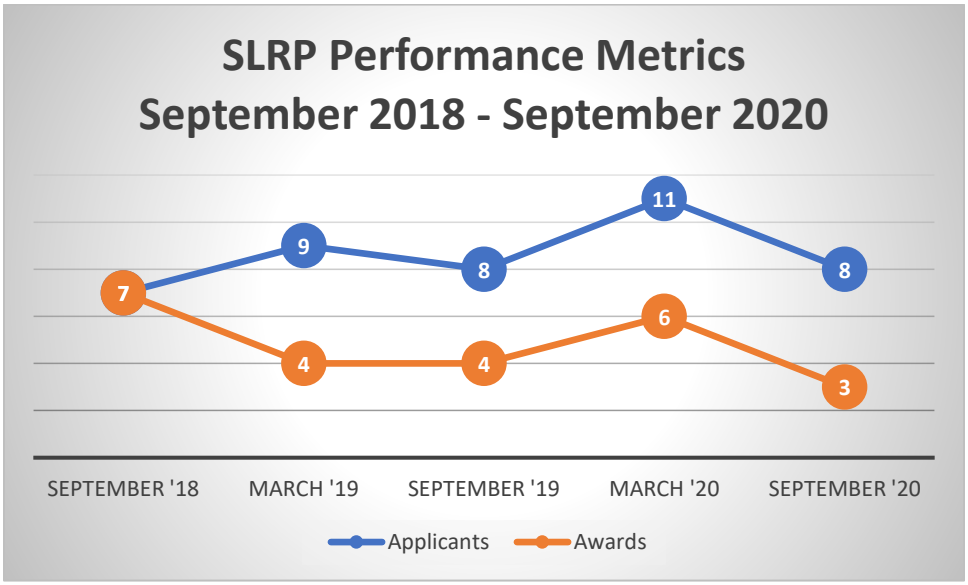
* Total is inclusive of continuing contractual participants through a 3rd and 4th year. It also includes awards declined during preparation of this report.

Calendar Year 2020 Awards

There were two application cycles in 2020 (March 15, 2020 and September 15, 2020).

March 15, 2020 closed the first application cycle for Calendar Year 2020. The DHCC received eleven applications during this period; six were eligible for award, two applications were incomplete (missing documents), and three contained ineligible practitioner or loan information.

September 15, 2020 closed the final application cycle for Calendar Year 2020. The DHCC received eight applications during this period; three were eligible for award, two applications were incomplete (missing documents), and three contained ineligible employer information.



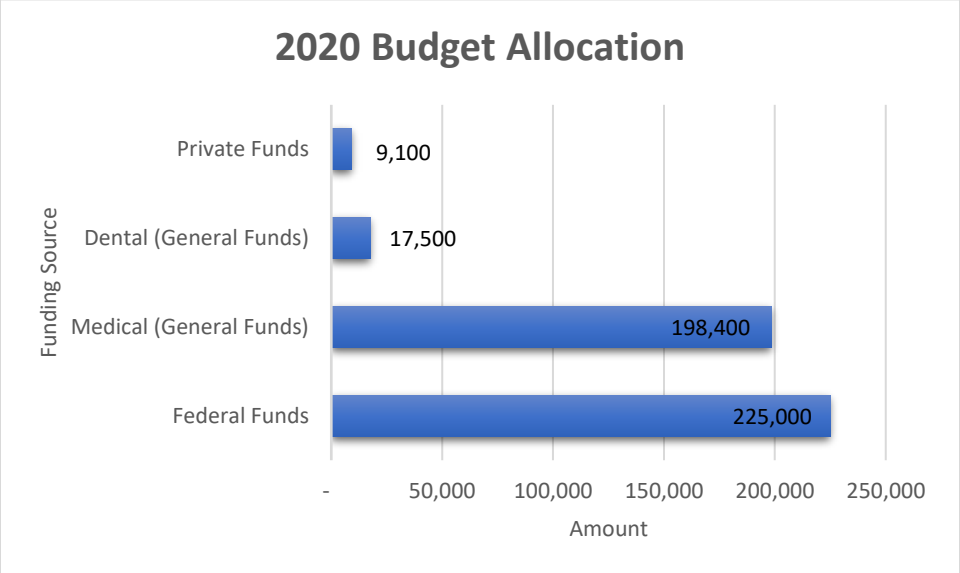
Of the nine practitioners awarded in the 2020 cycles, a total of $307,500.00 in state and federal funds were reserved for contractual obligations spanning a period of one to two years. Three practitioners held advanced doctoral degrees requiring commitments in Residency Programs, the other six practitioners held mid-level degrees in Pharmacy, Nursing, and Licensed Professional Counselors. Five practitioners were new to SLRP and four were continuing participants in their third and/or fourth years with the program. Three are providing services in New Castle County at a cumulative total of $110,000, five in Sussex County at $167,500, and one in Kent County at a total of $30,000.

In the last half of 2020, applications declined 27%; the chart above shows a dip in the trend for applications received in September.

Participation Year	Discipline	Degree Level	Employer / Practice Name	County	SLRP Award Amount
Years 1-2	LPC	Mid-Level	Delaware Guidance Services for Children and Youth, Inc.	Kent	$ 30,000.00
Years 1-2	NP	Mid-Level	James T. Vaughn Correctional Facility	New Castle	$ 30,000.00
Years 1-2	PharmD	Mid-Level	Saint Francis Hospital*	New Castle	$ 45,000.00
Year 3	DO	Advanced	Westside Family Healthcare, Inc.*	New Castle	$ 35,000.00
Years 1-2	PA	Mid-Level	Atlantic General Primary Care*	Sussex	$ 30,000.00
Year 4	LPC	Mid-Level	Delaware Guidance Services for Children and Youth, Inc.	Sussex	$ 15,000.00
Years 1-2	NP	Mid-Level	La Red Health Center, Inc.	Sussex	$ 45,000.00
Year 4	DO	Advanced	Nanticoke Physician Network	Sussex	$ 35,000.00
Year 3	MD	Advanced	Nanticoke Physician Network	Sussex	$ 42,500.00
		Total Awards Approved:			**$ 307,500.00**

* Practitioner declined offer of award.

A total of $450,000 is available annually for Delaware healthcare practitioners. The federal grant sponsor, Health Resources and Services Administration, contributes 50%, Delaware General Assembly allocates 48%, and 2% is secured from private institutions or healthcare employers.



Health Resources Board (HRB)

Background

The Delaware Health Resources Board (HRB) Certificate of Public Review (CPR) program, like other national Certificate of Need (CON) programs, originated to regulate the number of beds in hospitals and nursing homes and essentially prevent excessive purchasing of expensive equipment. Per the Joint Sunset Committee 2012 Final Report, HRB transitioned from the Division of Public Health to the Department Health and Social Services, Office of the Secretary, the Delaware Health Care Commission (DHCC). The DHCC provides the administration and staffing for the board. The purpose of the HRB is to foster the cost-effective and efficient use of health care resources and the availability of and access to high quality and appropriate health care services.

The CPR program is regulated by 16 *Del. C.* § 9301. The primary goal for the CPR process is to control health care cost through a formal review process used to ensure public scrutiny of certain health care developments in the state. These reviews are focused on balancing concerns for access, cost, and quality. A Letter of Intent begins the CPR process and a formal application review process used to ensure public scrutiny of health care developments in the state of Delaware.

CPR Applications in Calendar Year 2020

Received	Approved	Denied	Withdrawn
7	7	0	0

Applicant	Project	Capital Expenditure
Bayhealth	**Sussex Hospital Additional medical surgical beds**	**$10-14 million**
Bayhealth	**Freestanding Emergency Department**	**$10.2 million**
Nemours A.I duPont Hospital	**Cardiac Catherization Lab**	**$6.1 million**
Cadia Pike Creek	**52 bed expansion**	**$12 million**
Beebe Healthcare	**12 room fit out specialty surgical hospital**	**$3 million**
Post Acute Medical	**34 bed rehab facility**	**$17 million**
Comprehensive Care Capital	**Acquisition of Churchman Village, Harbor Healthcare and Parkview Nursing**	**$67 million**

Joint Legislative Oversight and Sunset Committee

In June 2019, the DHCC received notification that the Joint Legislative Oversight and Sunset Committee (JLOSC) voted to conduct a comprehensive legislative oversight and sunset review of the HRB. Legislative oversight and sunset review is a periodic review of an entity with the purpose of determining where there is a public need for the entity and, if so, whether the entity is effectively performing to meet that need.

In March 2020, the DHCC formally presented to the Committee and answered questions from the committee members. In June 2020, the DHCC received the JLOSC's draft report which captured work that was completed by the JLOSC during the session. The information provided in this report was taken from the JLOSC Performance Review Questionnaire, as it was completed by the DHCC. The COVID-19 pandemic cut short the review and public meeting schedule. All entities under review, including the HRB, are held over until January 2021.

HRB Board Activity for Calendar Year 2020

- HRB conducted nine Board meetings and ten Review Committee meetings:
    - January 23, 2020 Board Meeting In-person Meeting
    - March 26, 2020 Board Meeting Virtual Meeting
    - April 23, 2020 Board Meeting Virtual Meeting
    - June 25, 2020 Board Meeting Virtual Meeting
    - August 27, 2020 Board Meeting Virtual Meeting
    - September 24, 2020 Board Meeting Virtual Meeting
    - October 22, 2020 Board Meeting Virtual Meeting
    - November 19, 2020 Board Meeting Virtual Meeting
    - December 17, 2020 Board Meeting Virtual Meeting
    - January 26, 2020 Review Committee Meeting In-Person Meeting
    - January 31, 2020 Review Committee Meeting In-Person Meeting
    - February 5, 2020 Review Committee Meeting In-Person Meeting
    - February 6, 2020 Review Committee Meeting In-Person Meeting
    - March 26,2020 Review Committee Meeting Virtual Meeting
    - April 15, 2020 Review Committee Meeting Virtual Meeting
    - April 22, 2020 Review Committee Meeting Virtual Meeting
    - May 14, 2020 Review Committee Meeting Virtual Meeting
    - August 20, 2020 Review Committee Meeting Virtual Meeting
    - September 14, 2020 Review Committee Meeting Virtual Meeting

2020 Health Resources Board of Directors

Brett Fallon
Chair and Public at Large

Leighann Hinkle
Representative involved in purchasing health-care coverage on behalf of State employees

Michael Hackendorn
Labor representative

Margaret Strine
Public at Large

Julia O'Hanlon
Public at Large

John Walsh
Public at Large

Edwin Barlow
Public at Large

Vincent Lobo, Jr. DO
Licensed to practice medicine in DE representative

Elizabeth Brown, MD
DHSS representative

Theodore Becker
DHCC representative

Mark Thompson
Health care administration representative

Cheryl Heiks
Long-term care administration representative

Pamela Price
Health insurance industry representative

VACANT
Representative of a provider group other than hospitals, nursing homes or physicians

VACANT
Representative involved in purchasing health care coverage for employers with more than 200 employees

VACANT
Vice Chair

Additional Members:
Carolyn Morris – Stepped down 01/2020

Health Care Spending and Quality Benchmarks Program

Background

Delaware historically has had a high rate of per-capita health care spending. Health care spending accounts for more than 30% of the State's budget. The rate of growth of spending is twice the State's revenue growth resulting in the crowding out of needed investments in schools, communities, and infrastructure. In 2017, House Joint Resolution 7 authorized DHSS to establish a health care spending benchmark linked to growth in the overall economy.

On November 20, 2018, Governor Carney signed Executive Order (EO) 25[1], making Delaware the first state to have both spending and quality benchmarks. The adoption of the spending and quality benchmarks laid out a vision for improving the transparency and public awareness of health care spending and quality in Delaware. The spending benchmark is set on a calendar year basis by the Delaware Economic and Financial Advisory Council (DEFAC) Health Care Spending Benchmark Subcommittee. DEFAC set the benchmark at 3.5% for calendar year 2020, with the rate transitioning down to 3.0% for calendar years 2022 and 2023.

Executive Order 25 mandates the methodology of Quality Benchmarks be reviewed for the data collection cycle beginning in 2022 and every three years thereafter. Review is to determine whether changes should be made to the values used to establish the Quality Benchmarks to reflect new population health or health care priority opportunities for improvement and/or improved health care performance in the state.

Details about the methodology for establishing the benchmarks and reporting performance against them can be found in the Delaware Health Care Spending and Quality Benchmarks Implementation Manual.

DHCC's Responsibilities

EO 25 encourages the DHCC to accomplish the following:[3]

1. Set health care quality benchmarks for the State of Delaware and advise the Governor and relevant state agencies on the Quality Benchmarks.
2. Review the methodology of the Quality Benchmarks in 2022 and every three years thereafter, to determine whether changes should be made to the values used to establish the Quality Benchmarks to reflect changes in new population health or health care priority opportunities for improvement, and/or whether the Quality Benchmarks' values should be changes to reflect improved health care performance in the state.
3. Report annually during the fourth quarter on performance relative to the Spending and Quality Benchmarks during the prior Calendar year, including variation in costs and quality of high-volume, high-cost and high-value episodes of care.
4. Engage providers and community partners in regular and ongoing forum, with the State and with each other, to develop strategies to reduce variation in cost and quality and to

[3] https://governor.delaware.gov/executive-orders/eo25/

help the State perform well relative to the Spending Benchmark and Quality Benchmarks

5. Review the 2019 – 2021 Quality Benchmarks and identify benchmarks for the CY 2022 – 2024 measurement years

Setting the Health Care Spending Benchmark

The health care spending benchmark is the target annual per capita growth rate of Delaware's total health care spending, expressed as the percentage of growth from the prior year's per capita spending. The spending benchmark is set on a calendar year basis by the Delaware Economic and Financial Advisory Council (DEFAC) Health Care Spending Benchmark Subcommittee. In December 2018, the DEFAC set the benchmark for 2019 at 3.8% with the rate transitioning down to 3% for 2022 and 2023.

> *"For more than four decades, the Delaware Economic and Financial Advisory Council has played a vital, non-partisan role in tracking national and state economic trends and preparing credible and trusted state revenue and expenditure estimates. This Executive Order creates a DEFAC Health Care Spending Benchmark Subcommittee that will solicit public and stakeholder input toward recommending a credible and trusted annual target for per capita growth of total health care costs in Delaware."*
>
> - Secretary Rick Geisenberger, Department of Finance and DHCC Commissioner[4]

Setting the Health Care Quality Benchmarks

Delaware is the second state in the country to establish a health care spending benchmark and the first to establish health care quality benchmarks. The Executive Order also established quality benchmarks for calendar years 2019 through 2021. The DHCC health care quality benchmarks contain three key priority areas: 1) ambulatory care-sensitive condition (ACSC) emergency department visits, 2) opioid-related overdose deaths and co-prescribed opioid and benzodiazepine prescriptions, and 3) cardiovascular disease prevention and treatment. quality measures are divided into two categories: health status measures and health care measures.

- Health status measures (quantify certain population-level characteristics of Delaware residents) and include the following four measures:
    1. Adult obesity
    2. High school students who were physically active
    3. Opioid-related overdose deaths
    4. Tobacco Use
- Health care measures (quantify performance on health care processes or outcomes and are assessed at the State, market, insurer and provider levels) and include the following four measures:
    1. Opioid-related measure (TBD)

[4] https://news.delaware.gov/2018/11/20/executive-order-health-care-spending-quality-benchmarks/

2. Emergency department utilization
3. Persistence of a beta-blocker treatment after a heart attack
4. Statin therapy for patients with cardiovascular disease – statin adherence 80%

The process to review and identify Quality Benchmarks for data collection cycle for CY 2022- CY 2024 began in late fall 2020. DHCC worked closely with internal and external partners to review current Quality Benchmarks and determine the need for new or revised benchmarks.

Calendar Year 2020 Activities and Accomplishments

- In spring 2020, the Benchmark contractor (Mercer) worked closely with the Office of Value- Based Health Care and Delivery to establish a code-level definition to identify primary care spending.
- In June 2020, DHCC released CY 2018 preliminary data on health care spending in the state. This data will provide a preliminary basis for calculating the state's health care spending performance and to serve as a baseline for 2019 spending growth calculations
- In June 2020, DHCC released an updated Benchmark Implementation Manual and hosted a technical webinar for insurers.
- In fall 2020, DHCC collected CY 2019 data and recollected 2018 data from insurers and Medicaid, Medicare and the Veterans' Administration to establish a spending baseline for 2019 against which the spending growth for 2020 can be measured.
- In September 2020, work to develop the Opioid Benchmark Quality measure was completed. Mercer and PMP have finalized the specifications. The measure, formerly titled "Concurrent Use of Opioids and Benzodiazepines (COB)" was replaced with the new measure, "Opioids at High Dosage (HDO)." Delaware Prescription Monitoring Program (PMP) data will be used to support the new measure. DHCC received approval from the Office of the Secretary in October 2020 and the first data set was extracted in November 2020.
- In November 2020, Benchmark Spending targets were reviewed and approved by the Delaware Economic and Financial Advisory Council (DEFAC)
- In December 2020, DHCC reviewed the existing quality benchmarks, as required by Executive Order 25. The results of the review will establish Quality benchmarks for 2022 – 2024. DHCC plans to announce revised/new Quality Benchmarks in the 1st quarter 2021
- DHCC plans to release the 2019 health care spending performance data relative to the quality and spending benchmarks in the 1st quarter of 2021

Primary Care Reform Collaborative (PCRC)

Background

Delaware is facing a crisis in its primary health care system. In June 2018, the Delaware General Assembly passed Senate Bill 227 (SB227) creating the Primary Care Collaborative. The Collaborative seeks to address the crisis in primary care services in Delaware and improve access to and the capabilities of primary care providers.

SB 227 amended Title 16, Chapter 99, § 9903 "Duties and Authority of the Commission." The Commission is now responsible for convening a Primary Care Reform Collaborative to assist with the development of recommendations to strengthen the primary care system in the State and tasked with developing annual recommendations to strengthen primary care in Delaware. SB 227 named the DHCC Chair, the Chair of the Senate Health, Children & Social Services Committee, and the Chair of the House Health & Human Development Committee as members.

From the Executive Summary of the "Primary Care Collaborative Report, 2019"[5]

In January 2019 the Chairs released their recommendations in the "Primary Care Collaborative Report 2019." The common framework, identified by the Collaborative and shared across most stakeholders, consists of the following tenants: (1) ready access to quality primary care is essential for the health of the community and is the foundation for an effective health delivery system; (2) Delaware faces a crisis in primary care access across much of the state; and (3) lack of access to primary care contributes to the high total cost of health care. Although the reasons contributing to the high total cost of care are multifactorial, the Collaborative recognizes that inadequate access to primary care can shift care to higher acuity and more expensive settings, which may result in delayed detection and inadequate management of medical conditions, worse health outcomes, and higher total cost of care. The Collaborative developed the following recommendations to address these concerns through increased investment by the health care system to improve quality and access to primary care across Delaware. While there currently is some system-wide level of investment, the investment is fragmented and clearly insufficient to have prevented the primary care access crisis facing Delaware.

Recommendations:

1. The State should mandate payers to progressively increase primary care spending to reach percentage milestones that eventually account for 12% of total health care spending. Primary care spending should constitute an investment of these funds to effectively meet the medical, behavioral, and social determinants of health of Delaware's diverse population of patients.
2. The increase in primary care spending should not be strictly an increase in fee-for-service rates. It should include an upfront investment of resources to build and sustain infrastructure and capacity, including use of health information technology, as well as support needed for a team-based model of primary care across the range of Delaware's

[5] https://dhss.delaware.gov/dhss/dhcc/files/collabrpt_jan2019.pdf

primary care settings. It also should include value-based incentive payments that reward for high-quality, cost-effective care.

3. It is recognized that increasing investment in primary care does not call for an increase in total cost of health care within Delaware and should be compatible with the State benchmarking process of promoting only sustainable increases in total cost of care. This may result in the need for constraints on increases in other aspects of health care costs.
4. Enforcement of this mandate will occur through legislative statute or a regulatory enforcement authority, whether as a new agency or within an existing agency.
5. The Collaborative will continue to work with stakeholders regarding enhancing participation in value-based payment models, initiatives to increase and sustain primary care workforce, and integrating Women's Health and Behavioral Health within a primary care team model.

The Office of Value-Based Health Care Delivery

In the beginning of 2020, the Department of Insurance began the process to stand up the Office of Value-Based Health Care and Delivery. The charge to create the Office of Value-Based Health Care Delivery was established through the passage of Senate Substitute 1 for Senate Bill 116 in 2019.

In efforts to "*reduce health-care costs by increasing the availability of high quality, cost-efficient health insurance products with stable, predictable, and affordable rates*" and help bend the healthcare cost growth curve the General Assembly directed the Department of Insurance to establish the Office. The Department of Insurance initiated an RFP process and Freedman HealthCare was awarded the contract.

The Office (Freedman HealthCare) was tasked with collecting and analyzing data for the assessment of adequate levels of primary care spend within the State. The Office was also charged with the following:

1. Establish Affordability Standards for health insurance premiums based on recommendations from the PCRC and annually monitor and evaluate these standards.
2. Establish targets for carrier investment in primary care to support a robust system of primary care by January 1, 2025.
3. Collect data and develop annual reports regarding carrier investments in health care, including commercial reimbursement rates for primary and chronic care services.

The Office conducted extensive research on the State's healthcare market and developed recommendations for the Insurance Commissioner and the PCRC regarding Affordability Standards and targets for increased investment in primary care.

The initial provisional Affordability Standards were presented to the Collaborative and published in December 2020 in a report, *Delaware Health Care Affordability Standards: An Integrated Approach to Improve Access, Quality and Value*[3].

Calendar Year 2020 Activity

- In February 2020, SB200 passed. This Act supports the ongoing work of the PCRC to achieve better health for Delawareans at a lower cost by facilitating the sharing of de-identified health expenditure information and fostering transparency that is critical to the effective delivery of primary care in Delaware.
- In February 2020, the Department of Health Policy and Management at the Johns Hopkins Bloomberg School of Public Health gave a presentation entitled, "Inpatient Hospital Prices and Margins in Delaware to the PCRC."
- The Department of Insurance established the Office of Value-Based Health Care and Delivery, as outlined in SS1 for SB 116
    - The Delaware Health Care Affordability Standards: An Integrated Approach to Improve Access, Quality and Value report was published in December 2020 with public comment accepted through the end of January 2021[6]
    - In partnership with the Office of Value-Based Health Care Delivery, PCRC established the PCRC Technical Subcommittee which provided definitions of primary care services
- Documented PCRC standard operating procedures
    - Term limits: 2-year term with appointment as per SB 116 and SB 206, excluding ex-officio positions
    - Votes take place when quorum is present. A quorum of the Collaborative is the majority of its members.
    - Meeting information and material will be sent to PCRC committee members one week prior to PCRC meeting date
    - A proxy's name and affiliation must be announced/reported prior to meeting. Support staff will announce to all members at the beginning of the meeting. The proxy will have full voting rights. Proxy must be announced to support staff or co-chairs prior to the meeting.
- In December 2020, Mercer presented a Care Delivery Concept Model, which proposed different value-based care delivery models, paired with alternative payment models. The goal of such practice transformation is to move practices away from fee for service and towards payment models which reward practices for quality, access, and cost containment through decreased administrative burden and enhanced prospective payments. This particular focus of the Primary Care Reform Collaborative will continue to be an integral component of increasing much needed investment in primary care and solidify its foundational role for a cost-effective and quality health care delivery system.

[6] https://insurance.delaware.gov/wp-content/uploads/sites/15/2021/03/Delaware-Health-Care-Affordability-Standards-Report-Final-03042021.pdf

2020 Primary Care Reform Collaborative Members

Rep. David Bentz
House Health & Human Development Committee
N/A (Co-Chair)

Nancy Fan, MD
Women to Women Ob/Gyn, Saint Francis Healthcare
Chair, Delaware Health Care Commission
N/A (Co-Chair)

Sen. Bryan Townsend
Senate Health & Social Services Committee
N/A (Co-Chair)

Margaret Norris-Bent
Westside Family Healthcare
Governor Carney (FQHC)

Michael J. Bradley, DO
Dover Family Physicians
Medical Society of Delaware

James M. Gill, MD
Family Medicine at Greenhill
Medical Society of Delaware

John Gooden
M. Davis, Inc.
Delaware State Chamber of Commerce

Stephen M. Groff
Division of Medicaid & Medical Assistance
Director, Division of Medicaid & Medical Assistance

Kevin O'Hara
Highmark
Governor Carney (Insurer)

Jeffrey E. Hawtof, MD, FAAFP
Vice Pres., Medical Operations & Informatics
Beebe Healthcare
Delaware Healthcare Association

Christine Donohue-Henry, MD MBA
ChristianaCare
Delaware Healthcare Association

Molly K. Magarik, MS
Secretary, Department of Health & Social Services

Hon. Trinidad Navarro
Delaware Department of Insurance
Insurance Commissioner

Faith Rentz
Delaware Department of Human Resources
Director, Statewide Benefits & Insurance Coverage
Chair, State Employee Benefits Committee

Leslie Verucci, ANP
ChristianaCare
Delaware Nurses Association

Veronica Wilbur, PhD, APRN-FNP, CNE, FAANP
Next Century Medical Care
Delaware Nurses Association

New Members
Sasha Brown
Mike Gilmartin

Outgoing Members
Christopher Morris
Kara Odom Walker, MD, MPH, MSHS

Delaware Health Insurance Individual Market Stabilization Reinsurance Program (1332 Waiver)

Background

On August 20, 2019 the State of Delaware was approved by the U.S. Department of Health and Human Services and the U.S. Department of the Treasury for a Section 1332 State Innovation Waiver. The wavier is effective January 1, 2020 through December 31, 2024 to implement a state-based reinsurance program. The reinsurance program is expected to help stabilize Delaware's Individual market by lowering premium rates, increasing enrollment, and improving the morbidity of the single risk pool overall. Through its impact of lowering Individual market premium rates, the primary goal of the reinsurance program will be to help ensure that health care is as accessible and affordable as possible for Delaware citizens.

Delaware's Individual market for health insurance has experienced significant challenges since calendar year 2015. During that time, Delaware has seen the number of health insurance issuers offering comprehensive coverage in its Individual market decline to just one, while insurance rates in the Individual market have risen considerably (e.g., average rate increases greater than 20% in 2017 and equal to 25% in 2018).[7] As the number of issuers offering coverage in Delaware's Individual market have declined and premium rates have continued to increase, it is estimated that the number of individuals enrolled in the Individual ACA market has declined by approximately 37% between 2016 and 2019.

Senate Concurrent Resolution 70 (SCR 70) was passed on June 28, 2018 and authorized the State's 1332 waiver application. The state-based reinsurance program and the securement of a funding source for the program was established in House Bill 193 (HB 193). HB 193 was passed and signed by Governor Carney on June 20, 2019. The Act creates the Delaware Health Insurance Individual Market Stabilization Reinsurance Program & Fund and assigns the Delaware Health Care Commission (DHCC) with the responsibility of administering the program in order to provide reinsurance to health insurance issuers that offer comprehensive individual health benefit plans in Delaware.

Sources of funding for the reinsurance program:

1. Federal pass-through funding
2. A premium assessment to be applied to specified issuers

2020 Plan Year Payment Parameters

The reinsurance program will reimburse issuers who offer comprehensive coverage in Delaware's Individual Market for a percentage (coinsurance percentage) of the annual claims which they

[7] https://news.delaware.gov/2016/10/06/delaware-insurance-department-releases-2017-health-insurance-rates-for-aca-marketplace-plans/; https://www.delawareonline.com/story/news/health/2017/10/05/highmarks-obamacare-policies-rise-25- percent-delaware/732278001/

incur on a per member basis between a specified lower threshold (attachment point) and upper threshold (reinsurance cap), to be determined each year by the DHCC.

For the 2020 plan year, the attachment point was $65,000, a coinsurance rate of 75.0%, and a reinsurance cap of $215,000. At those parameters, the reinsurance program is expected to lower issuer costs in Delaware's Individual ACA market by 13.0% and improve morbidity in the risk pool by as much as 0.8%, resulting in an overall reduction to premium rates (i.e., relative to if no reinsurance program were in place) equal to 13.7% and increasing enrollment in the Individual ACA market by as much as 2.3%. In future years, the reinsurance program will be expected to reduce issuer costs in the individual ACA market by an average of 13.0% to 20.0%, depending on the level of funding expected to be available for each calendar year.[8]

Calendar Year 2020 Activities and Accomplishments

- In January 2020, DHCC and CMS entered an Intergovernmental Agreement to calculate reinsurance payments to issuers participating in Delaware's 1332 Waiver
- In April 2020, CMS issued a letter that the Department of the Treasury's final administrative determination for Delaware's pass-through funding amount was $21,675,647 for calendar year 2020
- In June 2020, DHCC hosted a virtual Public Forum to provide the public an opportunity to give meaningful comment on the progress of the Section 1332 Waiver. The 2021 payment parameters were announced
  - Attachment point: $65,000
  - Coinsurance rate: 80%
  - Reinsurance cap: $335,000
- In September 2020, DHCC submitted pass-through funding data to CMS

[8] In years where there is no moratorium on the Health Insurance Providers Fee, a 1.0% premium assessment will be charged to finance the program; In years where there is a moratorium on the Health Insurance Providers Fee, a 2.75% premium assessment will be charged to finance the program.


Delaware Health
and Social Services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