

CHAPTER 189  
FORMERLY  
SENATE SUBSTITUTE NO. 1  
FOR  
SENATE BILL NO. 116

AN ACT TO AMEND TITLE 16 AND TITLE 18 OF THE DELAWARE CODE RELATING TO THE PRIMARY CARE REFORM COLLABORATIVE AND THE CREATION OF THE OFFICE OF VALUE-BASED HEALTH CARE DELIVERY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend § 9904A, Title 16 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 9904A. Primary Care Reform Collaborative.

(a) The Commission shall convene a Primary Care Reform Collaborative ("Collaborative") to assist with the development of recommendations to strengthen the primary care system in this State. The Collaborative may collect and accept advice and input from stakeholders, including the Delaware health-care and patient community.

(b) The Collaborative is comprised of the following members, or a designee appointed by the member serv  
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by virtue of position:

(1) The Commission Chairperson.

(2) The Chair of the Senate Health, Children & Social Services Committee.

(3) The Chair of the House Health & Human Development Committee.

(4) Two members, appointed by the Medical Society of Delaware.

(5) Two members, appointed by the Delaware Nurses Association.

(6) Two members, appointed by the Delaware Healthcare Association.

(7) Two members representing insurance carriers, appointed by the Governor.

(8) The Secretary, Department of Health and Social Services.

(9) The Director, Division of Medicaid and Medical Assistance.

(10) The Insurance Commissioner, Insurance Department.

(11) The Chair, State Employee Benefits Committee.

(12) One member representing large self-insured employers, appointed by the Delaware State Chamber of Commerce.

(13) One member representing a Federally Qualified Health Center, appointed by the Governor.

(d)(1) A quorum of the Collaborative is a majority of its members.

(2) Official action by the Collaborative requires the approval of a quorum of the Collaborative.

(3) The Collaborative may adopt rules necessary for its operation.

Section 2. Amend § 334, Title 18 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 334. ~~Repealed.~~ Office of Value-Based Health Care Delivery.

(a) The Office of Value-Based Health Care Delivery is established to reduce health care costs by increasing the availability of high quality, cost-efficient health insurance products that have stable, predictable, and affordable rates.

(b) For purposes of this section:

(1) “Affordability standard” means as defined by the Department in regulations promulgated under this section using information collected under paragraphs (c)(2) and (c)(3) of this section and may include any of the following:

a. Trends, including any of the following:

1. Historical rates of trend for existing products.
2. National medical and health insurance trends.
3. Regional medical and health insurance trends.
4. Inflation indices.

b. Price comparison to other market rates for similar products.

c. The ability of lower-income individuals to pay for health insurance.

d. Effective strategies carriers can use to maintain close control over administrative costs and enhance the affordability of products.

(2)a. “Carrier” means any of the following:

1. “Health insurer” as defined in § 4004 of this title and licensed under this title.

2. A health insurer or other entity that is certified as a qualified health plan on the Delaware Health Insurance Marketplace for plan year 2019 or a subsequent plan year.

b. Notwithstanding paragraph (b)(2)a. of this section, “carrier” does not mean any of the following:

1. A plan of health insurance or health benefits designed for issuance to persons eligible for coverage under Titles XVIII, XIX, and XXI of the Social Security Act, 42 U.S.C. §§ 1395 et seq., 1396 et seq., and 1397aa et seq., known as Medicare, Medicaid, or any other similar coverage under a State or federal government plan.

2. An entity selected by the State Group Health Insurance Plan to offer supplemental insurance program coverage under Chapter 52C of Title 29.

(3) “Primary Care” means as defined by the Department in regulations promulgated under this section.

(4) “Primary Care Reform Collaborative” means as defined in § 9904A of Title 16.

(c) The Office of Value-Based Health Care Delivery shall do all of the following:

(1) Establish affordability standards for health insurance premiums based on recommendations from the Primary Care Reform Collaborative.

(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 reports regarding carrier investments in health care to monitor and evaluate all of the following:

a. The calculation of the amount of primary care spending in this State, including data from the Delaware Health Care Claims Database, under Subchapter II of Chapter 103 of Title 16.

b. Carrier compliance with reimbursement rates for primary care required under § 3342B and § 3556A of this title.

c. Health-care spending data collected and reported through the State benchmarking process.

(4) Annually evaluate primary care spending, with consideration of overall total health-care spending.

(5) Make recommendations to the Insurance Commissioner and the Primary Reform Collaborative about appropriate reimbursement rates for primary care.

(6) Develop and annually evaluate affordability standards, through an open and transparent process, in collaboration with the Primary Care Reform Collaborative.

Section 3. The Insurance Commissioner shall promulgate regulations to implement Section 2 of this Act, § 334 of Title 18. Regulations promulgated under this section may not establish mandatory or enforceable requirements regarding health insurance rates, health-care spending, or primary care spending and must not be deemed to or interpreted as establishing mandatory or enforceable requirements.

Section 4. Section 334(a) of Title 18 may not be implemented before January 1, 2020, and must be implemented before April 1, 2020.

Approved August 7, 2019