



March 23, 2021

Wayne A. Smith
President & CEO

The Honorable Kyle Evans Gay
Chair, Joint Legislative Oversight and Sunset
Committee
411 Legislative Avenue
Dover, DE 19901

The Honorable Sherry Dorsey Walker
Vice-Chair, Joint Legislative Oversight
and Sunset Committee
411 Legislative Avenue
Dover, DE 19901

RE: Feedback on JLOSC's Recommendations for HRB

Alfred I. duPont Hospital
for Children

Mark Mumford,
Executive Vice President
Chief Executive,
Nemours Delaware
Valley Operations

Bayhealth

Terry Murphy,
President & CEO

Beebe Healthcare

David A. Tam,
MD, MBA,
President & CEO

ChristianaCare

Janice E. Nevin,
MD, MPH
President & CEO

TidalHealth Nanticoke

Penny Short, MSM, BSN,
RN
President & CEO

Saint Francis Healthcare

Brandon S. Harvath,
President & COO

Wilmington Veterans

Affairs Medical Center
Vincent Kane
Director

Delaware Healthcare

Association
Wayne A. Smith
President & CEO

Dear Senator Gay and Representative Dorsey Walker,

The Delaware Healthcare Association, on behalf of our member hospitals and health systems, appreciates the recommendations developed by Joint Legislative Oversight and Sunset Committee's (JLOSC) staff on improving the Health Resources Board (HRB). We believe the recommendations are a good starting point to make the Certificate of Public Review (CPR) process more efficient and effective and would like to offer our feedback on these recommendations for consideration.

First, we would like to commend the thorough research and reporting done by the JLOSC staff on Delaware's HRB as well as other states' Certificate of Need processes. We would also like to offer the following comments on the JLOSC staff recommendations as presented on March 18th:

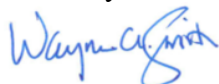
1. Continue the HRB – DHA agrees with the JLOSC staff's recommendation to continue the HRB, which serves an important function to foster the cost-effective and efficient use of health-care resources and the availability of and access to high quality and appropriate health-care services.
2. Restructure HRB to an Advisory Board - We support the recommendation to move the HRB to an Advisory Board capacity as a way to make the CPR process more efficient. However, we want to emphasize the need for:
 - a. The Advisory Board to report to the Office of Health Facilities Licensing and Certification. As JLOSC staff note, there is a lot of overlap in program areas between this office and the HRB.
 - b. An appeal process to be allowed for projects that are denied ensuring appropriate checks and balances. This will be very important, particularly if the JLOSC decides to have the Advisory Board report to one person, such as the Secretary of the Department of Health and Social Services.
 - c. Appropriate funding for independent staff or consultants with expertise in health care policy and planning, as they will be conducting research and

reports that will influence the Board and the ultimate decision on CPR projects.

- d. Board membership must consist of those qualified to make decisions on health care facilities, but who are also without specific agenda. We appreciate the recommendation to include a health care economist on the Board but want to make sure that person is not tied to beliefs or organizations that would influence their decision-making.
3. Statute Changes - Due to the major changes that will be needed to the HRB statute to adopt the JLOSC recommendations, we recommend:
 - a. A complete overhaul of the Health Resources Management Plan (HRMP), which builds upon and adds to the statute, to be done through the regulatory process to allow feedback from stakeholders.
 - b. That medical equipment be eliminated from CPR review to further ensure the efficiency of the CPR process and avoid delaying the acquisition of equipment that patients need.
 - c. That the \$5.8 M threshold be adjusted for inflation. It is our understanding it has not been updated for many years despite the fact that the statute stipulates it should be updated annually for inflation.
 4. Utilization Reports – We understand and appreciate the need to have independent data to review as new CPR applications come in. We recommend:
 - a. Allowing the data to come from outside contractors. For example, the Delaware Healthcare Association already collects utilization data for its member hospitals. Partnering with organizations that already conduct utilization reports would reduce burden on hospital stakeholders by alleviating duplication.
 - b. Considering a five-year report as opposed to a biennial report for Recommendation #4, Option #1, as studying each of the areas outlined in this recommendation may take years to complete.
 - c. Engaging hospitals in the data collection process to ensure data is accurate and validated.

Thank you for your consideration of our feedback on the JLOSC's recommendations on improving the HRB. We look forward to continued dialogue as JLOSC develops legislation to implement its recommendations.

Sincerely,



Wayne A. Smith
President & CEO

CC: Members and staff of the Joint Legislative Oversight & Sunset Committee

DHA represents hospitals and health care delivery systems in Delaware and advocates for policies that create an environment enabling every Delawarean to be as healthy as they can be.

I have thoroughly reviewed the legislative research group's review of the Health Resources Board. It is quite scathing as to the scope of conflict of interest, lack of quorum meetings, dysfunction internal workings, inability to do its own research, lack of attendance at meetings, delays in decision-making and overall failure to achieve any of its 30 year goals. Less than half of the group participated in its own self analysis and the Board itself reported deficient results. The competency level of the Board for Delaware healthcare resources is abysmal and the members rely solely on lobbyists for information. The vast majority of public survey results condemn further the board.

Nowhere in the report is there a reason to continue this farce, other than the anachronistic argument that other states, that are failing their constituents healthcare needs, have them too. The real reason that the HRB continues is that it is a weapon to prevent competition to Delaware's hospital monopolies. It is a barrier to market entry.

Is "Not throwing the baby out with the bath water" a valid argument, or is the water so murky and dirty that you can't see a baby in it, as the original expression was devised?

Please do your job, and sunset a bad law and a dysfunctional board.

Dr. Casscells

I would like for my vote on this "Health Resources Board" Terminate this ENTIRETY" It is too important

So when the committee meets" Thursday morning Please vote this down'

As a Delawarean seems as 'We the People have NO voice in Legislation " This is not in good for the folks Allowing Governor to be directly in Charge"

Your kidding me right Just like the way Carney is dealing with the lock down,, Allowing Sm business to close,, I'm sorry We all know how Carney with held

Financial relive from all of us with the 1.25 billion last March from the Cares Act" his Land Deal,,, WE DO NOT WANT him in Charge of this of our health care

It is up to everyone of you I have listed,,,, We The People are taking a stand Watching who votes for What... We want this voted down,, Terminated Please

Senator Kyle Evans Gray,

Marie Pinkney

krista Griffith

Sherry Dorsey Walker

Stephanie Hansen

kendra johnson

Brain Pettyjohn

Jeffrey Spiegelman

Bryant Richardson

Lyndon Yearick

Thank you Crystal Shear