



SPONSOR: Rep. Longhurst & Rep. Schwartzkopf & Rep. Viola & Sen. McBride & Sen. Henry & Sen. Poore

HOUSE OF REPRESENTATIVES
149th GENERAL ASSEMBLY

HOUSE JOINT RESOLUTION NO. 7

CONFERRING UPON THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES THE NECESSARY POWERS AND AUTHORITY TO ESTABLISH AND PLAN FOR THE MONITORING AND IMPLEMENTATION OF AN ANNUAL HEALTH CARE BENCHMARK.

1 WHEREAS, the State of Delaware is committed to improving the health of Delawareans and improving patient-
2 centered health care quality in the State; and

3 WHEREAS, there is a need to enhance transparency and accountability in health care costs; and

4 WHEREAS, health care spending in Delaware is higher than the national average and has historically outpaced
5 inflation and the State's economic growth; and

6 WHEREAS, it is in the best interest of Delawareans to recognize that public and private health care spending
7 needs to drive greater access to high quality care at lower costs; and

8 WHEREAS, population health and prices can be measured and reported, and used to pay for value rather than
9 volume of health care; and

10 WHEREAS, the State of Delaware is committed to reducing the total cost of health care for all Delawareans; and

11 WHEREAS, the establishment, monitoring, and implementation of an annual health care cost growth benchmark
12 are appropriate means to achieve the goal of improved healthcare quality at reduced costs.

13 NOW, THEREFORE:

14 BE IT RESOLVED by the House of Representatives and the Senate of the 149th General Assembly of the State of
15 Delaware, with the approval of the Governor, that the Secretary of the Department of Health and Social Services shall study
16 and plan the means and methods for gathering data to establish an annually established number that will enable a clear
17 conclusion regarding the annual growth of total health care costs in the State of Delaware otherwise known as a
18 "benchmark," including selecting methodologies, determining sources of data, and collecting actuarial certification. The
19 benchmark planning effort shall include: (i) an assessment of health care costs and payment reform efforts, and (ii)
20 development of processes and methodologies for evaluating and implementing the benchmark. Among other criteria and
21 data, the benchmarking process will consider the Delaware Economic Financial Advisory Council (DEFAC) forecasts and
22 projections, including revenue and domestic product growth for the State. The planning year is expected to be the State's
23 2018 fiscal year.

24 BE IT FURTHER RESOLVED that the Secretary shall consult with stakeholders as necessary. Stakeholders
25 include but are not limited to the Chairs of the House and Senate Health Committees, health care providers, health care
26 systems, organizations representing state workers, insurance industry and state agencies. Stakeholders shall provide
27 feedback to assist the Secretary in developing the annual benchmark and recommending comprehensive solutions for
28 reducing the cost growth trend in the State's health care spending while promoting and preserving access to high quality,
29 affordable health care for all Delawareans.

SYNOPSIS

Health care spending in Delaware is higher than the national average and has historically outpaced the State's economic and revenue growth, contributing to the State's current structural deficit. To combat ever rising costs, this Joint Resolution authorizes the Secretary of the Department of Health and Social Services to undertake the actions necessary to establish a health care benchmark, and designating the State's 2018 fiscal year as a planning year. The Secretary is directed to consult with stakeholders in developing the benchmark.