



SPONSOR: Rep. Baumbach & Sen. Pinkney  
Reps. Harris, Heffernan, Minor-Brown, Morrison,  
Osienski; Sens. Gay, Hoffner, Sokola, Walsh

HOUSE OF REPRESENTATIVES  
152nd GENERAL ASSEMBLY

HOUSE BILL NO. 326

AN ACT TO AMEND TITLE 16 OF THE DELAWARE CODE RELATED TO THE DELAWARE HEALTH CARE COMMISSION.

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

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

Chapter 93A. COMMUNITY BENEFITS REPORTING

§ 9301A. Definitions.

(a) As used in this chapter:

(1) "Community benefit program" means the activities of a hospital that are intended to address community needs and priorities primarily through disease prevention and improvement of health status, including any of the following:

a. Health care services rendered to vulnerable populations. Such services may include charity care and the unreimbursed cost of providing services to individuals who are uninsured, underinsured, or eligible for Medicaid.

b. Financial or in-kind support of public health programs.

c. Donations of funds, property, or other resources that contribute to a community priority.

d. Services that are intended to enhance access to health care or related services that contribute to a healthier community.

e. Services offered to meet a community need in the service area of the hospital, and other services including health promotion, health education, prevention, and social services.

f. The provision of food, shelter, clothing, education, transportation, and other goods or services that help maintain a person's health.

(2) "Community health needs assessment" means the process by which unmet community health care needs and priorities are identified by a nonprofit hospital in accordance with 26 C.F.R. § 1.501(r)-3.

(3) "Hospital" means a nonprofit entity licensed as a hospital pursuant to Chapter 10 of this title that is required to file annually Internal Revenue Service Form 990.

23        § 9302A. Community Benefit Activity Reporting.

24        (a) Hospitals must develop an annual community benefits activity report.

25            (1) The community benefit activity report shall include at a minimum the following:

26                a. Its community health needs assessment, as defined in 26 C.F.R. § 1.501(r)-3.

27                b. A list of the activities that were undertaken by the hospital to address the identified community health  
28                needs within the hospital's community.

29                c. The direct cost to the hospital of each community benefit activity.

30                d. A description of gaps in the availability of providers to serve the community.

31                e. A description of efforts undertaken by the hospital to track and reduce health disparities in the  
32                community that the hospital serves.

33                f. A list of the unmet community health needs identified in the most recent community health needs  
34                assessment.

35                g. A list of tax exemptions the hospital claimed during the immediately preceding taxable year.

36                h. Any additional information the hospital deems relevant to its community benefit activities.

37            (2) Hospitals under the common control of a single corporation or another entity may file a consolidated  
38            report if the report includes the community benefit financial data of each hospital and describes the benefits provided to  
39            the communities in the geographic area of each hospital.

40            (3) Hospitals must make their community benefits activity report available to the public in a manner that is  
41            easily accessible.

42            (4) The report must be submitted by June 30 of each year to the Delaware Health Care Commission, the  
43            Department of Health and Social Services, the Office of Management and Budget, the Department of Finance, the  
44            Office of the Governor, the Clerk of the House of Representatives, the Secretary of the Senate, and the Director and  
45            Librarian of the Division of Research.

SYNOPSIS

Non-profit hospitals are granted tax-exempt status under the premise that they serve a vital role in promoting the health and well-being of the communities they serve. Community benefit spending is a means by which hospitals fulfill this obligation. Such spending includes activities like providing uncompensated care, supporting medical research, offering health education and prevention programs, subsidizing community clinics, and addressing social determinants of health.

This Act requires Delaware's non-profit hospitals to provide the state and public with an annual report outlining their community benefits spending, bringing Delaware in line with 31 other states, including all of Delaware's neighboring states, that require reporting.

This Act defines "community benefits program," outlines the minimum contents that must be included in a community benefits activity report, and requires that the report be made available to the public and be submitted by January 31 of each year to multiple state entities.