152nd GENERAL ASSEMBLY
FISCAL NOTE

BILL:	**SENATE BILL NO. 13**
SPONSOR:	**Senator S. McBride**
DESCRIPTION:	**AN ACT TO AMEND TITLES 16 AND 30 OF THE DELAWARE CODE RELATING TO HOSPITAL QUALITY ASSESSMENTS AND ESTABLISHMENT OF A HOSPITAL QUALITY AND HEALTH EQUITY FUND AND HOSPITAL QUALITY AND HEALTH EQUITY ASSESSMENT COMMISSION.**

Assumptions:

1. This Act is effective upon signature by the Governor. Any regulation deemed necessary to administer the initial enactment period of this Act must be adopted by March 31, 2025. The provisions of this Act are effective for fiscal years beginning after June 30, 2025.
2. This Act creates a Hospital Quality Assessment ("Assessment"), which places a 3.58% assessment on Delaware hospitals' net patient revenues. The Assessment is to be paid in four equal installments, however during the initial enactment period, defined as July 1, 2025 – June 30, 2026, there are only two payments due.
3. The Department of Finance and the Department of Health and Social Services are authorized to adopt regulations to implement, administer and enforce the Assessment.
4. Proceeds of the Assessment and interest earnings are to be credited to the Hospital Quality and Health Equity Fund ("Fund"). Monies deposited to the Fund are to be distributed per the requirements contained in the Act.
5. The Department of Finance estimates the need for the following to implement the provisions of this Act:
    a. For Fiscal Year 2025, a total of $372,365 which includes:
        i. $350,000 – One-Time Costs for necessary modifications to the IRAS revenue system.
        ii. $22,365 – Personnel Costs for 1.0 FTE Tax Auditor III (3 months funding).
6. Future years include annualized personnel costs and are assumed to increase at a rate of 2% annually.

Cost:

	Ongoing	**One-Time**
Fiscal Year 2025:	$22,365	$350,000
Fiscal Year 2026:	$91,249	
Fiscal Year 2027:	$93,074	

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Office of the Controller General