Delaware’s Path to Supporting Primary Care

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Cabinet Secretary
Delaware’s Road to Value

Support patient-centered, coordinated care.
Prepare the health provider workforce and infrastructure.

Improve health for special populations.
Engage communities.

Pay for Value

Ensure data-driven performance.

#ourhealthDE
Delaware Spends More on Health Care Than Most Other States

PER CAPITA PERSONAL HEALTH CARE EXPENDITURES, 2014

NOTE: District of Columbia is not included.

#ourhealthDE
Per Person Spending in Delaware Is Higher Than the National Average in Every Category of Service

**UNITED STATES AND DELAWARE PER CAPITA SPENDING BY SERVICE, 2014**

<table>
<thead>
<tr>
<th>Service</th>
<th>UNITED STATES</th>
<th>DELAWARE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospital Care</td>
<td>$3,079</td>
<td>$4,078</td>
</tr>
<tr>
<td>Physician and Clinical Services</td>
<td>$1,874</td>
<td>$2,259</td>
</tr>
<tr>
<td>Drugs and Other Medical Nondurables</td>
<td>$1,114</td>
<td>$1,525</td>
</tr>
<tr>
<td>Nursing Home, Home Health, and Other Personal Care</td>
<td>$1,216</td>
<td>$1,438</td>
</tr>
<tr>
<td>Dental and Other Professional Services</td>
<td>$614</td>
<td>$757</td>
</tr>
<tr>
<td>Medical Durables</td>
<td>$146</td>
<td>$197</td>
</tr>
</tbody>
</table>


#ourhealthDE
The State of Primary Care in Delaware

• Experts agree that a robust health care system should spend 12%-15% of total costs on primary care.

• In the US, the average is 6%.

• In Delaware, it is 3%-4%.

• Unclear as to why:
  - Majority of primary care here is in small independent practices, which have little to no leverage with insurance companies.
  - Hospital-owned primary care in Delaware gets paid 50%-70% more than independent practices get paid for the same services.
...BE THE...

CHANGE

YOU WISH TO SEE IN THE

WORLD

-GANDHI
Primary Care Impacts Total Cost of Care
Delaware is establishing a health care spending benchmark.
Delaware's per-capita health care costs are more than 27 percent above the U.S. average. Although our costs are high, our overall health ranking is low. The health care spending benchmark will drive changes to make care better while controlling costs. The quality of care will be improved by:

- Paying for value
- Educating Delawareans on how to make better health care decisions
- Reinforcing healthy choices
- Supporting improvements in primary care practices

Here's why change is needed:
SB 227: Support of Primary Care

AN ACT TO AMEND TITLE 16, TITLE 18, AND TITLE 29 OF THE DELAWARE CODE RELATING TO PRIMARY CARE SERVICES.
THANK YOU