

# 2021 Healthcare Affordability State Policy Scorecard

Polling data repeatedly shows that healthcare affordability is the number one issue that state residents, on both sides of the political aisle, want their policymakers to work on. This scorecard identifies areas where Delaware is doing well and areas where it can improve. It reflects policies implemented as of Dec. 31, 2020.

STATE:

**DELAWARE**

RANK:

**10**

out of 47 states + DC

**TOTAL SCORE: 48.9 OUT OF 80 POSSIBLE POINTS**

Delaware has many policies to address affordability, but still has much work to do to ensure wise health spending and affordability for its residents. According to SHADAC, 11% of DE adults could not get needed medical care due to cost as of 2019, and the share of people with other affordability burdens is far higher. While DE's uninsurance rate (6.6%) may be a factor, healthcare is increasingly unaffordable largely due to high costs that affect everyone. According to the PCE, healthcare spending per person in DE grew 26% between 2013 and 2019, totaling \$9,071 in 2019.\*

	POLICY SCORE	OUTCOME SCORE	RECOMMENDATIONS
<b>CURB EXCESS PRICES IN THE SYSTEM</b> 	<b>9.0 OUT OF 10 POINTS</b> DE is a leader in this area, with an active APCD, a healthcare spending oversight entity and all-sector spending targets.	<b>5.0 OUT OF 10 POINTS</b> High private prices are one factor driving costs. DE's inpatient private payer prices are 186% of Medicare prices, placing them in the middle range of all states. Ranked 24 out of 48 states, plus DC.	<i>Year-over-year increases in healthcare prices overwhelmingly drive state healthcare spending. DE should consider strong price transparency requirements.</i>
<b>REDUCE LOW-VALUE CARE</b> 	<b>1.0 OUT OF 10 POINTS</b> DE has not enacted meaningful patient safety reporting. Encouragingly, 100% of hospitals have adopted antibiotic stewardship. DE has not yet measured the extent of low-value care being provided.	<b>5.0 OUT OF 10 POINTS</b> DE's use of low-value care is close to the national average. Ranked 21 out of 50 states, plus DC.	<i>DE should consider using claims and EHR data to identify unnecessary care and enacting a multi-stakeholder effort to reduce it.</i>
<b>EXTEND COVERAGE TO ALL RESIDENTS</b> 	<b>7.5 OUT OF 10 POINTS</b> Medicaid coverage for childless adults extends to 138% of FPL. Only lawfully residing immigrant children/pregnant women can access state coverage options. DE uses reinsurance, to reduce costs in the non-group market.	<b>7.7 OUT OF 10 POINTS</b> 7% of DE residents are uninsured. Ranked 16 out of 50 states, plus DC.	<i>DE should consider coverage options residents earning too much to qualify for Medicaid, like premium subsidies, a Basic Health Plan, Medicaid buy-in and a public option. DE should also consider offering coverage options for undocumented children, pregnant people and adults. DE should implement their standards adding affordability criteria to rate review.</i>
<b>MAKE OUT-OF-POCKET COSTS AFFORDABLE</b> 	<b>6.0 OUT OF 10 POINTS</b> DE has limited protections against short-term, limited-duration health plans; partial surprise medical bill protections; and caps cost-sharing for some high-value services.	<b>7.7 OUT OF 10 POINTS</b> DE ranked well in terms of affordability burdens (13 out of 49 states, plus DC), but 11% of adults could not get needed medical care due to cost. The share of people with other affordability burdens is far higher.	<i>DE should consider a suite of measures to ease consumer burdens, such as: stronger protections against short-term, limited-duration health plans; and surprise medical bill protections not addressed by the federal No Surprises Act.</i>

APCD = All-Payer Claims Database CHES = Consumer Healthcare Experience State Survey CMS = Centers for Medicare and Medicaid Services EHR = Electronic Health Records FPL = Federal Poverty Level PCE = Personal Consumption Expenditure (Healthcare PCE measures spending growth among households as well as nonprofit, commercial and government hospitals/nursing homes) SHADAC = State Health Access Data Assistance Center SMB = Surprise Medical Bill STLD = Short-Term, Limited-Duration

# Healthcare Affordability State Policy Scorecard

STATE:

DELAWARE

RANK:

10

out of  
42 states  
+ DC

## DELAWARE NOTES

### Methodological Notes:

State rank reflects the weighted sum of the policy and outcome scoring components. A lower state rank number (i.e. close to 1) reflects a higher overall score and better performance when compared to other states. For a complete discussion of methodology, please see [healthcarevaluehub.org/affordability-scorecard/methodology](https://healthcarevaluehub.org/affordability-scorecard/methodology).



### Curb Excess Prices in the System:

In order to receive credit for price transparency tools, a state's tool had to be public-facing, searchable by specific procedure and hospital, and show the negotiated rate paid by insurance plans/patients (not chargemaster rate). Delaware did not have a tool that met this criteria. DE has a healthcare spending oversight entity that targets all spending, all-payer spending benchmarks or price controls that are mandatory for all and an All-Payer Claims Database (APCD). As of 2020, DE is the only state that combines their spending benchmark with quality benchmarks.



### Reduce Low-Value Care:

According to the Johns Hopkins Overuse Index created using Medicare data, DE's overuse of low-value care is 0.2 standard deviations above the national average, which is undesirable (however the value is still relatively close to the national average). Data on patient safety reporting is not available for Delaware. Improper use of antibiotics is another type of low-value care. Antibiotic stewardship is the effort to measure and improve how antibiotics are prescribed by clinicians and used by patients - states were scored on what share of their hospitals follow the CDC's stewardship program.



### Extend Coverage to All Residents:

DE received federal approval to create a reinsurance program beginning in 2020. DE provides Medicaid coverage for eligible lawfully residing immigrant pregnant women and children without a 5-year wait. DE does not offer coverage options for undocumented children/pregnant people/adults. In November 2020, DE's Office of Value-Based Health Care Delivery released draft affordability standards that would use rate review to enforce new targets for primary care investment, unit price growth for non-professional services and adoption of alternative payment models. Draft rules will be available for public comment in 2021.



### Make Out-of-Pocket Costs Affordable:

High-deductible health plans create barriers to care for many families. The average family deductible among employer insurance plans rose 28% between 2013 and 2019, totalling \$3,002 in 2019. States should consider exploring new policies to reduce financial barriers to care for people with high-deductible health plans, although there are limits to how much states can influence employer insurance and Medicare. In response to rising insurance costs, some people turn to STLD health plans, which offer lower monthly premiums compared to ACA-compliant plans. However, these policies offer less coverage, can discriminate against people with pre-existing conditions and pose significant financial risks for consumers. States received credit depending on how much they limit or protect against these plans. DE has partial protections against surprise medical billing. 'Comprehensive' surprise medical billing protections include emergency departments and hospitals, apply to all insurance types, hold consumers harmless/prevent balance billing and adopt adequate payment standard or dispute resolution process. States with only some of these policies have 'partial' protections. The federal No Surprises Act prohibits surprise medical billing in most plans effective January 2022. However, it does not cover ground ambulances which often result in surprise bills. States can still implement protections in this area—24% of ground ambulance rides in DE charged to commercial insurance plans had the potential for surprise medical billing.\* DE caps cost-sharing for prescription drugs, including insulin, in the fully-insured market.

\* Informational data, not used in state score or ranking. Scorecard Updated: Oct. 26, 2021