

Governor Carney Signs Executive Order on Health Care Spending

Advisory group will advance health care benchmark initiative to reduce costs, improve outcomes

WILMINGTON, Del. – Taking the next step in implementing a health care spending benchmark for Delaware, Governor John Carney has signed an [executive order](#) establishing the Health Care Delivery and Cost Advisory Group to provide feedback to the Secretary of the Department of Health and Social Services (DHSS) on how to measure and report the total cost of health care in Delaware and how to determine metrics across the health care system to create quality benchmarks.

The creation of the advisory group to implement the spending benchmark comes five months after the Governor signed [House Joint Resolution 7](#) granting authority to DHSS to establish a benchmark with a growth rate for health care spending linked to the overall economy of the state. In June, the Centers for Medicare and Medicaid Services (CMS) released a 50-state analysis of per-capita health care spending showing Delaware had the third-highest rate in 2014 behind only Alaska and Massachusetts.

The CMS analysis of all insurance payers – Medicare, Medicaid and commercial – found that Delaware’s per-capita rate was \$10,254, or more than 27 percent above the U.S. average of \$8,045. Without changes, the analysis estimates that Delaware’s total health care spending will more than double from \$9.5 billion in 2014 to \$21.5 billion in 2025.

“Delaware has consistently ranked among the states that spend the most on health care, yet we’re not seeing the best results,” said **Governor Carney**. “High costs present a barrier to quality health care, squeeze family budgets, crowd out other important state investments, and prevent businesses from investing in innovation and job creation. We’re committed to addressing this issue, to bringing providers to the table, reducing costs, and improving health outcomes for Delawareans across our state.”

“We have the talent and the capacity in our Delaware health care community to move to better value in our health care system and deliver better outcomes for the people of our state,” said **DHSS Secretary Dr. Kara Odom Walker**, a board-certified family physician. “The advisory group gives us the unique opportunity to continue progress in a collaborative forum and gather input on how to best to track the trend lines in the total cost of health care over time.”

The advisory group will provide feedback to the DHSS Secretary on the selection of methodologies to measure and report on the total cost of health care in Delaware, and on the establishment of a spending growth target that will become Delaware’s cost benchmark. Advisory group members also will help identify which metrics should be used to create quality benchmarks across our healthcare system to reduce costs, and recommend changes to the Delaware Health Care Commission.

The advisory group will include the DHSS Secretary; Director of the Office of Management and Budget; Chair of the Delaware Health Care Commission; Chair of the Delaware Center for Health Innovation; hospital representatives; representatives from the insurance industry, a licensed physician; a health economist; and a business community representative.

A full list of members is available in the text of the Executive Order. The advisory group will dissolve on June 30, unless the period is extended.

[Click here](#) to watch a video message from Dr. Kara Odom Walker, Secretary of the Delaware Department of Health and Social Services, on the benchmark initiative.

To learn more about the health care spending benchmark, visit: <https://www.choosehealthde.com/Health-Care-Spending-Benchmark>

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