

Dr. Tam Op-Ed

HB350 will Hurt Sussex County Just as Much as Beebe Healthcare

By Dr. David Tam

When I came to Sussex County to be the President & CEO of Beebe Healthcare, it was to serve and care for a growing region where I could make a difference by being a local leader of a nonprofit health system – deeply involved in the community.

I am writing to you now extremely concerned about how House Bill 350 will affect our community. As written, it will disproportionately hurt the people of Sussex County just as much as Beebe itself. The bill has already passed through the House and will be debated in the Senate Executive Committee as early as next week.

Sussex County stands out as home to a significant number of aging retirees, a demographic with considerable healthcare needs. In the last few years, we have rapidly transformed into a flexible healthcare system that is agile to meet those needs – recruiting top physicians and nurses to care for patients, providing community outreach programs that offer services free of charge to those in need, and expanding our footprint to bring expert services placed strategically throughout Sussex County. I'm proud of Team Beebe because there are too many additional examples to list.

It is the financial impact on Beebe that worries me most. As written, HB 350 could devastatingly weaken Beebe and other community hospitals. With fewer resources to address our most disadvantaged and underserved populations and maintain our growth for all patients.

Due to the proposed cap on commercial reimbursement, Beebe Healthcare is projected to lose more than \$60 million in the next two years. And that number is estimated to be around \$360 million throughout the state. This is even before the creation of the Diamond State Hospital Cost Review Board, appointed by the State, that would be tasked with reviewing and possibly modifying the annual budgets of the state's hospitals.

We believe that budgetary control should stay with local hospitals, their leaders, and the community-based boards that know their communities best. Our community-based board allows us to nimbly make decisions that address our patients' and community's unique healthcare needs because they understand the unique needs of our population.

In the past five years – under our own board's discretion – we have opened a specialty surgical hospital, freestanding emergency room, cancer center, numerous outpatient locations, and have planned for additional pediatric care facilities to meet our community's growing needs. You've seen the ribbon cuttings and celebrations of the advancement of healthcare services for



the people of Sussex County. We've celebrated together because that's just the way we do things at Beebe.

And, in FY2021, we provided \$15 million worth of community benefit services beyond what we're asked to do as a nonprofit, according to a Lown Institute analysis.

We are a nonprofit. Anything left after paying our providers, nurses, and our bills is reinvested locally back into Sussex County to improve healthcare and provide that community benefit.

I welcome the opportunity to work with Delaware senators on a solution to control rising healthcare costs, but the reality is HB 350 in its current form doesn't address the root causes of these rising prices. I hope that in collaboration with Senate leadership, we can create an amended bill that addresses our shared goal of creating better, more accessible healthcare for the people of Delaware.

Contact your legislator. Talk to them about HB350 and ask them if this is truly the path to fix the healthcare cost problem. Healthcare value is about balancing cost with quality and access for the people in the community.

To the people of Sussex County, I ask you to please act now to have our voices heard in Dover and throughout the state. Hurry! Together, we can work to build a healthier community for our families, friends, and neighbors.

David A. Tam, MD, MBA, CPHE, FACHE, is President & CEO of Beebe Healthcare. Learn more at beebehealthcare.org/hb350.