



June 23, 2026

Delaware House Appropriations Committee
House Majority Hearing Room (H217)
411 Legislative Avenue
Dover, DE 19901

RE: House Appropriations Committee Consideration of SS 2 for SB 1

Chair Williams, Vice-Chair Bolden, and members of the committee,

United States of Care writes in strong support of SS 2 for SB 1, which will rebalance health care spending, improving health care affordability while investing in primary care. USofCare is a non-partisan, non-profit organization working to ensure everyone has access to quality, affordable health care regardless of who they are, where they live, or how much money they make. We work in states like Delaware and across the country to develop pragmatic policy solutions that meet the needs of people. Our listening work across the country demonstrates just how much people are struggling with the rising cost of health care, especially when seeking care at hospitals. We know that people just want health care they can afford and rely on, and a primary care and behavioral health experience that they can easily access.

The leading driver of Delaware's [unsustainable increases](#) in health care spending and [soaring health insurance premiums](#) is the prices hospitals are charging, namely due to unchecked increases in commercial hospital prices. More than [one in three](#) health care dollars in Delaware are spent on hospitals and this spending shows no signs of slowing down – nationwide, hospital prices have [tripled since 2000](#), increasing more than college tuition, childcare food, or the cost of new vehicles, and twice as fast as prescription drugs and doctor visits. **Today, nearly 40 cents of every premium dollar is spent on hospital costs.** If the legislature does not take action to curb this trend, Delaware residents will be stuck in this unsustainable cycle forever:

- Costs will continue to rise,
- Delaware and employers will spend more subsidizing them, and
- Patients will continue to pay the price.

SS2 for SB 1 is a tailored and measured approach that rebalances health care spending in Delaware by ensuring hospitals are reimbursed at a fair and predictable rate by the state employee and some commercial health plans, all while boosting investments in the primary care Delaware residents need to stay healthy and out of more costly acute care settings. Implementing reference-based pricing in the state employee health plan would result in [hundreds of millions of dollars](#) in state general fund savings, which can be invested into primary care and other health care priorities. There is also [strong evidence](#) that hospital reference-based pricing in state and commercial health insurance markets would produce billions of dollars in savings for people through lower premiums and out-of-pocket costs with virtually no impact on

hospital operating margin. This move would also shrink hospital bills and help to lower the burden of medical debt for Delaware who are uninsured or on high deductible health plans.

United States of Care is supportive of SS2 for SB 1 and strongly encourages the committee to vote in favor of this bill. Thank you all for your work to rebalance health care spending to meaningfully change the status quo for health care affordability in Delaware. Please don't hesitate to reach out if you have any questions.

Sincerely,

Kelsey Wulfkuhle
Senior State Advocacy Manager
kwulfkuhle@usofcare.org