



August 14, 2026

Delaware Health Care Commission
Delaware Health Resources Board
Herman M. Holloway Sr. Health and Social Services Campus
1901 North DuPont Highway
Main Administration Building, First Floor
New Castle, DE 19720

Re: ChristianaCare COPR Applications for Georgetown and Camden Campus

Dear Delaware Health Care Commission:

I write on behalf of Bayhealth Medical Center, Inc., ("Bayhealth") regarding the pending applications submitted by ChristianaCare for Certificates of Public Review ("CPRs") for proposed "microhospitals" in Camden and Georgetown.

Bayhealth respectfully requests that the Board determine whether these applications satisfy the statutory requirements for completeness pursuant to 16 *Del. C.* § 9305 prior to proceeding with substantive review.

Lack of Statutory Definition of "Microhospital"

Each application seeks approval for what is described as a "microhospital." Specifically, the "microhospital" will consist of eight (8) emergency department beds and eight (8) inpatient beds intended for short-stay and community based hospitalizations. However, ChristianaCare is unable to meet the regulatory and accreditation criteria referenced in their applications as it does not exist. Delaware law contains no statutory definition of a "microhospital" nor do the Certificate of Public Review statutes or regulations establish the legal characteristics, scope of services, licensure status, or operational standards applicable to such a facility.

Absent a legally recognized facility classification, it is unclear under what statutory authority the applications are being evaluated and whether the applications sufficiently identify the type of health care facility for which approval is sought. Without a defined



legal framework, the Board cannot adequately assess applicable review standards, need methodology, or the impact on the State Health Plan.

Accordingly, Bayhealth respectfully requests that the Board determine whether applications for an undefined facility type can satisfy the completeness requirements of 16 *Del. C. § 9305*.

Corporate Structure and Compliance with Delaware Law

Bayhealth also requests that the Board evaluate whether the ownership and governance structure of the proposed joint venture between ChristianaCare and Emerus is consistent with Delaware Law governing hospitals operating within this State.

As the Board is aware, the General Assembly recently enacted legislation intended to preserve Delaware's longstanding policy that hospitals operate as nonprofit entities. Publicly available information indicates that the proposed facilities in Camden and Georgetown involve a joint venture with Emerus a for-profit entity possessing a 49% ownership interest and governance rights.

Before these applications proceed, the Board should determine whether the proposed ownership, governance, and operational structure complies with the requirements of Delaware law, including the legislation enacted through Senate Bill No. 313, as amended. If the governing agreements provide a for-profit participant with rights that constitute prohibited ownership, control, or operational authority, the applications are not legally eligible for approval.

For these reasons, Bayhealth respectfully requests that the Board:

- (1) determine whether an application for a "microhospital" may be deemed complete where Delaware law contains no legal definition or regulatory classification for that type of facility;
- (2) require production of all governing ownership, operating, management, and control agreements necessary to evaluate compliance with Delaware law;
- (3) determine whether the proposed ownership and governance structure complies with the statutory requirements applicable to hospitals operating in Delaware; and
- (4) defer further substantive review until these threshold legal issues have been resolved.



These issues go directly to the Board's statutory authority to review the applications and to the legal sufficiency of the applications themselves. Resolving these questions at the outset will promote transparency, ensure compliance with Delaware law, and preserve the integrity of the Certificate of Public Review process.

Thank you for your consideration of these important issues.

Sincerely,

A handwritten signature in black ink, appearing to read "Kyle E. Benoit", is positioned above a horizontal line.

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