

Proposed legislation threatens Minnesota's nonprofit hospitals and healthcare systems

Minnesota is fortunate to have among the most successful and innovative health care ecosystems in the nation. We have skilled, experienced caregivers, responsible stewardship of our nonprofit health care resources, and a statewide cultural commitment to individual and community health and wellbeing. Over many decades we have worked in partnership with the state to address societal health risks and forge better health outcomes for all.

That was never more evident than three years ago when we confronted the COVID-19 pandemic. In March 2020, the State turned to our hospitals and clinics to respond to the greatest public health crisis of our age. In a true team effort among nurses, physicians, technicians, team leaders and countless health care workers of all kinds, Minnesota's hospitals pivoted to take on the daunting work of treating thousands of patients, standing up massive testing programs and, by December of 2020, leading the largest vaccination effort in state history.

Now, as the national public health emergency comes to an end, Minnesota's hospitals and healthcare systems are confronting their worst financial environment in decades while a historic healthcare worker shortage is straining already strapped systems. Despite this reality, Minnesota's legislature is on the verge of passing several new laws that together will make the crisis worse.

If these bills pass as they are written - Minnesota's nonprofit hospitals are in trouble. This is not hyperbole. These proposals would negatively impact hospital care including mandating new committees to determine the day-to-day management of our hospitals, handing decision-making authority for care delivery to external lawyers, fixing prices for hospital care, and limiting flexibility for health care partnerships. Together, these proposals will worsen an already unsustainable path for the future of hospitals in our state, endanger access to care, and may spell the beginning of the end of Minnesota's nonprofit hospital model.

The reality is that our hospitals simply do not have sufficient resources. We all agree that Minnesota needs solutions to workforce and financial issues, but the current bills that mandate cumbersome staffing committees, create a pricing oversight commission, and endanger our ability to partner with each other to ensure the future of our statewide system of care are the wrong approach. They will instead raise care costs inside and outside of hospitals, impose additional penalties on hospitals and put high-quality care further out of reach for many Minnesotans.

Patients will have to go further and wait longer for care at hospitals. State-mandated oversight committees will delay care by burdening hospitals and health systems with administrative work, additional costs, and unnecessary mandates, taking health care providers away from their patients. Thousands of patients may be denied care if hospitals can not admit them as forced by unnecessary mandates. Patients with heart attacks, strokes, surgical needs and trauma would face increasing roadblocks to care.

This isn't what responsible stewardship of our limited healthcare resources looks like.

Going down this road leads to a grim future where hospitals are told to do more with less, more healthcare providers leave the profession, and communities suffer because their local hospitals will not have the flexibility to meet their needs.

Solving our hospitals' financial and workforce challenges requires a delicate balance of standards and flexibility to address community health needs in real-time. Instead of creating barriers to care, there are far more productive efforts the legislature can make to turn the tide in health care, including expanding the nursing education loan forgiveness program and investing in education efforts that support the next generation of caregivers.

These past three years demonstrated how the people of Minnesota's hospitals work together with the state to create solutions that work for the health of all Minnesotans. We can create better ways to ensure that our health care system can continue to provide our patients the highest level of care. As the legislative session nears its end, we urge policymakers to take the time to carefully review these proposed bills and consider their impact on Minnesota's not-for-profit hospitals, healthcare systems, and most importantly, the patients we serve. By working together, we can improve the healthcare landscape in Minnesota.

Leaders from every Minnesota nonprofit hospital and health system:

Richard Ash, CEO, United Hospital District

Patti Banks, CEO, Ely-Bloomenson Community Hospital

Stacy Barstad, senior director, Sanford Tracy and Westbrook Medical Centers

Joel Beiswenger, president and CEO, Astera Health

Lisa Bjerga, president and CEO, Lakewood Health System

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Patty Henderson, president and CEO, Glencoe Regional Health

James Hereford, president and CEO, Fairview Health Services

David Herman M.D., CEO, Essentia Health

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Kristin Jacobson, CEO, Johnson Memorial Health Services
Barbara Joers, president and CEO, Gillette Children's Specialty Healthcare
Thomas Kooiman, administrator, Avera Granite Falls and Tyler
Ben Koppelman, president, CHI St. Joseph's Health
Dale Kruger, CEO, Mahanomen Health Center
Stacey Lee, vice president and administrator, Ridgeview Le Sueur and Sibley Medical Centers
Jon Linnell, CEO, North Valley Health Center
Eric Lohn, co-president/CEO, Chief Financial Officer, St. Luke's
Tammy Loosbrock, senior director, Sanford Luverne Medical Center
Brian Lovdahl, CEO, CCM Health
Kent Mattson, CEO, Lake Region Healthcare and Prairie Ridge Healthcare
Kerrie McEvilly, CEO, Stevens Community Medical Center
Shelby Medina, CEO, Windom Area Health
Paula Meskan, CEO, River's Edge Hospital & Clinic
Carrie Michalski, president and CEO, RiverView Health
Greg Miner, CEO, Appleton Area Health
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