



March 13, 2023

Members of the Minnesota Senate Health and Human Services Committee
Room 1100, Minnesota Senate Building
95 University Ave W, St. Paul, MN 55103

RE: Senate File 1681 (Sale Lease Transfer of Ownership of One Health Care Entity to Another Entity)

Dear Members of the Minnesota Senate Health and Human Services Committee,

The Minnesota Ambulatory Surgery Center Association (MNASCA) is a statewide, non-profit trade association representing the interests of ambulatory surgery centers (ASCs) in Minnesota. The Minnesota Medical Group Management Association (MMGMA) serves medical practice executives, managers and their organizations, further enabling them to recognize and improve the health status of the community of patients they serve.

We are writing today to express our concerns with the approach taken in the A-2 amendment to Senate File 1681, which would place requirements for the sale of healthcare entities and oversight by the Attorney General and Department of Health, and authorize the Attorney General and the Commissioner to bring action in district court in health care entity transactions.

The language included in this amendment is newly released, and our membership has not had ample opportunity to review this language as it relates to physician-owned practices, the ASC setting and all other healthcare entities. We are concerned that this language will be potentially problematic for standard market acquisitions and sales, and that it may place Minnesota health providers at a significant disadvantage within the health care marketplace.

We recognize the challenges with the Fairview and Sanford merger, but this legislation goes beyond nonprofit healthcare entities. The \$10 million threshold is incredibly low and captures a huge part of the private health care market. Our organizations must ask, what is the problem that this legislation seeks to address? If this language seeks to address anti-trust and/or anti-competitive transactions, this is certainly not the correct approach. We believe that this approach would create more red tape, stifling innovation and growth.

This bill, as amended, will make significant and profound changes to the health care marketplace, and have a potentially detrimental impact to our Minnesota Healthcare providers.

We look forward to working with Chair Wiklund on finding ways to improve this language and the underlying bill.

Sincerely,

Tracy Mills
MNASCA

Mike Foley
MMGMA

CC
Sen. Melissa Wiklund