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May 10, 2023

Chair Ron Latz  
Senate Judiciary and Public Safety Committee  
3105 Minnesota Senate Building  
St. Paul, MN 55155

Dear Chair Latz and committee members:

On behalf of Minnesota Farmers Union (MFU), I write to share our organization's support for Chair Wiklund's SF1681, which provides the Attorney General with additional tools for reviewing and approving hospital mergers in Minnesota. MFU is a grassroots organization that has represented Minnesota's family farmers, ranchers and rural communities since 1918 and at our most recent annual convention our members voted to make access to affordable healthcare a top priority.

In 1991 Minnesota [spent 16% less than](#) the national average on hospital care, but today spends 5% more according to data from the Centers for Medicare & Medicaid Services (CMS). Minnesota's per capita consumption of hospital services has also risen more rapidly than states like California, Hawaii and Rhode Island that [have stronger oversight](#) of large healthcare transactions. Rural Minnesota has been heavily impacted by this consolidation as it has one of the most highly concentrated hospital markets in the entire country. In 2021 just four healthcare systems accounted for nearly 55% of hospital operating revenue statewide, a level of concentration often indicating an oligopoly.

Decades of lax enforcement and legal doctrines narrowing the applicability of antitrust law have left these protections buried under a mountain of bad case law that limits their effectiveness. SF1681 will address the unrealistically high standards for successfully challenging large healthcare mergers under traditional antitrust law by spelling out a broad array of potential factors that could be contrary to the public interest. SF1681 also includes a pre-merger notification system for potential mergers that will ensure agencies have the necessary information.

SF1681 is a critical piece of preventing further monopolization of our healthcare system and protecting affordability and access. If you have any questions, please contact our Government Relations Director, Stu Lourey, at [stu@mfu.org](mailto:stu@mfu.org) or (320) 232-2047 (C). Thank you for considering the needs and perspectives of Minnesota's farm families.

Sincerely,

A handwritten signature in black ink that reads "Gary Wertish". The signature is written in a cursive, slightly slanted style.

Gary Wertish  
President, Minnesota Farmers Union