

March 11, 2024

Senator Melissa Wiklund
95 University Avenue W.
Minnesota Senate Bldg., Room 2107
St. Paul, MN 55155

Re: SF4382 (Kupec) - Notice and public hearings for hospital closures, curtailment of operations, relocation of services, and cessation in offering services governing requirements modified

Dear Chair Wiklund and committee members,

On behalf of Allina Health, I am writing to express our strong opposition to SF4382, which would extend the timeline for hospitals to notify the Minnesota Department of Health of the closure, curtailments, relocation, or cessation of services from 120 to 300 days.

Allina Health is a fully integrated health system with 11 hospital campuses, 65 primary care clinics, and 14 urgent care centers across the Twin Cities, central and southern Minnesota and western Wisconsin. We are also proud to operate more than 100 specialty care sites including retail pharmacy, emergency medical services, same-day surgery centers, virtual care, and expert specialty care for cancer, heart, orthopedics, rehabilitation and more. We are dedicated to serving our communities by providing exceptional care, as we prevent illness, restore health and provide comfort to all who entrust us with their care.

Extending the notification timeline to 300 days for service closures, cessations, curtailments or relocations is unrealistic and impractical given the dynamic nature of health care today. Often, hospitals are forced to make decisions due to extenuating circumstances that accelerate the timeline, including challenges in staffing, a drop in patient acuity or demand for services, or the accumulating effect of chronically low reimbursement rates that threaten the long-term viability of care. Additionally, by moving from 120 to 300 days, this bill eliminates up to 180 days that hospitals currently utilize to find and implement innovative solutions that may prevent service changes. By extending to 300 days, this bill would potentially lead to additional closures to avoid the potentially devastating fines that the bill imposes.

Overall, SF4382 does not address the core issues that force hospitals to close, curtail or relocate services, and instead will force hospitals to make decisions sooner than they would have and potentially lead to service changes that would otherwise be avoidable. It does not address the underlying cause of most closures: changes in patient demographics and demand for services, chronic underfunding, and workforce shortages. For those reasons, we ask you to oppose SF4382.

Thank you for the opportunity to provide comments. We look forward to working with you to address the ongoing challenges facing health care providers in Minnesota.

Sincerely,

A handwritten signature in blue ink that reads "Dominica Tallarico".

Dominica Tallarico
EVP, Chief Operations Officer
Allina Health