

Subject Hennepin Healthcare System, Inc.

Authors Liebling and others

Analyst Elisabeth Klarqvist

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Overview

Hennepin Healthcare System, Inc. is a public corporation established in statute to organize and deliver health care and related services to the general public and conduct related education and research programs. It is governed by a corporate board, with two members of the corporate board being Hennepin County commissioners, and the county board retains authority to dissolve or reorganize the corporation or remove the entire corporate board. This bill modifies the circumstances and procedures for the county board to dissolve or reorganize the corporation or remove the entire corporate board. It also allows Hennepin Healthcare to hire separate legal counsel and government relations personnel.

Summary

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| 1 | <p>Dissolution or reorganization of corporation.</p> <p>Amends § 383B.908, subd. 7. Provides the Hennepin County board has authority to dissolve or reorganize the public corporation Hennepin Healthcare System, Inc. or remove Hennepin Healthcare's entire corporate board upon a finding of malfeasance by the corporate board and compliance with the investigation required under subdivision. 8. Specifies acts included in malfeasance.</p> |
| 2 | <p>Investigation.</p> <p>Adds subd. 8 to § 383B.908. Requires the Hennepin County board to formally investigate the alleged malfeasance of the Hennepin Healthcare corporate board before taking any action to dissolve or reorganize the corporation or remove the entire corporate board. Requires the county board to do the following as part of the investigation:</p> <ul style="list-style-type: none">▪ At least 90 days before taking any action, provide notice to the corporate board and the commissioner of health of the county board's proposed action; |

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- Accept a response from the corporate board to the allegations within 45 days after providing notice to the corporate board;
- Accept an analysis, if performed, by the commissioner of health regarding the allegations within 45 days after providing notice to the commissioner of health; and
- Assess the implications of the county board's proposed action.

After the investigation, allows the county board to implement the proposed action only if there is sufficient evidence to support a finding of malfeasance. Allows the commissioner of health to provide the county board with an analysis of the effects of the proposed action on health care access and the health of the community served by Hennepin Healthcare.

3 Legal counsel; government relations personnel.

Amends § 383B.922. Under current law the Hennepin County attorney serves as legal counsel for Hennepin Healthcare, but the Hennepin County attorney and Hennepin Healthcare may enter into an arrangement to hire outside counsel for the corporation. This section allows the corporation to hire separate legal counsel and government relations personnel for the corporation and specifies approval from the county board or the Hennepin County attorney is not required.



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