

May 7, 2024

Representative Tina Liebling, Chair  
House Health Finance and Policy Committee  
100 Rev. Dr. Martin Luther King Jr. Boulevard  
St. Paul, MN 55155

Dear Chair Liebling and Members of the Committee,

Thank you for allowing me the opportunity to submit written testimony for this hearing on H.F. 5442. I apologize for not appearing alongside my colleagues at the hearing, but my academic and clinical duties interfered with my ability to attend and speak in person. My name is Dr. Max Fraden, and I am an Assistant Professor of Medicine at the University of Minnesota Medical School and for the last 8 years, a faculty physician at Hennepin County Medical Center. As an Internist, I am responsible for admitting patients to the medical floors and to the ICU at night, teaching medical students and residents, and conducting research.

In addition to my work at Hennepin County Medical Center, I also spend part of my years working clinically on the Rosebud Reservation and in public hospitals in Northern Somalia. At Hennepin County Medical Center, I am fortunate to work with and serve our patients alongside an exceptional group of nurses, therapists, mental health workers, medical assistants, environmental services staff, paramedics, protection officers, social workers and many others. We are a team. Just last night, I was admitting a patient to the ICU and I took a moment to reflect on just how many professionals were surrounding our patient late into the evening doing truly everything we could. Our doctors are just a small part of that team and yet we earn far more than our colleagues.

I want to preface this with the fact that I, in no way, officially represent doctors at our hospital and I am, in some way, nervous to submit this public comment to you today because of the long history of retaliation by our hospital administration. That said, it is crucial that as lawmakers you realize that the physician workforce is not a monolith. Many of us stand with the unions at Hennepin County Medical Center, and we agree that we need more frontline worker representation at the highest levels of our organization.

We need leadership that values our workers, functions transparently, and operates with accountability. Right now, physician administrators at our hospital are trying to turn the physician workforce against the majority of workers at HCMC. They are using tactics like calling a proposed governance change “a threat” in official communications. They are calling “urgent” staff meetings and encouraging all staff to attend. They are displaying photographs of elected officials and their re-election dates stating that “this problem” may “go away” depending on election results. They are the ones bringing politics into health care, and putting politics in front of our patients. This is the antithesis of an open, academic, and multi-faceted debate that the citizens of Hennepin County deserve about the direction of their public hospital, which is funded by their tax dollars.

I hope that the Legislature, and members of this committee, will listen to the majority of workers when they say that things are not right at HCMC. And things need to change.

Sincerely,

Max Fraden, M.D.  
Assistant Professor of Medicine, University of Minnesota Medical School  
Faculty Physician, Hennepin County Medical Center



May 6, 2024

Rep. Tina Liebling  
463 State Office Building  
Saint Paul, MN 55155

**Re: HF5442 – regarding Hennepin Healthcare System**

Dear Rep. Liebling:

Thank you for authoring this legislation.

In recent weeks, numerous elected officials have contacted both the county and Hennepin Healthcare System (HHS) leadership about media coverage and contact from employees about the governance structure of our health system. This attention shined a light on the immense importance of the HHS governance structure and how changes to the structure could directly impact patient care and statewide infrastructure if not addressed in state law.

As you know, Hennepin Healthcare System is integral to not only Hennepin County but to the entire state and we must ensure stability and a transparent process in how governance changes should and could occur. Hennepin County is integral to the success of our state safety-net health system, as the backbone of our infrastructure, serving as a backstop in economic challenges and a critical partner in delivering public programs ensuring our community continues to receive the care it deserves.

HF5442 is a sound proposal on how statute 383B.908 could be updated to give both Hennepin County, the HHS volunteer board of directors and executive team, and the public a clear path forward to address potential structural variations, and understand the implications of these changes on patients, employees, and the community.

We are grateful for your consideration to include this issue in discussions. Thank you for taking the time to author this legislation and we are happy to answer any questions in the coming days as you finalize the legislative session.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jennifer DeCubellis".

Jennifer DeCubellis  
Chief Executive Officer  
Hennepin Healthcare System

May 6, 2024

Office of Governor Tim Walz & Lt. Governor Peggy Flanagan  
130 State Capitol  
75 Rev Dr. Martin Luther King Jr.  
Blvd. St. Paul, MN 55155

Speaker Melissa Hortman  
463 State Office Building  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
Saint Paul, MN 55155

Senate Majority Leader Erin Murphy  
463 State Office Building  
Saint Paul, MN 55155

Sen. Melissa Wiklund  
2107 Minnesota Senate Building  
Saint Paul, MN 55155

Rep. Tina Liebling  
477 State Office Building  
Saint Paul, MN 55155

Sen. Kari Dziedzic  
3113 Minnesota Senate Building  
Saint Paul, MN 55155

Re: Protect Hennepin Healthcare System

Dear Governor Walz & Lt. Governor Flanagan, Speaker Hortman, Sen. Murphy, Rep. Liebling, Sen. Dziedzic and Sen. Wiklund:

We are writing to you today as the physician faculty leaders of Hennepin Healthcare System (HHS) and are asking you to please pass HF5442/SF5507, authored by Rep. Tina Liebling and Sen. Kari Dziedzic, which is legislation that would protect this critical health system from political pressures and attacks.

As you know, in recent weeks, there has been incredible public pressure by a few organizations to have the Hennepin County Board of Commissioners dissolve the HHS community board. This proposal would have drastic consequences for our patients and the overall communities we serve. Hennepin Healthcare and our flagship hospital, Hennepin County Medical Center (HCMC), is truly the state's safety net hospital serving all patients who come through our doors, regardless of their ability to pay. We can tell you that not all health systems in Minnesota share our mission of providing healthcare to the most vulnerable, marginalized and complex patient populations throughout our state.

These populations include Minnesotans struggling with homelessness, our immigrant populations, patients suffering from severe mental health and substance use disorder, oral healthcare for disability community and more. No other system comes close to our payer mix of just over 75% government payer mix with nearly 50% of that Medicaid. We truly work to meet our mission everyday which is to partner with our community, our patients, and their families to ensure access to outstanding care for everyone while improving health and wellness through teaching, patient and community education, and research.

Many of us were here nearly twenty years ago when the Hennepin County board and HCMC leadership initiated a thoughtful three-year process to change the governance structure of HCMC because the business of healthcare was and continues to be challenging and the county board realized that the real threat of increasing the tax levy on taxpayers to keep HCMC viable due to growing uncompensated care demands finally argued for effort to make HCMC more competitive in the market to lessen that burden. The hospital was restrained by purchasing rules, a public sector infrastructure, and a civil service system not designed for a competitive market position in health care. And, as the largest teaching hospital supporting the University of Minnesota, the academic excellence of faculty and staff could not be compromised by an inadequate physical plant or under-

funded clinical services. It was time for problem solving.

The Hennepin County Board unanimously voted to form Hennepin Health System and turn the governance of the hospital and clinics over to a subsidiary non-profit corporation approved by the legislature with a new community board which includes two county commissioners. There were compelling reasons for that governance change in 2007 which remain compelling today.

Challenges in health care are even more difficult today. Nearly half of all healthcare spending does not go to direct patient care and instead is making insurance companies and their third party administrators millions and sometimes billions of dollars in profits every year. HHS is now over a billion dollar healthcare organization with the busiest ER in the state, a downtown trauma hospital, and specialty center, a hyperbaric chamber, 7 community clinics, statewide programs such as the hub for statewide emergency preparedness, the Minnesota Poison Control Center all while still being the state's safety net hospital which is a role we do very well.

**How can a county board of the state's most populous county which has a very wide range of core services from roads and bridges to safe water, public safety, corrections and human services be nimble enough to run a massive health system? The answer is, they can't. To be a successful health system board of directors, it takes experienced content expertise to navigate the complicated world of medical care, clinic operations, public health, medical technology and the time to devote to many governance decisions that arise daily. Can you imagine what would have happened during COVID if the county board had to approve all spending and daily decisions? That would have been disastrous for patients and our providers.**

Now we aren't writing to you today to say that everything at HHS is working perfectly. We have incredible challenges in workforce shortages, low reimbursements, limited benefit sets that offer a one size fits all approach to care, insurance woes and complexities, care coordination challenges, burn-out of dedicated staff and growing patient populations suffering from a number of social determinants of health. Our incredibly dedicated nurses, emergency personnel such as paramedics and EMTs, and support staff have not been immune to the stressors of healthcare in 2024. Every direct care member is tired. The last few years have been difficult but we believe we are moving in the right direction and the data we report proves that.

Every one of us are thankful that bargaining units reached historic wage increases in their last contract negotiations. The Minnesota Nurses Union alone won a hard fought 18% wage increase over the three-year contract. We want them to have fair wages, sound benefits, a safe working environment, and to know that their voices matter. And our executive leadership meets with them on a consistent basis. We believe that we can achieve all these goals by working better together with the county without dismantling our current governance structure.

**The unions representing some of our workforce have called on the county board to dissolve our governance structure without taking into account the very real consequences of this decision such as the loss of millions of dollars in grant funding, loss of accreditation for many teaching programs, the loss of highly-skilled medical personnel who will not work under political pressure and decisions and nor should they. Each of our departments have been told we will lose specialty physicians which will lead to increased wait times and delays in needed care. Losing highly trained medical faculty will impact teaching and will directly impact patient care.**

**This chaos has impacted staff morale, scared the community and has shown that the state's safety net hospital is very vulnerable to political pressures and it is vital that state statute 383B.908 be updated to ensure there is due process before a decision of this magnitude is taken. The upheaval caused by such a massive change in governance and leadership at Hennepin Healthcare will be disruptive to our patients, the community and the innovations to health care delivery our departments are working on everyday.**

**Please pass legislation to protect Hennepin Healthcare from politics. Dissolving a private community hospital board without due process is reckless and will contribute to dire access challenges if we lose even a few physicians working in critical specialties.**

Thank you for your time and service to the State of Minnesota.

Sincerely,

Tom Klemond, MD

President

Hennepin Healthcare Medical Staff

Cc:

House Minority Leader, Lisa Demuth

Senate Minority Leader, Mark Johnson

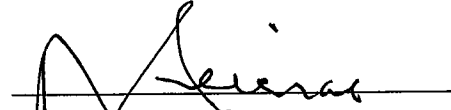
Rep. Robert Bierman

Commissioner Brooke Cunningham

Commissioner Jodi Harpstead



Constantin Starchook, MD  
Chair, Department of Anesthesiology



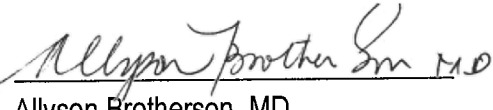
Mary Sejerove, DDS  
Chair, Department of Dentistry



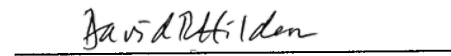
Rick Odland, MD, PhD (Interim)  
Chair, Department of Dermatology




James Miner, MD  
Chair, Department of Emergency Medicine



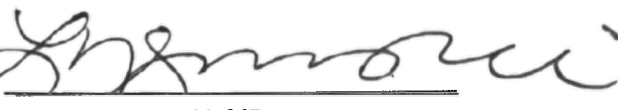
Allyson Brotherson, MD  
Chair, Department of Family & Community  
Medicine



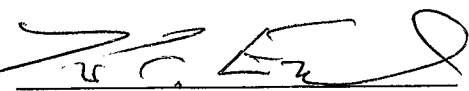
David Hilden, MD  
Chair, Department of Medicine



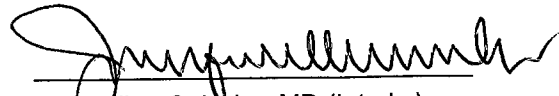
Samuel Maiser, MD  
Chair, Department of Neurology



Laura Nezworski, MD  
Chair, Department of Obstetrics & Gynecology



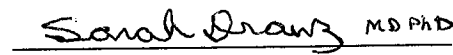
Kevin Engel, MD, PhD  
Chair, Department of Ophthalmology



Jacqueline Geissler, MD (Interim)  
Chair, Department of Orthopedics



David Montag, MD  
Chair, Department of Otolaryngology



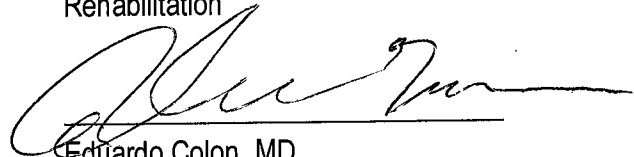
Sarah Drawz, MD  
Chair, Department of Laboratory & Pathology  
Medicine



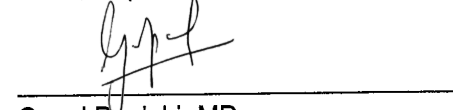
Diana Cutts, MD  
Chair, Department of Pediatrics



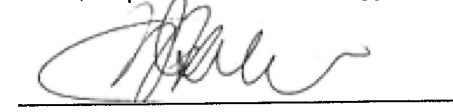
Min Jeong Graf, MD  
Chair, Department of Physical Medicine &  
Rehabilitation



Eduardo Colon, MD  
Chair, Department of Psychiatry



Gopal Punjabi, MD  
Chair, Department of Radiology



Mark Hill, MD, PhD  
Chair, Department of Surgery



Minnesota Hospital Association

161 Saint Anthony Ave., Ste. 915  
Saint Paul, MN 55103-2382

[www.mnhospitals.org](http://www.mnhospitals.org)

May 6, 2024

Dear Chair Liebling and Members of the House Health Finance and Policy Committee,

On behalf of the Minnesota Hospital Association (MHA) and our 141 hospital and health system members across the state, we write to express our strong support for HF 5442, a bill that protects community governance at Hennepin Healthcare System, Inc.

Community-based governance is a cornerstone principle for nonprofit hospitals and healthcare systems in Minnesota. As nonprofit entities, everything our hospitals and health systems do is rooted in caring for the communities we serve. Our governing boards, comprised of community members, ensure that the needs and voices of those we serve are always at the forefront of our decision-making.

The role of community governance is critical for nonprofit hospitals and health systems. Our boards, composed of local leaders, ensure that the strategic direction and decision-making of our organizations align with the unique needs of the communities we serve. Elevating and protecting the voice of the community in the governance of our hospitals is essential to fulfilling our nonprofit mission and ensuring we remain focused on the health and well-being of our patients and communities.

HF 5442 takes important steps to protect and elevate the voice of the community in the governance of Hennepin Healthcare System. As a safety-net provider serving a unique patient population, it is especially critical that the community has a strong voice in guiding the future of this vital institution.

The bill ensures that the Hennepin County Board cannot unilaterally dissolve or reorganize the Hennepin Healthcare System board without a thorough investigation and finding of malfeasance. It also allows the hospital board to access independent legal counsel and government relations support. These provisions protect the independence of the hospital board and ensure that the County Board cannot unduly influence the hospital for political purposes.

On behalf of our members, MHA urges your support for HF 5442. Protecting community governance at Hennepin Healthcare System will help ensure that the voices of the patients and communities it serves will continue to guide this vital institution for years to come. Thank you for your consideration.

Mary Krinkie  
Vice President of Government Relations  
[mkrinkie@mnhospitals.org](mailto:mkrinkie@mnhospitals.org)

Danny Ackert  
Director of State Government Relations  
[dackert@mnhospitals.org](mailto:dackert@mnhospitals.org)



May 7, 2024

Dear Members of the House Health Finance and Policy Committee,

On behalf of the more than 10,000 members of the Minnesota Medical Association (MMA), I urge your support of [HF 5442](#), which establishes explicit criteria and a formal investigation process prior to any reorganization or dissolution of the Hennepin Healthcare System Board of Directors.

The potential disruption of operations at Hennepin Healthcare has serious statewide implications. Hennepin Healthcare [ranks first in Medicaid volume](#) in Minnesota, is the busiest Level I trauma center in the state, and is one of the largest teaching hospitals in the state.

The proposed legislation prioritizes the needs of the many patients Hennepin Healthcare serves, while preserving essential governance authority for both the system and Hennepin County. The challenges facing healthcare organizations, including Hennepin Healthcare, are numerous and complex and require expert and agile governance.

The MMA recognizes that many healthcare workers, including nurses and physicians, are experiencing unprecedented levels of burnout that has been exacerbated by current workforce shortages. Support for and investment in healthcare workers is essential. However, extreme proposals to change Hennepin Healthcare's governance structure in response to unpopular decisions does not prioritize patients, and, we fear, would do more harm than good for the future of Hennepin Healthcare. I urge you to support HF 5442.

Sincerely,

Laurel Ries, MD  
President, Minnesota Medical Association