

April 30, 2024

Governor Tim Walz and Lt. Governor Peggy Flanagan

House Speaker Melissa Hortman

Senate Majority Leader Erin Murphy

Chair Tina Liebling

Chair Melissa Wiklund

Re: Governance of Hennepin Healthcare System

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

As two former Commissioners of the Minnesota Department of Health, we are writing in support of proposed legislative changes to the statute (383B.908) governing Hennepin Healthcare System (HHS) and its flagship hospital Hennepin County Medical Center (HCMC) because of recent public calls for change in the governance structure of HHS. Because of their concerns about the price of health insurance and staffing levels, some labor unions are advocating for the dissolution of the HHS Community Board and to return governance to the Hennepin County Board of Commissioners. These concerns are real, but they are not unique to HHS, and will not be resolved by simple changes in governance. The real solutions will require broader systemic changes in our national and state health care financing policies. If the Hennepin County Board were to take this action, especially absent a very thorough and transparent analysis and plan, we believe the consequences to health care and public health in Minnesota would be devastating. To prevent the potential negative outcomes, Rep. Liebling's proposed language amends the statute to create some specific process requirements before the County Board could dissolve HHS or replace its board. This legislation would not take away decision-making power from the County, it would simply create some process protections.

HHS is a major component of Minnesota's healthcare ecosystem and a state-wide public asset. HHS operates the largest teaching hospital outside of the University of Minnesota, and the largest Level One trauma center for our state and our surrounding neighbors. HHS cares for the largest share of Minnesota public program recipients, and provides the greatest amount of uncompensated care in the state. HHS is a hub for Minnesota's emergency preparedness response; HHS staff have also worked for and with the state as leaders to guide the responses to emergencies ranging from the collapse of the 35W bridge to the COVID pandemic and Ebola threat. During COVID, HHS was instrumental in caring for our most vulnerable Minnesotans and setting up mobile community testing teams to reach some of the hardest hit and most underserved populations. HHS houses the Minnesota Poison Control Center which takes in hundreds of thousands of call per year from across the state. HHS is also a state and national leader in mental health and addiction services.

We have both worked with HCMC and HHS in many capacities over our respective careers in public health and health care, and we know its history, its challenges and its value to our state. Ed has a history of collaborating with HCMC in providing clinical care to low income individuals in Minneapolis and currently serves on an advisory committee to the HHS board and on the board of its research institute. Jan served on the first community board when HHS was originally formed by the County. As MDH commissioners, we both worked collaboratively with HHS on addressing state-wide healthcare and public health priorities. We are both hearing that the medical staff as well as the administrative staff and community board are frustrated with what they believe are ill-informed and politically motivated attacks on the care HHS delivers for the community.

The current governance structure was put in place in 2007 to assure public accountability, stable medical leadership, and healthcare administrative expertise. The physician group, Hennepin Faculty Associates, was

integrated into HHS in 2012. This structure has served the institution, Hennepin County, and the State well. Some on the medical staff have expressed their concern about working in an environment without the structure and the processes their partnership with HHS currently provides. HHS serves many vulnerable populations who already face some of the worst disparities in access to healthcare and the loss of even a few highly skilled medical staff could worsen that situation. Departures of clinical staff could lead to a decrease in the overall quality of care as remaining staff may not possess the same level of expertise or experience; and recruitment of key medical specialists can take months, if not years. Their departure would also result in increased workloads for remaining staff members as they attempt to fill the gaps left by their absence and could lead to further deepening burnout and fatigue among the remaining workforce, further impacting the quality of care provided. This could affect the status of HCMC as a Level I trauma center which would affect the entire state.

Changing the governance structure could also have a drastic impact on the crucial role HHS has in medical education and training. The loss of highly skilled physicians could affect the hospital's ability to provide adequate training opportunities for medical students, residents, and fellows, potentially impacting the future pipeline of skilled healthcare professionals when they are already in short supply.

We believe that those calling for the dismantling of the governance structure of HHS do not understand the many good reasons the HHS structure was put in place by the County in the first place, nor do they appreciate the far-reaching implications for patient care, staff morale, and the hospital's ability to fulfill its mission of serving the community.

There should be a transparent, data driven process in place before the governance structure for such a critical part of Minnesota's health care system is dismantled. As you finalize end of session priorities, we are asking that you include legislation to make sure there is a process in place to guide such a deliberation.

Thank you for your time and service to the State of Minnesota. Feel free to contact us if you would like to discuss this in more detail.

Sincerely,

Jan Malcolm & Edward Ehlinger, MD, MSPH

Cc:

House Minority Leader, Lisa Demuth
Senate Minority Leader, Mark Johnson
Rep. Robert Bierman
Rep. Danny Nadeau
Rep. Mohumad Noor
Sen. Kelly Morrison
Sen. Alice Mann
Rep. Heather Edelson
Sen. Kari Dziedzic
Rep. Ginny Klevorn
Rep. Joe Schomacker
Sen. Paul Utke
Rep. Deb Kiel
Rep. Anne Neu
Sen. Jim Abeler
Sen. John Hoffman