



March 10, 2021

Professional Distinction

Personal Dignity

Patient Advocacy

Representative Fischer  
Members of the Behavioral Health Policy Division  
Minnesota State Office Building  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
St. Paul, MN 55155

Representative Fischer and members of the Behavioral Health Policy Division:

With 22,000 members, the Minnesota Nurses Association (MNA) is the largest voice for professional nursing in the State of Minnesota. We are a leader in both the labor and health care communities and a voice for our members on issues relating to the professional, economic and general well-being of nurses and in promoting the health and well-being of the public. We write to express our support for HF 1529, a bill that makes changes to the monitoring and enforcement of hospital construction moratorium exception conditions.

The hospital bed moratorium exception process needs reform. When it was first put into place in 1984, the goal of the legislature was to “fix” what they saw as an issue of the previous “Certificate of Need” laws, namely that they did not appear to control growth in medical facilities and health care investments. According to the Minnesota Department of Health (MDH), the moratorium was seen as a more effective way of limiting investments in excess hospital capacity was viewed as a temporary solution to the broader health policy issue concerning health care costs and investments in medical facilities.

Though health systems can request an exception to the moratorium, the number of hospital beds they have under the moratorium is the number the facility had in 1984. Again, according to MDH, by fixing in place historic capacity, the moratorium effectively freezes in place market share and geographic distribution of beds. This gives competitive advantage to large systems with “spare” licensed bed capacity and allows them to add beds without having to go through the legislative process. The moratorium promotes a proposal/site-specific, one-off approach, rather than systematic consideration for how capacity aligns with inpatient needs and public policy goals.

HF 1529 would give the Commissioner of Health the ability to both monitor whether hospitals are continuing to meet the conditions under which the exception was granted; and if not, prohibits the commissioner from renewing those bed licenses. It adds new conditions to the list of exceptions that would require beds being transferred from a closed hospital to first be used to replace beds that had been used for mental health services and substance use disorder services. It also exempts beds used for mental health and

345 Randolph Avenue  
Suite 200  
St. Paul, MN 55102  
Tel: 651.414.2800  
800.536.4662  
Fax: 651.695.7000  
Email: [mnnurses@mnnurses.org](mailto:mnnurses@mnnurses.org)  
Web: [www.mnnurses.org](http://www.mnnurses.org)



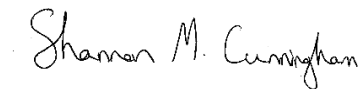
AFL-CIO

substance use disorder services from the public interest review process. This addition to the exception list will help keep much needed places for people needing mental health or substance use disorder services in the hospital ecosystem.

Minnesotans should have access to safe care regardless of race, income, or neighborhood. We need a healthcare system that puts patients before profits and ensures that people have access to quality, affordable care in the community in which they live. In the current system, health insurance companies and hospitals make decisions through a financial lens, rather than putting the patient at the center. As hospitals in both rural and urban areas close, Minnesotans experience a reduction in access to care, yet hospitals and health insurance companies make record profits.

Please support HF 1529.

Thank you,

A handwritten signature in black ink that reads "Shannon M. Cunningham". The signature is written in a cursive, flowing style.

Shannon M. Cunningham  
Direction of Community and Government Relations  
Minnesota Nurses Association

