

February 13, 2023

Honorable Aisha Gomez, Chair
House Tax Committee
453 State Office Building
Saint Paul, MN 55155

Dear Chair Gomez and Tax Committee Members:

We appreciate the opportunity to comment on HF 1487, as a coalition of organizations who provide critically needed emergency services for patients across the state of Minnesota. We understand concerns about patients' medical debt and want to work with you to find a balanced solution that ensures sustainable access to emergency health care.

The health care system continues to be under great financial stress from the pandemic. A report issued in 2022 by the Minnesota Hospital Association on hospital finances noted that "hospital and health system operating margins were already faltering prior to 2020 however, the effects of the pandemic accelerated that declining trend and are predicted to last for many years to come."

HF 1487 only impacts former county hospitals and ambulance services that were expressly granted the authority to use revenue recapture because we provide care for a disproportionate share of public program patients as well as uncompensated care.

We request that before the committee repeal revenue recapture authority, these funds are replaced with other state funding. Alternately, we would like to work with you and the Department of Revenue to review the revenue recapture program and identify potential additional guardrails.

Thank you for your consideration of these concerns. We look forward to more conversations with you about how to support our safety net in a sustainable way.

Sincerely,

Buck McAlpin, MN Ambulance Association

Barbara Cox, HealthPartners

Andy Askew, Essentia



Essentia Health