

Subject Facility or campus closure, service relocation, cessation of services

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Date March 2, 2021

### Overview

Current law requires the commissioner of health to be notified at least 90 days before a facility, including a hospital, voluntarily ceases operations or curtails operations to the extent that patients or residents must be relocated. This bill modifies the notice period for hospitals and hospital campuses from 90 days to nine months, requires notice before a hospital or hospital campus relocates health services or stops offering certain health services, and establishes a right of first refusal for a local unit of government to purchase a hospital or hospital campus before the hospital or hospital campus is conveyed or sold to another party or is closed.

### Summary

Section	Description
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1	<b>Facility or campus closings, relocating services, or ceasing to offer certain services; patient relocations.</b>
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Amends § 144.555.

**Subd. 1. Notice of closing or curtailing operations; facilities other than hospitals.** Provides that the existing law requiring notice to the commissioner of health when a facility voluntarily plans to cease or curtail operations applies to facilities other than hospitals. (Notice requirements for hospitals are moved from this subdivision to the new subdivision 1a.)

**Subd. 1a. Notice of closing, curtailing operations, relocating services, or ceasing to offer certain services; hospitals.** Requires the controlling persons of a hospital or hospital campus to notify the commissioner of health at least nine months before the hospital or hospital campus ceases or curtails operations, relocates the provision of health services to another hospital or hospital campus, or ceases to offer maternity and newborn care services, ICU services, inpatient mental health services, or inpatient substance use disorder services. (Under current law a hospital must notify the commissioner at least 90 days before ceasing or

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curtailing operations.) Requires controlling persons of a hospital or campus to comply with the right of first refusal provisions in section 144.556.

**Subd. 1b. Public hearing.** Upon receiving notice under subdivision 1, requires the commissioner to conduct a public hearing on the cessation of operations, curtailment of operations, or relocation or cessation of services. Requires the public hearing to be held in the community where the facility or campus is located at least six months before the scheduled change, and lists what must be addressed at the public hearing.

**Subd. 2. Penalty.** Provides that failure to notify the commissioner according to subdivision 1a or to participate in a public hearing according to subdivision 1b may result in the commissioner of health issuing a correction order against the facility.

2 **Right of first refusal for hospital or hospital campus.**

Adds § 144.556. Provides a local unit of government with a right of first refusal to purchase a hospital or hospital campus before the hospital or campus is sold or conveyed to another party, or is closed.

**Subd. 1. Prerequisite before sale, conveyance, or ceasing operations of hospital or hospital campus.** Before the controlling persons of a hospital sell, convey, or offer to sell or convey a hospital or hospital campus or cease operations of the hospital or campus, requires the controlling persons to first make a good faith offer to sell or convey the hospital or campus to a local unit of government where the hospital or campus is located.

**Subd. 2. Offer.** Prohibits the offer to sell or convey the hospital or campus from exceeding the hospital's or campus's current fair market value, requires the offer to be accepted or declined within 60 days after receipt, and provides that if the party to whom the offer is made does not respond within 60 days, the offer is deemed declined.



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