

**SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION**

S.F. No. 1358

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DATE	D-PG	OFFICIAL STATUS
02/18/2019	422	Introduction and first reading
		Referred to Health and Human Services Finance and Policy
02/21/2019		Comm report: To pass as amended
		Second reading

1.1 A bill for an act

1.2 relating to health; modifying the public interest review process related to hospital

1.3 construction moratorium exceptions; amending Minnesota Statutes 2018, section

1.4 144.552.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2018, section 144.552, is amended to read:

1.7 **144.552 PUBLIC INTEREST REVIEW.**

1.8 (a) The following entities must submit a plan to the commissioner:

1.9 (1) a hospital seeking to increase its number of licensed beds; or

1.10 (2) an organization seeking to obtain a hospital license and notified by the commissioner

1.11 under section 144.553, subdivision 1, paragraph (c), that it is subject to this section.

1.12 The plan must include information that includes an explanation of how the expansion will

1.13 meet the public's interest. When submitting a plan to the commissioner, an applicant shall

1.14 pay the commissioner for the commissioner's cost of reviewing and monitoring the plan,

1.15 as determined by the commissioner and notwithstanding section 16A.1283. Money received

1.16 by the commissioner under this section is appropriated to the commissioner for the purpose

1.17 of administering this section. If the commissioner does not issue a finding within the time

1.18 limit specified in paragraph (c), the commissioner must return to the applicant the entire

1.19 amount the applicant paid to the commissioner. For a hospital that is seeking an exception

1.20 to the moratorium under section 144.551, the plan must be submitted to the commissioner

1.21 no later than August 1 of the calendar year prior to the year when the exception will be

1.22 considered by the legislature.

2.1 (b) Plans submitted under this section shall include detailed information necessary for
2.2 the commissioner to review the plan and reach a finding. The commissioner may request
2.3 additional information from the hospital submitting a plan under this section and from others
2.4 affected by the plan that the commissioner deems necessary to review the plan and make a
2.5 finding. If the commissioner determines that additional information is required from the
2.6 hospital submitting a plan under this section, the commissioner shall notify the hospital of
2.7 the additional information required no more than 30 days after the initial submission of the
2.8 plan. A hospital submitting a plan from whom the commissioner has requested additional
2.9 information shall submit the requested additional information within 14 days of the
2.10 commissioner's request.

2.11 (c) The commissioner shall review the plan and, within ~~90~~ 120 calendar days, ~~but no~~
2.12 ~~more than six months if extenuating circumstances apply~~ of the initial submission of the
2.13 plan, issue a finding on whether the plan is in the public interest. In making the
2.14 recommendation, the commissioner shall consider issues including but not limited to:

2.15 (1) whether the new hospital or hospital beds are needed to provide timely access to care
2.16 or access to new or improved services given the number of available beds. For the purposes
2.17 of this clause, "available beds" means the number of licensed acute care beds that are
2.18 immediately available for use or could be brought online within 48 hours without significant
2.19 facility modifications;

2.20 (2) the financial impact of the new hospital or hospital beds on existing acute-care
2.21 hospitals that have emergency departments in the region;

2.22 (3) how the new hospital or hospital beds will affect the ability of existing hospitals in
2.23 the region to maintain existing staff;

2.24 (4) the extent to which the new hospital or hospital beds will provide services to
2.25 nonpaying or low-income patients relative to the level of services provided to these groups
2.26 by existing hospitals in the region; and

2.27 (5) the views of affected parties.

2.28 (d) If the plan is being submitted by an existing hospital seeking authority to construct
2.29 a new hospital, the commissioner shall also consider:

2.30 (1) the ability of the applicant to maintain the applicant's current level of community
2.31 benefit as defined in section 144.699, subdivision 5, at the existing facility; and

2.32 (2) the impact on the workforce at the existing facility including the applicant's plan for:

2.33 (i) transitioning current workers to the new facility;

- 3.1 (ii) retraining and employment security for current workers; and
- 3.2 (iii) addressing the impact of layoffs at the existing facility on affected workers.
- 3.3 (e) Prior to making a recommendation, the commissioner shall conduct a public hearing
- 3.4 in the affected hospital service area to take testimony from interested persons.
- 3.5 (f) Upon making a recommendation under paragraph (c), the commissioner shall provide
- 3.6 a copy of the recommendation to the chairs of the house of representatives and senate
- 3.7 committees having jurisdiction over health and human services policy and finance.
- 3.8 (g) If an exception to the moratorium is approved under section 144.551 after a review
- 3.9 under this section, the commissioner shall monitor the implementation of the exception up
- 3.10 to completion of the construction project. Thirty days after completion of the construction
- 3.11 project, the hospital shall submit to the commissioner a report on how the construction has
- 3.12 met the provisions of the plan originally submitted under the public interest review process
- 3.13 or a plan submitted pursuant to section 144.551, subdivision 1, paragraph (b), clause (20).