

nesota Statutes 1961, Section 525.081, Subdivision 1, the annual salary of each of the judges of the probate court of the counties of Blue Earth, Clay, Mower, Olmsted, Rice, and Winona counties is the sum of \$14,500.

Subd. 2. The provisions of Minnesota Statutes 1961, Section 525.081, Subdivision 2, shall apply to the salaries provided in subdivision 1.

Approved May 16, 1963.

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CHAPTER 738—H. F. No. 1879

[Not Coded]

*An act transferring to the county board of Hennepin county responsibility for providing hospital and medical care for the poor and the medically indigent and for others in emergencies; establishing the Hennepin county general hospital for these purposes and for instruction and scientific research promoting the welfare of patients; and transferring hospital properties, personnel, and junctions from Minneapolis to Hennepin county.*

Be it enacted by the Legislature of the State of Minnesota:

Section 1. **Hennepin county; general hospital.** Subdivision 1. The county board of Hennepin county shall henceforth be responsible for providing hospital care and medical service for poor persons who are residents of the county or a municipality therein and for residents of the county who require but are unable to pay the full cost of such care and service, and for others in case of injury or emergency. The term "residence" as used in this act shall be defined as that place of legal settlement of persons as provided by Minnesota Statutes, Section 261.07. A "resident" shall be a person who has such residence as defined above.

Subd. 2. Hospital care and medical service may be provided by hospitalization or outpatient service at public or private hospitals within the county or elsewhere within the state as determined by the board. The board may contract and cooperate with the regents of the university of Minnesota and with other boards and officers responsible for the administration of such hospitals in order to attain the highest degree of economy and effectiveness in the administration and financing of hospital and medical care and service and in its operation of the general hospital established by this act. The board may establish not more than three emergency

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stations, which may be staffed by resident physicians and interns and served with ambulances, at public or private hospitals at such locations throughout the county as to provide prompt and adequate emergency hospital care and medical service.

Subd. 3. The county board shall require a verified application to be made by or for every person requiring public hospital care or medical service, including his name, age, address, and length of time residing at such address, and a statement of his physical condition and his financial situation and of the persons, if any, legally charged with his care and support. The board may require such additional information as it deems necessary. The board shall cause each application to be investigated carefully by such officers or hospital personnel as it may designate by resolution, and may use such credit services and may cause the investigation to be made in accordance with such regulations as it considers necessary or proper. It may require of any municipal or other public official within the county all information within his knowledge relating to the financial condition and legal responsibility for the support and maintenance of the person for whom the application is made, and may direct the county physician or some other physician to examine the person and submit a verified report in writing of the nature and history of the case, stating his opinion as to the necessity of hospital care or medical service and any other information likely to aid in treatment. Copies of the report shall be filed with the county auditor and with the clerk of the town or municipality in which the person resides and with any hospital to which the person is referred.

Subd. 4. The county board or its designated representative shall reject any application if it is found that the facts do not merit the expenditure of public money. If the board or its representative is satisfied that the case is one which requires hospital care or medical service, and that neither the person for whom the application is made nor any person legally charged with his support and maintenance is financially able to pay the full cost of such care or service, the application may be approved and all or part of such cost authorized to be paid, as is considered equitable and just.

Subd. 5. When a physician certifies in the case of an injury, sickness, or emergency that immediate hospital care or medical service is necessary for any person, the patient may be admitted or referred forthwith, without previous application, to any hospital designated by the board, for a period not to exceed 72 hours; and if the patient and persons legally charged with his support and maintenance are unable to pay the full cost of such care or service, an application and investigation shall be made after his admittance or referral, in the manner provided in subdivisions 3 and 4.

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Subd. 6. The cost of hospital care and medical service provided in accordance with this act shall be paid by the county at reasonable rates established by the county board with the hospitals at which such care is furnished.

Subd. 7. Nothing herein shall change the system of caring for the poor in Hennepin county from the town system to the county system or shall otherwise change the powers, functions, and responsibilities of the county or any town or municipality therein, or of the governing body or board of welfare of the county or any such town or municipality, relating to matters other than hospital care and medical service, or prevent the continued application of county, state, and federal funds in programs of public assistance provided by law, including payment from such funds of the cost of hospital care and medical service furnished by the county to recipients of such assistance. Nothing herein shall prevent such system, powers, functions, and responsibilities from being changed in any way now or hereafter authorized or required by law.

Sec. 2. Subdivision 1. The Hennepin county general hospital is established, to provide principally for hospital care and medical service to the poor and the medically indigent of Hennepin county, and of others in emergencies, as provided in section 1, and for such instruction and scientific research as will promote the welfare of the patients committed to its care and will assist in the application of science to the alleviation of human suffering. The county board shall have full control over the management, operation, and maintenance of the hospital and shall by resolution provide such rules and regulations for that purpose as it considers necessary or desirable. The board may determine on the basis of experience and study to continue the operation of the hospital as initially constituted, to expand such operation, or to curtail or discontinue it altogether if the hospital care and medical service described in section 1 is provided, and in the board's judgment can best be provided, by other means.

Subd. 2. The hospital shall be managed, operated, and maintained under the supervision of a competent hospital administrator appointed by and serving at the pleasure of the county board, at a salary fixed by the board, who before his appointment shall have had experience as an executive of a private or public hospital or comparable institution. The administrator shall give a bond to the county in an amount fixed by the board, approved and filed in the same manner as bonds of other county officers, and the county shall pay the premium for the bond. All purchases of supplies, materials, and equipment for the hospital shall be made through the county purchasing department.

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Subd. 3. The county board through the administrator may employ all other help necessary in the management, operation, and maintenance of the hospital, both professional and nonprofessional, at compensation and in accordance with regulations established by the board, subject to the provisions of section 6, and the administrator shall perform all other duties prescribed and imposed by the board. The administrator and all hospital officers and employees appointed by him shall be officers and employees of the county, under the jurisdiction of the county board, and shall be paid at the times and in the manner provided for other county officers and employees.

Sec. 3. Subdivision 1. The county board shall fix charges, whether on an all-inclusive per diem basis or otherwise, to be made for daily hospital care and medical service and for each ancillary service provided by the hospital based upon actual cost computed according to accepted accounting principles, including salaries and wages of hospital personnel, food service, utilities, hospital and medical supplies, and all other expenses of current operation and routine maintenance, as the board may determine to be reasonable. Charges shall be recorded for each patient to whom care or service is furnished, whether or not any or all of the cost is paid to the county by or for the patient. Charges shall also be recorded for each patient to whom care or service is furnished at any other hospital, in full amount paid by the county to such hospital, except that such charges shall be recorded at a rate not less than the established rates at the Hennepin County General Hospital, and these charges shall be included in the expenses of current operation and routine maintenance of the Hennepin County General Hospital for all purposes stated in this act. All charges shall be billed except those which are paid from county, state, or federal funds appropriated for programs of public assistance provided by law, and those which patients are certified and determined to be unable to pay, upon investigation in accordance with the provisions of Section 1; and any charges of this nature for care furnished to a resident of a Minnesota county other than Hennepin shall be billed to the county of his residence.

Subd. 2. All charges collected shall be deposited to the credit of a separate fund to be maintained on the official books and records of the county and designated as the hospital fund. All expenses of current operation and routine maintenance of the hospital shall be paid from this fund, and the funds shall be used for no other than hospital and medical purposes. The county board shall annually estimate the expenditures and revenues of the fund ~~in accordance with Minnesota Statutes, Chapter 383, except~~ that any *provided*

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unappropriated or unexpended balance in the hospital fund at the end of a fiscal year shall remain therein and shall not be transferred to the suspense fund. The board shall annually appropriate to the hospital fund, from taxes to be levied in accordance with subdivision 3, a sum at least sufficient to pay the estimated cost of current operation plus working capital needs and routine maintenance of the hospital in the ensuing fiscal year, less the unencumbered balance in the fund at the beginning of that year and the minimum amount of revenues estimated to be received during such year from charges collected for patient care and service.

Subd. 3. Before levying taxes to raise the funds appropriated in any year under subdivision 2, the county board shall obtain a report of the total amount of charges for the cost of hospital care and medical service appearing on its records for the fiscal year most recently ended, other than charges billed or to be billed to individuals or other counties or public agencies, and the amount of such charges recorded for residents of Minneapolis, for residents of Hennepin county outside Minneapolis, and for persons residing outside the county. The residence of each patient shall be ascertained as of the date of his admission or referral, according to the best information available to the board from the applications received and investigations made. At least 45 days before establishing the tax levies under this subdivision, the board shall file with the clerk of each town and municipality within the county a copy of this report and an estimate of the mill rates of taxes necessary to be levied on property within such town or municipality under this subdivision and subdivisions 5 and 6. The board shall then levy upon all taxable property within the boundaries of the city of Minneapolis an ad valorem tax in an aggregate amount proportionate to the amount of such unrecovered charges recorded for Minneapolis residents; on all taxable property within the area of the county outside Minneapolis an ad valorem tax in an aggregate amount proportionate to the amount of such unrecovered charges recorded for residents of that area; and on all taxable property within the county and ad valorem tax in an aggregate amount proportionate to the amount of such unrecovered charges recorded for persons having no legal settlement within the county. These taxes shall be levied in amounts sufficient to produce the total amount appropriated under subdivision 2 for the following fiscal year and shall be credited when received to the hospital fund, in addition to the balance on hand at the beginning of that year and the revenues received from charges collected thereafter. In any year or years before records for a full fiscal year of operation of the hospital are available, the board shall determine the proportions of the publicly financed and unrecovered cost of hospital care and medical service

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provided in the preceding year to residents of Minneapolis, of Hennepin county outside Minneapolis, and of persons residing outside the county, according to the records of the county and of towns and municipalities therein, including all amounts paid by the county or any town or municipality for care or service furnished by the university of Minnesota hospitals, and shall provide the sum appropriated to the hospital fund for the following year by the levy of taxes in these proportions upon the taxable properties situated within the respective areas described above.

Subd. 4. Expenditures from the hospital fund shall be made in accordance with Minnesota Statutes, Chapter 383, except that the county board may establish an imprest fund in accordance with Minnesota Statutes, Section 376.231.

Subd. 5. The board may also appropriate an additional sum for expenditure in each fiscal year for replacement, improvement, acquisition, and construction of hospital properties and equipment, to be raised by the levy of an ad valorem tax on all taxable property within the county not exceeding one-half of one mill on the assessed valuation of such property for the preceding year. It may also appropriate an additional sum for expenditure in each of the first three fiscal years after the effective date of this act, for investigation of the feasibility of a new hospital and preliminary planning thereof if found to be feasible, to be raised by the levy of an additional tax not exceeding one-tenth of one mill on such assessed valuation for each of the three respective preceding years. The proceeds of these taxes shall be placed in a special capital outlay fund.

Subd. 6. Nothing herein shall affect taxes for the payment of any bonds issued for hospital purposes, which shall be levied as required by law upon all taxable property within the county and appropriated irrevocably to a separate fund or funds for the payment of the principal of and interest on the bonds.

Sec. 4. The facilities situated in the city of Minneapolis known as the Minneapolis general hospital, including the hospital building and its several units and all parcels of land on which they are situated, used by the city for hospital operation and maintenance on the effective date of this act, shall on such date be leased by the city to Hennepin county at an annual rental of \$1 for a term to continue until the lease is terminated as herein provided. The proper officers of the city are directed to execute and record a lease of such facilities, providing that the leasehold interest of Hennepin county may be terminated by the city as to any portion of such land, if such portion or the buildings thereon shall ever be devoted

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exclusively to a use not related to the operation and maintenance of the Hennepin county general hospital. The lease shall provide that the county may raze, reconstruct, remodel, or add to any building situated on such lands, if determined by the county board to be necessary or desirable for the purpose of constructing new hospital facilities on such lands or any portion thereof. The proper officers of the city are also directed to prepare and deliver to the county board an inventory of the hospital equipment and apparatus, ambulances, and all other personal property and fixtures located on, in, and about such building and grounds, used by the city for hospital operation and maintenance on the effective date of this act and to execute all conveyances and other instruments necessary to convey to the county, without charge, all right, title, and interest of the city of Minneapolis in and to such personal property and fixtures. If at any time within eight years after the effective date of this act the county no longer operates or maintains a county general hospital, all hospital equipment and apparatus, ambulances, and other personal property located on, in, and about such building and grounds, owned by the city of Minneapolis on the effective date of this act, shall revert to the city of Minneapolis. Nothing herein shall affect the city's right to retain all cash on hand on the effective date of this act and to collect all accounts receivable for care or service furnished before that date, or its obligation to pay all claims for services rendered and supplies, materials, and equipment furnished to it before that date.

Sec. 5. The county board may provide for the betterment of the facilities transferred under section 4 and may acquire hospital facilities within the county in addition thereto or in lieu thereof, for operation and maintenance as part of the Hennepin county general hospital. For this purpose it may appropriate funds raised in accordance with the provisions of section 3, subdivision 5, or it may with the approval of a majority of the electors voting on the question provide for the issuance of general obligation bonds of the county in accordance with the provisions of Minnesota Statutes, Chapter 475. The question of the issuance of any amount of bonds for the acquisition and betterment of hospital facilities shall be submitted at a general, primary, or special county election. Any amount of such bonds outstanding at any time shall be included within the net debt of the county. Interest paid on the bonds shall not be included in gross income of any person or corporation for the purpose of computing any tax.

Sec. 6. Subdivision 1. Upon the effective date of this act, the persons employed by the city of Minneapolis for the operation and maintenance of the Minneapolis general hospital shall be re-

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tained as employees of Hennepin county under the jurisdiction of the county board, with status and classification comparable to that which each such employee has under any civil service provision on that date. All accumulated sick leave and vacation leave of such employees shall be transferred to the records of the county and shall be a legal liability of the county.

Subd. 2. Each city employee referred to in subdivision 1 who is a contributing member of a retirement system organized under the provisions of Minnesota Statutes, Chapter 422 shall continue to be a member of such system and entitled to all of the benefits conferred thereby and subject to all the restrictions of chapter 422, unless he applies to cancel such membership within six months after the effective date of this act. The cost to the public of the retirement allowances and other benefits accruing to such employees after employment by the county shall be the obligation of the county and shall be paid by it out of the hospital fund, as part of the cost of operation and maintenance of the Hennepin county general hospital, to the municipal retirement fund. The cost to the public of that portion of the retirement allowances or other benefits accrued to such employees while in the service of the city of Minneapolis shall remain an obligation of the city, and shall be discharged by the levy and collection of a tax as provided in chapter 422. The retirement board shall determine and certify to the county auditor and the city comptroller the amounts and times of payment of such obligations of the county and city, respectively.

Sec. 7. The council of any town or municipality in Hennepin county may at any time by resolution request the county board to review any determination previously made by that board of the residence of any person at the time of his admission or referral for publicly financed hospital care or medical service and his ability, or that of others legally charged with his care and support, to pay the cost of such care or service; the rates of the charges fixed and recorded under section 3, subdivision 1; or the amounts of such charges recorded and forming the basis for the levy of taxes on property within the city of Minneapolis and property outside the city under section 3, subdivision 3. Upon receipt of any such request, the county board shall fix a time and place for hearing thereon and cause a notice of such hearing to be mailed to the clerk of each town and municipality within the county not less than ten days in advance of the hearing. At the hearing and any adjournment thereof the board shall consider all information and testimony presented by any town or municipality on the matter requested to be reviewed, and it shall by resolution take final action on such matter within 60 days after the receipt of the request. Any town or municipality may by resolution of its council determine to

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appeal from the final resolution of the county board to the district court, and may take such appeal by serving a notice of appeal upon the county auditor within 30 days after the date of the county board's resolution. No bond shall be required upon such appeal, but the town or municipality shall be obligated to pay any costs taxed against it. The notice of appeal shall be filed with the clerk of the district court and noticed for hearing in the manner provided for the trial of civil actions by Minnesota Rules of Civil Procedure. Any town or municipality within the county shall be permitted to intervene in any appeal under this section. The district court shall have power to hear and determine *de novo* all questions of fact and law relevant to the matter as to which the appeal is taken. Pending the determination of any appeal the county board shall continue to provide and charge for care and service, to manage, operate, and maintain the hospital, and to appropriate funds and levy taxes in accordance with determinations previously made by it. Upon the determination of the appeal, the court shall have power to effect such adjustment of the rights and liabilities of the county and of all towns and municipalities as may be necessitated by its decision, by ordering the increase or reduction of charges to be made or taxes to be levied thereafter. Nothing herein shall affect any right of action of or against any individual with respect to public hospital care or medical service furnished or denied to him.

Sec. 8. After approval of this act as provided in section 9, section 3 shall become effective upon the date of such approval and the remainder of this act shall become effective on the first day of January, 1964.

Sec. 9. This act shall become effective upon approval by resolution by a majority of the members of the county board of Hennepin county and by resolution by a majority of the members of the city council of the city of Minneapolis, and compliance with Minnesota Statutes, Section 645.021.

Approved May 16, 1963.

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CHAPTER 739—S. F. No. 883

[Coded]

*An act relating to judges; providing for retirement and compensation allowance for district judges; amending Minnesota Statutes 1961, Section 490.102, by adding a new subdivision thereto.*

Be it enacted by the Legislature of the State of Minnesota:

**Changes or additions indicated by italics, deletions by strikeout.**