

144.7051 HOSPITAL STABILIZATION RESERVE.

Subdivision 1. **Eligibility.** A hospital is eligible to receive payment under section 16A.152, subdivision 1d, if 40 percent of the hospital's total acute care admissions in each of calendar years 2022, 2023, and 2024 were medical assistance or MinnesotaCare enrollees, the hospital provided 15 percent or more of Minnesota's total uncompensated care in calendar year 2024 as determined by the commissioner of health, and costs incurred for uncompensated care were at least three percent of the hospital's operating revenue in calendar year 2024.

Subd. 2. **Quarterly financial statements.** An eligible hospital under subdivision 1 must submit a quarterly report to the commissioner of health beginning on October 1, 2026. Each report must provide the following information:

- (1) the hospital's monthly cash position for the current quarter;
- (2) the hospital's net operating margin for the previous quarter;
- (3) updates to the hospital's net operating margin for the last four quarters that reflect adjustments and any completed audits since the prior quarterly report; and
- (4) information necessary to support clauses (1) to (3).

Subd. 3. **Eligibility certification.** (a) If the chief executive officer of an eligible hospital under subdivision 1 provides written notice to the commissioner of health that the hospital had less than 60 days of operating cash at any time during the preceding 12 months, and that the hospital had an operating margin loss of at least 1.5 percent at any time during the preceding 12 months, the commissioner must review and certify whether the hospital is eligible to receive a payment from the hospital stabilization reserve to maintain stable operations and avoid substantial negative operating effects for the next 12 months. If the information provided to the commissioner is insufficient to make a certification of eligibility determination, the commissioner may request additional information to support the certification request. In making a certification determination, the commissioner must not include payments received from the hospital stabilization reserve established in section 16A.152, subdivision 1c, or any fiscal year 2026 and 2027 appropriations.

(b) The commissioner must make a certification decision within 30 days of receiving the written notice and associated documentation from the chief executive officer. The commissioner must provide a written response to the chief executive officer within 45 days of receiving the written notice and associated documentation. If the commissioner certifies that the hospital should receive a payment from the hospital stabilization reserve, the commissioner must notify the commissioner of management and budget within 15 days of making that certification.

Subd. 4. **Payment.** (a) If the commissioner of management and budget receives notification from the commissioner of health under subdivision 3 that a hospital is certified to receive a payment from the hospital stabilization reserve, the commissioner of management and budget must submit the proposed payment to the Legislative Advisory Commission under section 16A.152, subdivision 1e, for the commission's review.

(b) A certified hospital must submit sufficient information determined by the commissioner of management and budget to support the submission of the certified payment to the Legislative Advisory Commission.

(c) If a negative review from the Legislative Advisory Commission is not received, the commissioner of management and budget must pay the eligible hospital from the hospital stabilization reserve under section 16A.152, subdivision 1d.

History: *2026 c 127 art 3 s 6*