

RESOLUTION

Administration, Operations and Budget Committee

RESOLUTION: 23-0512

At a meeting of the Board of Hennepin County Commissioners, a motion was made by Commissioner Fernando, and seconded by Commissioner Goettel, that the Resolution be adopted. The motion passed.

WHEREAS, Hennepin Healthcare System, Inc. (HHS), is an integrated system of care that serves as a critically important safety net and teaching hospital for residents of Hennepin County and the State of Minnesota; with a nationally recognized Level I Adult and Pediatric Trauma Center; an acute care hospital; a clinic system; an outpatient Clinic & Specialty Center; an Emergency Medical Services fleet; and more; and

WHEREAS, under Minnesota Statutes § 383B.901, HHS is a public corporation, operating as a subsidiary of Hennepin County; and

WHEREAS, under Minnesota Statutes § 383B.908, the Hennepin County Board of Commissioners has reserved powers over HHS, including but not limited to specific controls over HHS's mission, finances, and governance; and

WHEREAS, the Hennepin County Board seeks to identify and understand current trends and challenges in the health care industry, as well as recent challenges at HHS relating to its budget and the recruitment, retention and wellness of its workforce; and

WHEREAS, the Hennepin County Board seeks a comprehensive strategy to exercise its oversight powers in an effective and efficient manner; to achieve deeper understanding of HHS management, operations, and finances; to timely address the issues and challenges at HHS; and to promote the continued vitality and high quality health care services of HHS.

Resolution:

BE IT RESOLVED, that the Hennepin County Board of Commissioners directs the County Administrator to take any reasonably necessary action to retain an independent financial consultant to perform services included but not limited to review and analysis of historical audited financial statements and ongoing financial reporting and statements, identification and assessment of benchmarks that may be used to review HHS's financial performance including but not limited to comparison to other health systems, any audit pursuant to Minnesota Statutes § 383B.908 and advice and consultation to the County Board on recommended frequency and content of ongoing financial reporting necessary for County Board oversight; and

BE IT FURTHER RESOLVED, that the Hennepin County Board of Commissioners directs the County Administrator to consult with the HHS Chief Executive Officer and to develop a plan and recommendations for the County Board to exercise oversight powers over HHS in an effective and efficient manner, and to submit such plan and recommendations to the County Board no later than February 1, 2024; and

BE IT FURTHER RESOLVED, that in order to give effect to the above resolving clauses, the Hennepin County Administrator is authorized to identify and engage consultant(s) as needed to review and analyze ongoing operations at HHS and to provide expert advice and recommendations to the County Board and County Administration; and

BE IT FURTHER RESOLVED, that the Chair or Vice Chair of the HHS Board, and the Chief Executive Officer of HHS, shall at the request of the Hennepin County Board Chair, brief the Hennepin County Board of Commissioners on matters concerning Hennepin Healthcare Systems, Inc. as frequently as requested but no less than quarterly, and such briefings shall be noticed as required by the Open Meeting Law, Minnesota Statutes Chapter 13D, and added to the County Board's 2024 calendar; and

BE IT FURTHER RESOLVED, that the above-referenced briefings of the County Board shall include regular and timely information about HHS' ongoing financial performance compared to its budget and benchmarks, regular and timely information about significant management and operational decisions at HHS, and such other topics as may be identified by the Chair of the Hennepin County Board in consultation with County Administration; and

BE IT FURTHER RESOLVED, that the Chair of the Hennepin County Board is authorized to prepare and send correspondence to the HHS Board, HHS Committees, and HHS Executive Leadership Team, enclosing a copy of this resolution and notifying the HHS Board, HHS Committees, and HHS Executive Leadership Team of the County Board's critical oversight role and expectations as a subsidiary corporation of the County.

RESOLUTION ADOPTED ON 12/12/2023

The question was on the adoption of the resolution with the votes as follows:

Aye: 6 Commissioner Fernando, Commissioner Greene, Commissioner Lunde, Commissioner Conley, Commissioner Goettel, and Commissioner Anderson

Maria Rose



Maria Rose