

## Minnesota House of Representatives

August 11, 2025

Hennepin County Board of Commissioners  
300 South Sixth Street,  
Minneapolis, MN 55487

Dear Hennepin County Board of Commissioners,

We write to express strong opposition to the proposed takeover of the Hennepin Healthcare System (HHS) Board by the Hennepin County Board of Commissioners. This move is deeply concerning and, in our view, misguided.

Operating a Level I trauma hospital is an extraordinarily complex undertaking. It demands not only administrative acumen but also deep expertise in healthcare delivery, hospital finance, clinical operations, and regulatory compliance. County elected officials, while undoubtedly committed to public service, do not possess the specialized experience required to effectively govern such a sophisticated institution. Replacing a board composed of healthcare professionals and subject-matter experts with one driven by political appointments risks undermining the very foundation of HHS's excellence.

Moreover, the County Board has obstructed the HHS Board's efforts to implement long-term strategic changes that the hospital itself identified as essential to improving financial solvency. These proposed reforms—grounded in data, operational insight, and clinical realities—were designed to ensure the sustainability of care for the community and the solvency of the hospital. Yet they were denied or delayed by the County Board, whose decisions appear more politically motivated than fiscally or medically sound. This pattern of interference has only exacerbated the financial pressures facing HHS.

The challenges facing hospitals today are not rooted in governance—they are financial. Rising costs, workforce shortages, and inadequate reimbursement rates are placing immense strain on healthcare systems across the country. The state and federal government share these costs along with the financial consequences of program expansions. In particular, the Minnesota State Legislature bears responsibility for adding optional services to our public healthcare programs while consistently failing to prioritize hospital reimbursement rates that cover the actual cost of care. This unsustainable dynamic is what threatens the viability of institutions like HHS—not the structure of their governance.

Rather than pursuing a full takeover, the County Board should consider more constructive and collaborative alternatives:

- **Develop a joint restructuring plan:** Collaborate with the HHS Board and healthcare experts to create a hospital restructuring plan with measurable indicators of progress toward financial recovery.
- **Engage with the MN Department of Human Services:** Work closely with DHS to ensure transparency and maximize the full benefit of the Directed Hospital Payment Program, which is critical to HHS's financial health.
- **Clarify financial reporting:** Improve the County Board's own transparency by clearly differentiating between unpaid claims and the uncompensated care formula payments provided to the hospital. This distinction is vital for public understanding and accountability.
- **Limit direct involvement:** If the county board dissolves the HHS board, do so only after a restructuring/transition plan is adopted by the HHS Board and County Board and limit direct County Commissioner involvement to one-year, allowing time for stabilization without long-term politicization.


HHS is a critical safety-net provider for our community. It serves some of the most vulnerable populations in the state and does so with a level of clinical sophistication that few institutions can match. Undermining its governance structure will not solve its financial challenges. Instead, it risks destabilizing a system that countless residents rely on for life-saving care.

No matter who runs the hospital, financial problems will persist. However, if the county board takes over without first solving the core funding issues—and keeps rejecting strategies that other successful health systems have used to recover from financial losses—then the only remaining way to cover budget gaps will be to increase property taxes.

Lawmakers have already proposed legislation to block actions like this and protect Hennepin Healthcare's independence. If the board proceeds, it will likely face renewed scrutiny from legislators concerned about the harm to patients, providers, and taxpayers.

I urge you to reconsider this proposal and instead focus on advocating for sustainable funding models at the state level. Let the experts continue to lead HHS and let the County Board focus on supporting their work—not replacing it.

Sincerely,



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