



January 3, 2024

Professional Distinction

Personal Dignity

Patient Advocacy

Office of Commissioner Dr. Brooke Cunningham  
Minnesota Department of Health  
625 North Robert Street  
St Paul, MN 55155

Dear Commissioner Cunningham,

The Minnesota Nurses Association (MNA) represents more than 22,000 registered nurses across Minnesota, representing almost 80% of nurses working in hospital bedside positions in the state. Every day, nurses confront the ongoing staff shortages in our hospitals and experience firsthand the mental health crisis in our state. Nurses understand the need for additional mental healthcare beds. However, as frontline healthcare professionals, we are concerned about profit-driven motives and actors being the means to achieving additional mental healthcare capacity in Minnesota. Specifically, we are concerned about the proposed freestanding 60-bed inpatient rehabilitation facility in Roseville that has been put forward by Texas-based Nobis Rehabilitation Partners, a for-profit business.

Inpatient rehabilitation facilities (IRFs) as freestanding facilities are contemporarily untested in Minnesota, meaning most claims about services, demands, or quality that have been put forward in the proposal are heavily based on estimates. There is no evidence that a freestanding IRF in Minnesota would be able to provide services superior to, or even equal to, the types of services that would be provided in a IRF that is collocated with an emergency room or the ability to provide other health services not available in a freestanding IRF. There is also a high possibility for negative patient outcomes if a patient's acuity becomes elevated and requires them to be transported to an emergency room or other hospital. In these instances, it can be both disruptive and potentially harmful to both patients and their families. Since profit margins are considerably higher for freestanding IRFs than at traditional hospitals, we are deeply concerned that this proposal is simply profit-driven and not based on the desire to provide improved mental healthcare services to Minnesotans.

Minnesota nurses' concerns around the proposed Nobis facility in Roseville have continued to grow since learning about below average care at the closest known Nobis facility in Milwaukee, Wisconsin. As we looked more closely at data, it shares troubling trends <sup>(10)</sup> showing that the Nobis facility in Milwaukee is currently lagging behind the national average in both their results of care and in effective care, resulting in lower-than-average rates of the following:

- Change in patients' ability to care for themselves;
- Change in patients' ability to move around;
- Percentage of patients who are at or above an expected ability to care for themselves at discharge;

345 Randolph Avenue  
Suite 200  
St. Paul, MN 55102  
Tel: 651.414.2800  
800.536.4662  
Fax: 651.695.7000  
Email: [mnnurses@mnnurses.org](mailto:mnnurses@mnnurses.org)  
Web: [www.mnnurses.org](http://www.mnnurses.org)



AFL-CIO

- Percentage of patients who are at or above an expected ability to move around at discharge;
- Percentage of patients with pressure ulcers/pressure injuries that are new or worsened.

MNA nurses do not believe that for-profit IRFs are the right choice for Minnesota and have concerns about the quality of care at for-profit facilities. In addition to concerns that Nobis executives will be able to pick and choose patients, which will impact the case mix and acuity at surrounding hospitals, we also have concerns about the possibility of higher unplanned readmission rates and decreased physician visits. These concerns are backed up by research that shows for-profit IRFs have higher unplanned readmission rates, on average, compared with non-profit IRFs<sup>1</sup>. Additionally, our research shows that as a for-profit, Nobis may utilize cost savings under IRF regulations, which require face-to-face physician visits at least 3 days/week, but starting in 2nd week, allow a nonphysician practitioner w specialized training to conduct one of the 3 required face-to-face visits<sup>2</sup>.

Many of the concerns around the proposed Nobis facility come from lack of transparency. Profit-driven healthcare companies frequently claim that certain information is proprietary and that continues to be the case with Nobis. Because the public has not been given access to all the data and information necessary to accurately gauge the organization's ability to deliver on the promises in their proposal, it is additionally difficult to support the proposal. Without sufficient information from Nobis, the proposal lacks transparency and could further damage our already exhausted healthcare system.

Given the high profitability of IRFs, MNA recommends that MDH investigate whether the programs Nobis proposes<sup>3</sup> will involve conditions or levels of severity associated with higher payment-to-cost ratios,<sup>4</sup> and whether these proposals will actually address the mental healthcare needs of the community.

Without additional investigation from MDH and transparent and adequate data from Nobis, it cannot be reasonably determined that approving the proposed Nobis facility is in the best interest of the public. As such, MNA urges MDH to respond accordingly by preventing this proposal from moving forward.

Sincerely,



Chris Rubesch, RN  
President, Minnesota Nurses Association

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<sup>1</sup> Source: <https://www.sciencedirect.com/science/article/abs/pii/S0003999317311188>

<sup>2</sup> Source: [https://www.medpac.gov/wp-content/uploads/2023/03/Ch9\\_Mar23\\_MedPAC\\_Report\\_To\\_Congress\\_SEC.pdf](https://www.medpac.gov/wp-content/uploads/2023/03/Ch9_Mar23_MedPAC_Report_To_Congress_SEC.pdf)

<sup>3</sup> Source: <https://www.health.state.mn.us/data/economics/moratorium/nobis/docs/nobissubmission.pdf>

<sup>4</sup>Source: [https://www.medpac.gov/wp-content/uploads/2023/03/Ch9\\_Mar23\\_MedPAC\\_Report\\_To\\_Congress\\_SEC.pdf#page=13](https://www.medpac.gov/wp-content/uploads/2023/03/Ch9_Mar23_MedPAC_Report_To_Congress_SEC.pdf#page=13)