

January 28, 2022

The Honorable Tina Liebling, Chair
Health Finance and Policy Committee
Minnesota House of Representatives
477 State Office Building
St. Paul, MN 55155

The Honorable Jennifer Schultz, Chair
Human Services Finance and Policy Committee
Minnesota House of Representatives
473 State Office Building
St. Paul, MN 55155

The Honorable Joe Schomacker, GOP Lead
Health Finance and Policy Committee
Minnesota House of Representatives
209 State Office Building
St. Paul, MN 55155

The Honorable Tony Albright, GOP Lead
Human Services Finance and Policy Committee
Minnesota House of Representatives
259 State Office Building
St. Paul, MN 55155

The Honorable Paul Utke, Chair
Health and Human Services Finance and Policy
Committee, Minnesota Senate
3403 Minnesota Senate Bldg.
St. Paul, MN 55155

The Honorable Jim Abeler, Chair
Human Services Reform Finance and Policy
Committee, Minnesota Senate
3215 Minnesota Senate Bldg.
St. Paul, MN 55155

The Honorable Melissa Wiklund, DFL Lead
Health and Human Services Finance and Policy
Committee, Minnesota Senate
2227 Minnesota Senate Bldg.
St. Paul, MN 55155

The Honorable John Hoffman, DFL Lead
Human Services Reform Finance and Policy
Committee, Minnesota Senate
2235 Minnesota Senate Bldg.
St. Paul, MN 55155

To the Honorable Chairs and Ranking Members:

Minnesota Statutes, section 144.552, requires that any hospital seeking to increase its number of licensed beds, or an organization seeking to obtain a hospital license, submit a plan to the Minnesota Department of Health (MDH) for review and assessment as to whether the plan is in the public interest.

On July 30, 2021, PrairieCare, a privately held clinician organization delivering mental health services to patients under 21 years of age, submitted a plan to the MDH to expand bed capacity at their existing inpatient mental health hospital in Brooklyn Park, Minnesota. Under the proposal, PrairieCare would raise the number of licensed beds from 71 to 101 beds.

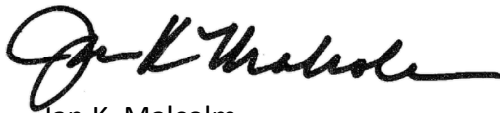
The purpose of this letter is to provide the Legislature with MDH's findings from its review. The findings are based on quantitative analyses of actual and projected capacity and demand for inpatient mental health services in the hospital service area, public comments received on the proposal, and the consideration of recent developments in mental health treatment for patients served by PrairieCare.

Based on the review and a set of primary reasons noted on page 29, MDH finds that the hospital bed expansion is in the public interest.

In addition to presenting our analysis that forms the basis of our finding, MDH's review on page 27 includes four observations that the Legislature may wish to consider to enhance the effectiveness and value of investment in hospital bed capacity.

If you have questions or concerns regarding this review, please contact Stefan Gildemeister, Minnesota's State Health Economist, at 651-201-3554 or stefan.gildemeister@state.mn.us

Sincerely,

A handwritten signature in black ink, appearing to read "Jan K. Malcolm". The signature is fluid and cursive, with a large initial "J" and "M".

Jan K. Malcolm
Commissioner
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