



March 16, 2018

Stefan Gildemeister
Director of Health Economics Program
Minnesota Department of Health
PO Box 64882
St. Paul, MN 55164-0882

Re: Response to the HealthPartners Proposal to add 100 licensed beds at Regions Hospital.


Dear Mr. Gildemeister,

Thank you for your letter regarding the recent request from HealthPartners to add 100 licensed beds at Regions Hospital in St. Paul, Minnesota. As you noted, the proposed increase is expected to be phased in over the next 20 years and include 60 medical/surgical beds, 20 mental health beds, and 20 obstetrics beds. As the state's largest safety-net health care system and Medicaid provider, Hennepin Healthcare in general supports increasing hospital bed capacity in Minnesota if in the public review process and analysis, the Department finds the following conditions are met:

- The beds satisfy or meet an identified unmet community need, like improving capacity to ensure treatment for mental health, addiction, and psychiatric disorders in the Twin Cities metropolitan area;
- No new gaps in the capacity of the health care system are created by this request or any other unintended consequences that will impose unsustainable burdens on surrounding provider systems that will result in unmet community needs; and
- The proposal as written, if approved, does not circumvent the existing moratorium process under state law.

Again, thank you for your request. If you have further questions regarding our response and comments, please do not hesitate to ask. We appreciate your time and effort in following through on the state's public interest review process.

Sincerely,


Jon L. Pryor, MD, MBA
Chief Executive Officer

Cc: Alisha Simons, MDH
Andrea Walsh, Regions Hospital