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What We Heard: Summary of the Consultation Program

For presentation to the Task Force | Consultations held October 13 through November 16, 2026

Advisory Task Force on Governance and Financing of Hennepin Healthcare System, Inc.

In brief. Consultations with twelve groups have been summarized, covering all ten areas of expertise named in the 2026 law, plus former Hennepin Healthcare board members and current Hennepin Healthcare staff. Across very different groups, two messages were close to unanimous: Hennepin Healthcare does work for the whole state that no one else could absorb, and the way it is paid does not cover the cost of that work. Groups differ on how broad its services should be, on how far its own costs add to the losses, on how open its board should be, and on who should hold governing authority over it.

Please note. This document reports what the consulted groups said. Statements, figures and accounts of past events are recorded as the groups gave them and have not been independently verified unless otherwise stated. In this document, "Hennepin Healthcare" means Hennepin Healthcare System, Inc.

1. Who Was Heard

Sessions were held by video and recorded with consent. Each lasted between about 30 and 90 minutes. Views are reported for each group as a whole, and no individual is named. The groups heard were:

- Ambulance and emergency medical services
- Consumer and patient advocates
- Community health centers, clinics and local public health
- Organized labor
- Hospitals and health systems, urban and rural
- Physicians
- Registered nurses
- State legislators and legislative staff
- State agency commissioners
- Hennepin County commissioners
- Former Hennepin Healthcare board members
- Hennepin Healthcare staff

Together these groups cover the ten areas of expertise listed in Minnesota Laws 2026, chapter 127, article 3, section 18, subdivision 4(7). Consultation with Hennepin County commissioners is continuing, and what is reported here reflects the sitting summarized to date.

2. What We Heard: Six Themes

Theme	What groups said	Heard most from
A statewide resource no one else could absorb	Trauma, burn care, hyperbaric medicine, the poison center, intensive mental health care, disaster readiness and the training of	Nearly every group

Theme	What groups said	Heard most from
	physicians and nurses were named again and again. Other hospitals said they are already at or near capacity. The neighboring Level I trauma center said it could take more trauma cases, but that it would be very difficult to also take on Hennepin Healthcare's roughly 100,000 other emergency visits a year, about as many as its own system now handles (as stated). Rural hospitals in the hospital group were the exception: they rely on Hennepin Healthcare for burn care and training more than for day to day referrals, and said they use nearby Level I trauma centers for their patients when possible. Hennepin Healthcare staff added intensive psychiatric care, hospital dentistry for patients with complex needs and care for people in custody, and said the training programs are a large part of how Minnesota keeps its physicians. County commissioners said no one else would pick up trauma and safety net care. Legislators said the 2026 session showed how much other hospitals rely on Hennepin Healthcare for their most complex cases and for patients covered by Medicaid.	
Payment does not cover the cost of care	Every group named payment as a cause of financial losses. Most of Hennepin Healthcare's patients are covered by Medicaid or Medicare or have no insurance, and groups said those programs pay less than the cost of care. Rural hospitals put Medicare at about 75 percent of cost and Medicaid at about 65 percent (as stated). The most common remedy offered was an increase to Medicaid rates sufficient to cover cost for every hospital, not for Hennepin Healthcare alone. Most state agencies agreed that Medicaid rates should be increased. Hennepin Healthcare staff said the harder problem is that funding is unpredictable: a shortage is followed by a one time infusion, so the organization cannot plan investments several years ahead. Staff and legislators said better management alone would not close the gap. Legislators and County commissioners expected the 2025 federal budget law (H.R. 1) to widen it.	All groups
Beds are full and patients have nowhere to go	Patients who are ready to leave the hospital stay because there are too few places in rehabilitation, group homes, mental health care and housing. Groups described this as a statewide problem that Hennepin Healthcare cannot fix alone. State agencies said the greatest need is step down care in the community.	Hospitals; ambulance services; state agencies; advocates
No one can tell who holds which power	Partners, staff and patients often cannot tell whether they are dealing with Hennepin County or with Hennepin Healthcare. Almost every group asked for a clear, written division of authority between the County Board and the hospital board, and a clear answer to who the hospital board answers to. Several groups said a board should govern and management should run the organization with less superseding control by the County. Former board members said the structure worked well for years, with the County and the board cooperating on capital and long range planning, and that the line between governing and managing became confused in recent years. They asked that every director, including County commissioners who sit on the board, carry the same duties and responsibilities and that the powers the County keeps be few and written down, such as capital spending, debt and the parts of the yearly budget that depend on County funding. County commissioners offered a different starting point: authority should match the money an entity commits and the risk it carries, and the	Nearly every group

Theme	What groups said	Heard most from
	County owns the property and is the financial backstop. Hennepin Healthcare staff said elected officials should not manage day to day practice, and asked for stable leadership and a board that understands health care. Legislators asked that the roles of the State, the County and the hospital board be clearly worked out.	
Keep it public, open and staffed	Labor, nurses and clinics asked that Hennepin Healthcare stay publicly owned, that workers and patients have a voice, and that skilled staff be retained. State agencies noted that part of its current Medicaid financing structure depends on public ownership. Several groups worried about clinicians leaving during a period of uncertainty. Former board members asked that emergency care and labor and delivery not be interrupted during any change, that physicians be kept informed and involved, and that the community advisory group be restored if it has lapsed. Legislators said remaining a public hospital is the first thing they expect in return for public support, and County commissioners said the past year made clear that this is a public teaching hospital with a statewide role. Hennepin Healthcare staff said the workforce is dedicated but fragile, that many clinicians and employees left during the past year, and that the training programs and psychiatric care must not be compromised.	Labor; nurses; clinics; advocates; physicians; former board members; Hennepin Healthcare staff; legislators; County commissioners
Public money should match the statewide role, with accountability	Many groups said the cost of a statewide resource should not rest on one county. Legislators asked for better information on where patients come from and why. In their second sitting they asked for a specific number for the hospital's need over the next two and five years, with an explanation of how it was built and of what the capital request covers. They preferred a statewide funding source to charging individual counties for the residents they send, which could discourage a hospital from transferring a patient who needs the care. Other hospitals and health systems said funding should follow the functions Minnesota needs, with a clear purpose and measures. Former board members said the County provides about 2 percent of the budget (as stated), asked for predictable support from the State and from the counties that send patients, and said funders should receive a yearly report and an advisory voice, not necessarily seats on the board. County commissioners described the County's proposal for authority to levy a County sales tax, and asked that someone at the State hold timely information on hospital finances and capacity. Hennepin Healthcare staff asked for stable funding that matches the statewide role and for a plan to replace aging buildings.	Legislators; clinics; nurses; other hospitals and health systems; former board members; County commissioners; Hennepin Healthcare staff

3. Where Groups Differ

Question	One view	Another view
How broad should services be?	Concentrate on what only Hennepin Healthcare does, or does at a volume no one else matches, and let other systems take the work they are equipped for (other hospitals and health systems; some ambulance leaders).	Protect existing services, including clinics and primary care (advocates; clinics; physicians; nurses). State agencies added that a Level I trauma center needs nearly every specialty, so it can narrow some services but cannot simply drop

Question	One view	Another view
		many of them. Hennepin Healthcare staff said it may not need to do everything it does now, but that it should remain a health system with many specialties and that any choices should be precise, not cuts across the board.
What drives the losses?	Mainly Medicaid underpayment and the mix of patients (state agencies; some other hospitals and health systems; advocates; clinics; former board members; County commissioners; legislators in their second sitting). Hennepin Healthcare staff described the organization as lean and said internal improvements are not the main cause.	Payment plus internal costs such as staffing levels, layers of management and leadership turnover (labor; nurses; some other hospitals and health systems; some legislators). Former board members said the County did not allow management to act on managing labor costs.
How open should the board be?	Open meetings and published information, including on finances and executive pay (labor; nurses). Legislators asked for transparency from both the hospital and the County, and said claims of proprietary information should not be enough to withhold information from the State.	Room for a board to discuss hard choices in private, with public accountability for results (other hospitals and health systems; physicians). State agencies preferred the same disclosure from all hospitals, not one alone.
Who should hold governing authority?	Hennepin County, with a board that workers and the public can reach (labor; nurses). County commissioners said the County's say should match the money it commits and the risk it carries, and regarded the current subsidiary corporation structure as sound.	An independent board with health care and community expertise and a limited County role (former board members; physicians; other hospitals and health systems; Hennepin Healthcare staff), and likely a larger State role (clinics; some legislators) in deciding needed scope of services. Legislators in their second sitting did not want the State to run the hospital, but wanted the State represented on the board or a related body so that it can see what is happening. County commissioners did not recommend a State takeover.
Should funding bring a seat at the table?	Public support should come with conditions, measures and reporting (legislators; other hospitals and health systems; state agencies). County commissioners said decision making authority should follow the resources committed and the risk carried.	Public and philanthropic funders should receive reports and have an advisory voice, but should not necessarily direct the board (former board members). Legislators in their second sitting cautioned against adding layers of oversight, and preferred a defined threshold of financial distress that would bring the Legislature back in.

Of note: groups that want less County control and groups that want a board within reach are often describing different bodies at different times. Both describe a hospital board with real authority that staff and the public can see and hold accountable.

4. What Each Group Asked of the Task Force

Group	Leading request
Ambulance and emergency medical services	An active board with financial expertise whose first job is to define the core mission.

Group	Leading request
Community health centers, clinics and public health	Settle governance first, seat people who are served and community providers on the board, and consider a State share of the cost, since the County may be carrying more than its share. The group did not say whether that should include a role in governance.
Organized labor	Keep Hennepin Healthcare public, give workers a seat on the board, and make decisions and spending visible.
Hospitals and health systems, urban and rural	Fix payment and post acute care issues for all hospitals, fund the functions Minnesota needs with a clear purpose and measures, and focus on the population served, not the institution. Let the board govern and management lead, manage cost without County interference, and listen to the people who work at Hennepin Healthcare.
Physicians	Put physicians at the center of decision making, and resolve the difficulty with the County Board.
Registered nurses	Commit that Hennepin Healthcare stays public, open and able to offer its specialized services, with oversight of finances and executive pay.
State legislators and legislative staff	Give the Legislature a full picture of the finances and of where patients come from, including a specific number for the need and how it was built, and offer clear recommendations with the most urgent needs first. Views differed on continuing support.
State agency commissioners	Increase Medicaid rates (a view most, but not all, agencies shared), consider a different way of paying hospitals, and keep mental health and other strengths available statewide.
Hennepin County commissioners	Act early in the 2027 session, match decision making authority to the resources committed and the risk carried, and have the State hold timely information on which hospitals provide which services.
Consumer and patient advocates	Protect and stabilize existing services, give patients and communities a voice that can be shown to change decisions, and change the wider financing system so that a safety net hospital does not depend on large subsidies.
Former board members	Seat an independent board whose members all carry the same duties, fiduciary responsibilities and conflict of interest limitations, and provide predictable public support.
Hennepin Healthcare staff	Provide stable governance by a board that understands health care and stable funding that matches the statewide role, and protect quality of care, the training programs and psychiatric care.

Basis: consultation session summaries prepared by Laurel Health Advisors from session transcripts and notes, October 13 through November 16, 2026. This document records what groups said. It does not state findings or recommendations of the Task Force or the Minnesota Health Subcabinet.