



Updates to the Hospital Closure Statute

[Sec. 144.555 MN Statutes](#)

Health Regulation Division (HRD)

August 7, 2024

Meet MDH – HRD Leadership

- Maria King, Health Regulations Division Director
- Sarah Grebenc, Federal Executive Regional Operations Manager
- Shellae Dietrich, Federal Operations Manager
- Kia M. Moua, Federal Licensing, Certification and Registration (LCR) Supervisor

- Statute Amendment Changes
- How to Apply Changes
- Submitting Information to MDH
- Penalties





Statute Amendment Changes

Shellae Dietrich | Federal Operations Manager

Kia M. Moua | Federal Licensing, Certification and Registration (LCR) Supervisor

Amendment Changes – Section 144.555, subd. 1a

[Minnesota Laws of 2024, chapter 127, article 28, subd. 1a](#)

Must notify the commissioner of health at least 182 days before the following:

- Ceasing operations.
- Curtailing operations to the extent that patients must be relocated.
- Relocating the provision of health services to another hospital or another hospital campus.
- Ceasing to offer maternity care and newborn care services, intensive care unit services, inpatient mental health services, or inpatient substance use disorder treatment services.

Unless controlling persons can demonstrate to the commissioner that meeting in advanced notice requirement is not feasible and the commissioner approves a shorter advanced notice.

Amendment Changes – Section 144.555, subd. 1b

Minnesota Laws of 2024, chapter 127, article 28, subd. 1b

- Within 30 days after receiving notice, the commissioner shall conduct a public hearing.
- The public hearing must be held at a location that is within ten miles of the hospital and is provided or arranged by the hospital or hospital campus.
- Video conferencing technology must be used to allow members of the public to view and participate in the hearing.

Amendment Changes – Section 144.555, subd. 1d. (a)

[Minnesota Laws of 2024, chapter 127, article 28, subd. 1d., paragraph \(a\)](#)

A notice must be provided to the following:

- Commissioner of health
- City council
- County board
- Local health department
- The public through a written public announcement which must be distributed to local media outlets
- Existing patients
- All personnel currently employed in the unit, hospital, or hospital campus impacted by the change

The posting of the notice must be at the main public entrance of the hospital or hospital campus.

Amendment Changes – Section 144.555, subd. 1d. (b)

(1/3)

[Minnesota Laws of 2024, chapter 127, article 28, subd. 1d., paragraph \(b\)](#)

The notice must include the following after or impacted by the proposed cessation, curtailment, or relocation.

- The number of beds, if any, that will be eliminated, repurposed, reassigned, or otherwise reconfigured to serve populations or patients other than those currently served.
- The current number of beds in the impacted unit hospital, or hospital campus, and the number of beds in the impacted unit, hospital, or hospital campus.
- The number of existing patients who will be impacted.
- Any decrease in personnel, or relocation of personnel to a different unit, hospital, or hospital campus.

Amendment Changes – Section 144.555, subd. 1d. (b)

(2/3)

Minnesota Laws of 2024, chapter 127, article 28, subd. 1d., paragraph (b)

- A description of the health services provided by the unit, hospital, or hospital campus.
- Identification of the three nearest available health care facilities where patients may obtain the health services provided by the unit, hospital, or hospital campus.
 - Any potential barriers to seamlessly transition patients to receive services at one of these facilities.
 - Must specify whether any of the three nearest available facilities serves Medical Assistance or Medicare enrollees.

Amendment Changes – Section 144.555, subd. 1d. (b) (3/3)

Minnesota Laws of 2024, chapter 127, article 28, subd. 1d., paragraph (b)

- Telephone number, email address, and address for each of the following, to which interested parties may offer comments on the proposed cessation, curtailment, or relocation.
 - The hospital or hospital campus.
 - The parent entity, or the entity under contract, that acts as the corporate administrator of the hospital or hospital campus.

Amendment Changes – Section 144.555, subd. 3

Minnesota Laws of 2024, chapter 127, article 28, subd. 3

Penalties for hospitals

- Failure to participate in public hearing or notify the commissioner may result in issuance of a correction order.
- The commissioner must impose on the controlling persons of a hospital or hospital campus:
 - A fine of \$20,000 for each failure to provide notice to an individual or entity or at a location required under subd. 1d, paragraph (a).
 - The cumulative fines imposed must not exceed \$60,000 for any scheduled action requiring notice under subd. 1a.
 - The commissioner is not required to issue a correction order before imposing a fine.



How to Apply Changes

Maria King | HRD Division Director

Sarah Grebenc | Executive Regional Operations Manager

- The controlling persons of a hospital or a hospital campus must notify **the commissioner of health, the public, and others** at least **182 days before** the hospital or hospital campus voluntarily plans to implement one of the scheduled actions listed in the statute.
- Unless the controlling persons can demonstrate to the commissioner that meeting the advanced notice requirement is not feasible and the commissioner approves a shorter advanced notice.

What actions require the 182-day advanced notice?

- Ceasing operations.
- Curtailing operations to the extent that patients must be relocated.
- Relocating the provision of health services to another hospital or another hospital campus.
- Ceasing to offer maternity care and newborn care services, intensive care unit services, inpatient mental health services, or inpatient substance use disorder treatment.

What happens after the notice is provided?

- Within 30 days after receiving notice, the commissioner of health shall conduct a public hearing on the scheduled cessation of operations, curtailment of operations, relocation of health services, or cessation in offering health services.
- The commissioner of health must provide adequate public notice of the hearing in a time and manner determined by the commissioner.
- The controlling persons of the hospital or hospital campus must participate in the public hearing.
- The public hearing must be held at a location that is within ten miles of the hospital or hospital campus or with the commissioner of health's approval as close as is practicable, and that is provided or arranged by the hospital or hospital campus.
- Video conferencing technology must be used to allow members of the public to view and participate in the hearing.

What will the public hearing include?

- An explanation by the controlling persons of the reasons for ceasing or curtailing operations, relocating health services, or ceasing to offer any of the listed health services.
- A description of the actions that controlling persons will take to ensure that residents in the hospital's or campus's service area have continued access to the health services being eliminated, curtailed, or relocated.
- An opportunity for public testimony on the scheduled cessation or curtailment of operations, relocation of health services, or cessation in offering any of the listed health services, and on the hospital's or campus's plan to ensure continued access to those health services being eliminated, curtailed, or relocated.
- An opportunity for the controlling persons to respond to questions from interested persons.

Who should receive the notice?

- Provided to the local health department for the community where the hospital or hospital campus is located.
- Provided to the public through a written public announcement which must be distributed to local media outlets.
- Provide written notice to existing patients of the hospital or hospital campus.
- The hospital also notifies all personnel currently employed in the unit, hospital, or hospital campus impacted by the proposed cessation, curtailment or relocation.

Where is the notice posted?

The notice of the proposed cessation of operations, curtailment, relocation of health services, or cessation in offering health services should be **posted at the main public entrance of the hospital or hospital campus.**



What is required in the notice? (1 of 3)

- The number of beds, if any, that will be eliminated, repurposed, reassigned, or otherwise reconfigured to serve populations or patients other than those currently served.
- The current number of beds in the impacted unit, hospital, or hospital campus, and the number of beds in the impacted unit, hospital, or hospital campus after the proposed cessation, curtailment or relocation takes place.
- The number of existing patients who will be impacted by the proposed cessation, curtailment or relocation.

What is required in the notice? (2 of 3)

- Any decrease in personnel, or relocation of personnel to a different unit, hospital, or hospital campus, caused by the proposed cessation, curtailment, or relocation;
- A description of the health services provided by the unit, hospital, or hospital campus impacted by the proposed cessation, curtailment, or relocation; and
- Identification of the three nearest available health care facilities where patients may obtain the health services provided by the unit, hospital, or hospital campus impacted by the proposed cessation, curtailment, or relocation, and any potential barriers to seamlessly transition patients to receive services at one of these facilities. If the unit, hospital, or hospital campus impacted by the proposed cessation, curtailment, or relocation serves medical assistance or Medicare enrollees, the information required under this item must specify whether any of the three nearest available facilities serves medical assistance or Medicare enrollees.

What is required in the notice? (3 of 3)

In addition, the notice must include a telephone number, email address, and address for each of the following, to which interested parties may offer comments on the proposed cessation, curtailment or relocation:

- The hospital or hospital campus.
- The parent entity, if any, or the entity under contract, if any, that acts as the corporate administrator of the hospital or hospital campus.



Submitting Information to MDH

Shellae Dietrich | Federal Operations Manager


Kia M. Moua | Federal Licensing, Certification, and Registration (LCR) Supervisor

How to Submit the Notice Form to MDH

- Complete the electronic Hospital Closure or Change in Services Notice Form
- Located on the [Hospital Closure and Change in Services](#) webpage.

Required in the notice

Please complete and submit the form linked below to notify MDH of a hospital or hospital campus closure, curtailing operations, relocating services or cessation in offering certain services outlined in [Minnesota Laws of 2024, chapter 127, article 58](#).

- [Hospital Closure or Change in Services Notice Form](#) 

Once the notice form has been received by MDH, the contact person will be notified to begin the public hearing process. If you have questions, please reach out to Health.HRD-FedLCR@state.mn.us.

The notice must be posted at the main public entrance of the hospital or hospital campus.

How to Submit the Notice Form to MDH (cont.)



- Answer all questions.
- Click the **Submit** button to send the electronic notice form.
- Email with instructions on how to send a copy of each notice to HRD.

Upon Receipt of the Notice Form

- HRD will guide controlling persons (hospital representatives) through the notification and hearing process.
- Coordinate a public hearing within 30 days.
- Participation in the public hearing and respond to the questions of the interested parties.





Penalties

Maria King | HRD Division Director
Sarah Grebenc | Executive Regional Operations Manager

Could a hospital receive a penalty for not complying?

- If a hospital fails to notify the commissioner, this may result in issuance of a correction order.
- If a hospital fails to participate in a public hearing, this may result in issuance of a correction order.
- The commissioner must impose on the controlling persons of a hospital or hospital campus a fine of \$20,000 for each failure to provide notice to an individual or entity or at a location required.
- The cumulative fines imposed under this paragraph must not exceed \$60,000 for any scheduled action requiring notice.
- The commissioner is not required to issue a correction order before imposing a fine.



Contact Information

Federal Licensing, Certification & Registration (LCR) : Health.HRD-FEDLCR@state.mn.us

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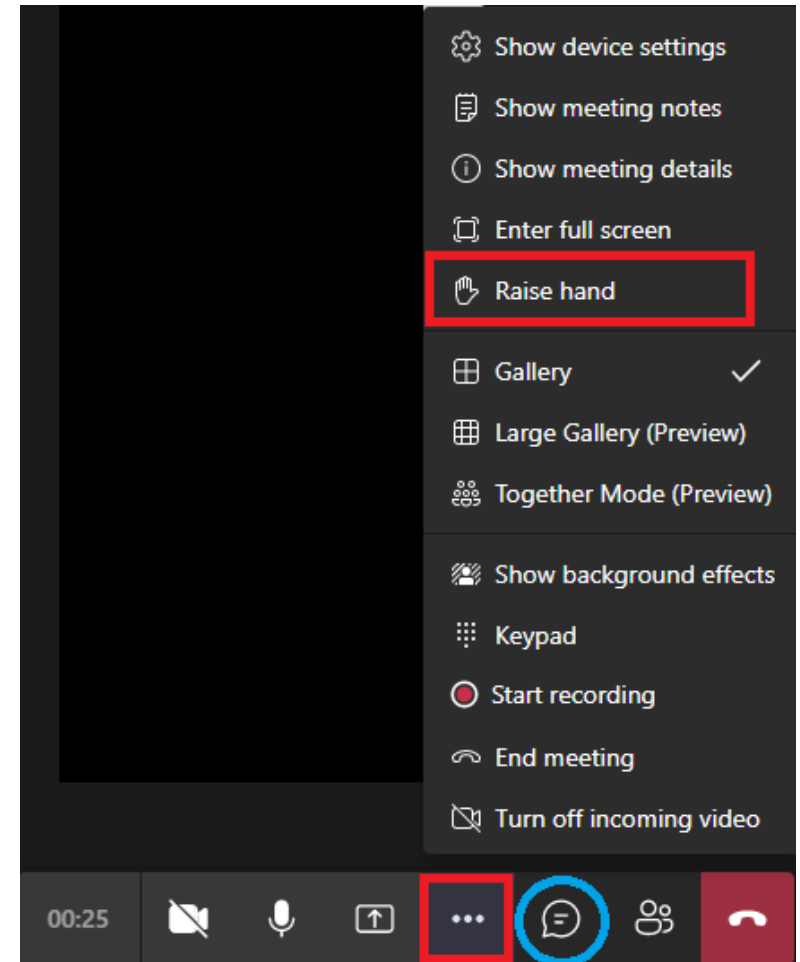
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How to Ask a Question

- **Participants are muted.** We will answer as many questions as we can at the end of the presentation.
- **Two ways to ask a question** or provide a comment:
 1. Raise your hand (**outlined in red**).
 2. Click the Chat bubble (**circled in blue**) to open the chat.
- For phone attendees, press ***5** to raise your hand, and ***6** to unmute/mute yourself.
- **We will select speakers** in order and add questions from the chat at the end of the presentation.



QUESTIONS



Thank You!

Maria King | Health Regulations Division Director

Sarah Grebenc | Federal Executive Regional Operations Manager

Shellae Dietrich | Federal Operations Manager

Kia M. Moua | Federal LCR Supervisor