

Enclosure: Request for Additional Public Interest Review Information from Regions Hospital

SEPTEMBER 5, 2025

On August 1, 2025, the Minnesota Department of Health (MDH) received an application for public interest review from Regions Hospital to expand licensed capacity by 85 beds at an existing safety-net, Level 1 Trauma Center facility in Ramsey County, Minnesota.

This application did not include several required items specified in MDH's guidance to entities seeking an exception to the hospital bed moratorium. In addition, to conduct the Public Interest Review, MDH requires clarification, further explanation, or additional information on a number of items.

Following a similar outline to MDH's guidance, this document identifies information MDH requires before we consider the application complete and are able to conduct the statutorily required review to issue a finding to the Minnesota Legislature.

Background

- Submit articles of organization, joint ventures, and other organizational information.
- Provide current or recent Internal Revenue Service (IRS) forms, charity care/financial assistance policies, and billing/collection agreements.
- Describe community engagement activities that have informed the proposal and a list of stakeholders and affected parties that were identified in planning for the project.

Project Description

- Address whether the 85-bed expansion would in any way impact existing service lines such as the 120 mental health beds. Identify any reduction, elimination, or relocation of any existing service.
- Provide additional detail on the services and unit breakdown for the planned "incremental" bed openings between 2026 and 2033.
- Provide cost estimates for the entire project and phases.

Need for Project

- Make available all details from modeling/forecasts of future inpatient demand noted in the application including assumptions, sources of input data, and other factors not already noted in the application.

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- Provide further supporting evidence, beyond what has been provided in the application, for the need for additional beds that includes the following:
 - Research, evidence on ideal occupancy rates, and other relevant data on the clinical risks of lack of capacity for patients needing time-sensitive specialized care noted in the application.
 - A description of factors that are leading to increased length of patient stays.
 - Measures of quality under previous staffing and occupancy levels.
 - Feedback from emergency medical services, clinics, and other hospitals.
- Provide relevant data on the incidence or prevalence of disease, behavioral risk factors, and acuity mix for the primary service area as it relates to proposed hospital services, with attention given to populations that are medically underserved, those on public coverage, and uninsured.
- Describe potential linkages between the inpatient expansion and investments in primary care and post-acute care services. For example, describe how the project might contribute to continuity of care and care coordination.
- Provide more detail on alternatives to the proposed inpatient expansion that Regions considered and briefly noted in the application, such as expanded outpatient programs, increased home care, and other efforts to reduce unnecessary inpatient care.
- Describe whether Regions took into consideration the potential effect of recent federal actions related to health care financing and coverage eligibility that are expected to increase hospital uncompensated care and may impact any part of the expansion plan. If considered, provide supporting data on the following: (1) projection volumes of uninsured or underinsured patients from 2026 through 2033; (2) modeling of demand effects from a reduction in the population with health insurance coverage; and (3) impact of items (1) and (2) on the financial viability of the hospital or the proposed expansion.

Impact on Other Hospitals

- Provide an analysis of the impact of the 85-bed expansion on all hospitals serving the East Metro Area. Please provide any internal projections on how additional inpatient volume may result in new patient revenue and expenses at Regions, and how these changes may affect patient volume, revenue, and expenses at other facilities. Please provide this information by payer categories (i.e., commercial, Medicaid, Medicare, uninsured, and other payers).
- Describe how the specific proposed inpatient services (e.g., cardiology, neurology, orthopedics, etc.) will expand existing services or result in the adoption of new services at Regions Hospital and to what extent these services are already available at other hospitals serving the East Metro Area.
- Provide a staffing plan that includes detailed personnel classifications (i.e., physicians, licensed practical nurses, registered nurses, nursing aides, etc.) for all proposed new units of

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the hospital, including full-time equivalent (FTE) hour amounts for each position per 24-hour period and the anticipated number of patient days per 24-hour period.

- List existing vacancy rates for relevant personnel (e.g., registered nurses, licensed-practical nurses, and nurse aides) for the primary service area.

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To obtain this information in a different format, call: 651-201-4520.