

October 3, 2025

Mr. James McClean
Regions Hospital
640 Jackson Street
St. Paul, MN 55101

Transmitted via email

Dear Mr. McClean,

This letter is to provide formal notice that the Minnesota Department of Health (MDH) has received sufficient information to *begin* a public interest review of Regions Hospital's proposal to add 85 licensed beds at an existing safety net, level I trauma hospital in Ramsey County, Minnesota.

MDH may take up to 150 days to issue a finding as to whether the proposed hospital is in the public interest. As part of conducting our review we will notify the public and reach out to affected parties. All information submitted as part of this review will be made available on the Hospital Bed Moratorium (<https://www.health.state.mn.us/data/economics/moratorium/index.html>) webpage.

To consider all relevant factors in our review, we ask that Regions Hospital provide additional detail and clarification on the following items:

- Submit an organizational chart of HealthPartners, Inc. to help us understand how Regions fits into the larger organization.
- Provide a complete description of the HealthPartners Direct access center for referrals (i.e., full list of affiliated clinics and other referral sources).
- Provide a statement regarding whether HealthPartners is planning any primary care clinic closures in the immediate and near term.
- Please publicly disclose a general estimate of total construction costs for the remaining beds that would be borne by the future payers of services at this hospital.
- Share a more detailed description of whether recent federal policy changes enacted in July of 2025 are incorporated into inpatient bed need projections and sensitivity analyses.
- Provide an estimate of the extent to which recent federal policy changes may create financial hardship for the hospital through greater demand for uncompensated care and lower patient revenue.

If you have any questions about the Public Interest Review process, please feel free to reach out to me directly or send an email to health.pir@state.mn.us.

Sincerely,

/s/

Stefan Gildemeister
Director, Health Economics Program
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