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## Winona health providers eye St. Paul for looming clash

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Michael Flynn is watching anxiously as Minnesota lawmakers near a showdown with Gov. Tim Pawlenty on state spending for health care.

The issue is central to the larger budget battle between DFL lawmakers and Pawlenty, who wants to eliminate health coverage for about 93,000 Minnesotans and reduce state payments to health providers. DFL lawmakers want less-drastic health care cuts and would pay the difference with tax increase.

For Flynn, a Lewiston, Minn., dentist, the stakes couldn't be higher. Pawlenty's proposal would eliminate dental coverage for many patients and scale back payments to dentists like Flynn, who treat many patients who can't pay. House and Senate proposals approved earlier this week wouldn't cut patients off from dental coverage, though they would scale back some services.

Flynn says 65 percent of his patients use state-sponsored dental care, and Minnesota reimbursement rates to dentists already are among the poorest in the nation.

"I'm tired of the Legislature telling me I've got to do more with less," Flynn said. "I'm already bare-bones. I've got nowhere to go but out of business."

A Pawlenty spokesman said Thursday that deep cuts are necessary to mitigate "unsustainable" increases in projected health care spending. Without cuts, state health care costs would increase an estimated 20 percent in fiscal-year 2011.

"As those programs grow at a pace that's out-of-control, they take limited funding away from other priorities like K-12 education, military and veterans, and public safety," Pawlenty spokesman Alex Carey said.

### Others also feeling the pinch

Local hospitals and nursing homes also fear what may result from budget deliberations in St. Paul, and say they can't afford state-aid cuts at a time when economic factors are driving their costs up.

Winona Health, which operates Winona Clinic and Community Memorial Hospital, estimated in February that Pawlenty's proposal would trim \$6 million from its budget and force it to trim up to 115 jobs. Conditions already were worsening without the cuts: The number of Winona Health patients who couldn't afford to pay for increased 37 percent in the past fiscal year.

CEO Rochelle Schultz said Winona Health is braced for state-aid cuts "no matter what," and already has eliminated 30 positions, mostly through attrition.

But much depends on whether the governor or lawmakers get their way. Pawlenty's budget proposal would cut 10 times as much from hospital budgets as the Minnesota House proposal, according to the Minnesota Hospital Association.

Sen. Sharon Erickson Ropes, DFL-Winona, said Pawlenty's plan was so dire that Community Memorial "probably would have to close"



Dentist Michael Flynn checks a loose crown Thursday for patient Helen Kowalski at his office in Lewiston. Flynn worries that proposed cuts to state dental care funding could drive him out of business. (Photo by Melissa Carlo/Winona Daily News)

if it were enacted.

Nursing homes — already struggling to make ends meet in rural Minnesota — also may face cuts. Most nursing home operators hope lawmakers will simply freeze their funding for the next biennium, said Cyndy Seiwert, operations director for Golden Living Center-Whitewater in St. Charles, Minn.

"We're asking people to prioritize our seniors," Seiwert said.

#### **Lawmakers debate**

Clashes over tax increases this year between Pawlenty and DFL lawmakers are closely tied to health care spending. Pawlenty wants sweeping reductions in health care services though he still would spend more than in previous years to hold the line on taxes and increase K-12 funding.

Democrats Ropes argue that approach makes short-term sense but portends disaster in the long run.

"When you cut all these people off of health care coverage, they don't go away," Ropes said. "My concern is that it's going to lead to more costs later."

Rep. Greg Davids, R-Preston, voted against the House bill that outlined health care spending. Davids said the bill didn't do enough for rural nursing homes — a key issue in his hometown of Preston, where a nursing home closed in March 2008, erasing 50 jobs and a community institution.

Davids said Minnesota must tighten eligibility for health coverage to keep funding nursing homes and K-12 schools.

"We have some of the most generous welfare programs in the country, and we can't afford it," Davids said.

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