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Local Hospital Leaders Ask for Help to Stop Healthcare Cuts

WADENA, Minn. – May. 7, 2025 – Leaders from four local hospitals—Astera Health, CHI – St. Joseph’s Health, Lakewood Health System, and Perham Health—are speaking out. They are asking people in our communities to talk to lawmakers about big budget cuts that could hurt rural health care.

These cuts to federal and state programs could have serious effects on hospitals in small towns like Park Rapids, Perham, Staples, and Wadena. Hospital CEOs Joel Beiswenger (Astera Health), Ben Koppelman (CHI St. Joseph’s Health), Lisa Bjerga (Lakewood Health System), and Chuck Hofius (Perham Health) want people to know how these changes could hurt patients, hospitals, and the entire community.

What is Medicaid?

Medicaid is a government program that helps people pay for healthcare. Each state runs its own Medicaid program; in Minnesota it is called Medical Assistance.

How many people utilize Medicaid in our area?

- 18 percent of Astera Health patients
- 19 percent of CHI St. Joseph’s Health patients
- 20 percent of Lakewood Health System patients
- 14 percent of Perham Health patients

Who relies on Medicaid?

- Children and Families
- Pregnant Women
- Low-Income Working Adults

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- Seniors and Individuals with Disabilities, including mental illness: Medicaid covers long-term care services, including nursing home care, which are not typically covered by Medicare.

From the mom of a child with cerebral palsy to the dad of three who was severely injured on the job, thousands of stories are shared online for support of this program relied on by over one million Minnesotans.

Why these cuts are a big problem

Federal budget cuts could take away over \$1 billion in Minnesota's Medicaid funding each year. This impacts healthcare coverage for 1.4 million Minnesotans. When people lose health insurance, they skip regular checkups. Small problems then turn into big ones, and they end up in the emergency room. This adds strain to doctors and nurses and makes wait times longer for all patients needing emergency care.

Other Services at Risk

Minnesota has lost over \$220 million in public health money in other government cuts this year. This has led to people losing their jobs and fewer resources like tracking disease and helping people with mental health needs. With additional cuts, programs that help people who are already struggling will be ended.

Hurting the rural economy

The health systems in Park Rapids, Perham, Staples, and Wadena are the largest employers in their communities. If they must cut staff, it will hurt local businesses too. The effects of lost jobs in healthcare will have impacts such as lower school enrollment, less local property and sales taxes collected, and lost sales for hometown businesses.

Impact on Patients

In rural Minnesota, Medicaid helps pay for care for about 20% of adults under 65, and 40% of children. Rural families already struggle getting care. They often travel twice as far as people in cities just to see a doctor. If Medicaid gets cut, these families may not be able to afford care at all, especially for serious illnesses like diabetes, heart disease, and cancer.

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Hospitals may need to cut services as well as delay improvement to equipment and buildings. They will also stop hiring or layoff staff, which could impact the quality of care.

How the Community Can Help

- **Stay Informed:** Learn how these budget cuts affect your local hospital.
- **Speak up:** Call or email state and federal lawmakers. Ask them to protect healthcare funding. Find your representative here:
<https://www.gis.lcc.mn.gov/iMaps/districts/>
- **Support Local Healthcare:** Join community health programs and volunteer at your local hospital.

The CEOs of Astera Health, CHI St. Joseph's Health, Lakewood Health System, and Perham Health are not just healthcare leaders—they're your neighbors who deeply care about our communities. These proposed cuts will hurt real people: our patients, families, and coworkers. Now is the time to speak up to protect the healthcare our hometowns rely on.

ABOUT ASTERA HEALTH FOUNDATION

The Astera Health Foundation is a private charity established in 1994 by the hospital to attract and administer charitable funds for the benefit of the communities and surrounding areas served by Astera Health. Tax deductible gifts support education, technology, patient care and equipment. Financial donations stay local and have a direct and lasting impact on your family, friends and neighbors.

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