

DATED RELEASE

FOR IMMEDIATE RELEASE

City of Fosston Forced to Take Essentia Health to District Court

November 21, 2025 – More than a year ago, the City of Fosston issued a notice of termination to Essentia Health, demanding that Essentia return the City’s membership interest in First Care Medical Services. The City exercised its right under Minnesota state law to end the Affiliation Agreement that brought Essentia to Fosston.

Essentia has suggested that the City of Fosston is refusing to accept the decision of the split arbitration panel. This is simply not true. The City is not rehashing the panel’s ruling; rather, it is terminating the agreement with Essentia Health in its entirety, on different grounds than what was previously arbitrated.

In recent months, Essentia has attempted to foster goodwill in the community while presenting misleading information about the nature of the dispute. To be clear: **Essentia Health does not own First Care Medical Services**. No money exchanged hands in 2009. Essentia entered into an agreement based on promises—promises the City believes have since been broken. The community has been clear and consistent: they no longer wish to have Essentia in charge of their healthcare.

This week, the City of Fosston filed a motion in Polk County District Court to compel Essentia to arbitrate, after the parties were unsuccessful in resolving their dispute by more informal means.

The City of Fosston remains committed to restoring local control of our healthcare facilities. Our priority is the wellbeing of this community. Essentia’s actions demonstrate a different set of priorities. The City will continue working to ensure that healthcare in Fosston reflects the needs, values, and voices of the people who live here.