Office of the Minnesota Secretary of State
Minnesota Public Benefit Corporation / Annual Benefit Report
Minnesota Statutes, Chapter 304A

Read the instructions before completing this form
Must be filed by March 31
Filing Fee: $55 for expedited service in-person, $35 if submitted by mail

The Annual Benefit Report covers the 12 month period ending on December 31 of the previous year.
Notice: Failure to file this form by March 31 of this year will result in the revocation of the corporation's public benefit status without further notice from the Secretary of State, pursuant to Minnesota Statutes, Section 304A.301

1. Corporate Name: (Required) _HB Healthcare Safety SBC_

2. The public benefit corporation's board of directors has reviewed and approved this report.

3. In the field below, enter the information required by section 304A.301 subd. 2 or 3 for the period covered by this report, (see instructions for further information): Note: Use additional sheets if needed. (Required)

> See Enclosed

4. I, the undersigned, certify that I am the chief executive officer of this public benefit corporation. I further certify that I have signed this document no more than 30 days before the document is delivered to the secretary of state for filing, and that this document is current when signed. I further certify that I have completed all required fields, and that the information in this document is true and correct and in compliance with the applicable chapter of Minnesota Statutes. I understand that by signing this document I am subject to the penalties of perjury as set forth in Section 609.48 as if I had signed this document under oath.

Ann Huddleston MD
Signature of Public Benefit Corporation's Chief Executive Officer

March 15, 2019
Date (Must be dated within 30 days before the report is delivered to the Secretary of State for Filing)

Email Address for Official Notices

Enter an email address to which the Secretary of State can forward official notices required by law and other notices:

~~macdawey~~ hart@hbhealthcaresafety.org

☐ Check here to have your email address excluded from requests for bulk data, to the extent allowed by Minnesota law.

List a name and daytime phone number of a person who can be contacted about this form:

Lacey Hart   _507-208-9438_
Contact Name   Phone Number

Entities that own, lease, or have any financial interest in agricultural land or land capable of being farmed must register with the MN Dept. of Agriculture's Corporate Farm Program.

Does this entity own, lease, or have any financial interest in agricultural land or land capable of being farmed?
Yes ☐   No ☒

2018 Annual Benefit Report

HB Healthcare Safety, SBC

A Minnesota Social Benefit Corporation

March 2019

HB Healthcare Safety was incorporated on July 30, 2015 as a Social Benefit Corporation under Minnesota's Public Benefit Corporation Act. Pursuant to Section 304A.101 of the Act, public benefit purpose as stated in it's Articles of Incorporation to reduce suffering caused by healthcare delivery.

Throughout this report, HB Healthcare Safety will be referred to as HBHS or may refer to itself as "we", or "our" or "us."

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HEALTHCARE SAFETY

Company Overview

HB Healthcare Safety (HBHS) believes that no one should ever suffer (emotionally or physically) or die as a result of process of care or system failures and by 'no one', we mean patients and families as well as the care teams. Our purpose is to reduce the suffering caused by healthcare delivery through research, education, initiatives, and advocacy involving all stakeholders in the healthcare system.

Our mission is to reduce harm associated with healthcare delivery. As a Social Benefit Corporation, we have a solid foundation for our long-term mission alignment and value creation as it protects our mission through capital raises and leadership changes. Our focus is to help healthcare systems to pin-point the common causes of patient harm in their systems and processes, provide the technology solution that monitors the actions and inactions that lead to harm, and develop processes addressing failures in care delivery – dollars and lives saves.

HBHS has been combating ineffective peer review and other processes of review by broadening our focus to identify omissions (what we don't do to cause harm such as delayed diagnosis or failure to diagnose) and to examine process of care and system failures. Our Safety Learning System™ methodology paired with our Healthcare Safeware® technology enables healthcare providers to create and implement lasting quality improvement initiatives and reliable systems of care.

What does the HB Stand For?

Honey Badger! Our healthcare honey badgers (Collaborative members) are relentless in their pursuit of the mission: healthcare delivery free from harm. They are tenacious advocates for patients and colleagues by working hard to identify and correct omission of care that prevent providers from doing their best job and allow for mistakes to be make.

We believe **NO ONE** should suffer or die as a result of healthcare delivery process or system failures

VISION

Healthcare Delivery Free from Harm

PURPOSE

To reduce the suffering caused by healthcare delivery; through research, education, initiatives and advocacy involving all stakeholders in the healthcare system.

HEALTHCARE SAFETY

Pursuit of Purpose

With regard to the period covered by this report, January 1, 2018 to December 31, 2018, HBHS pursued the specific benefit purpose as follows.

We pursue our purpose through an array of educational, consulting, and support services that fall within our Safety Learning System™ methodology. We lend assistance in the identification of harm, training of case reviewers, guidance in change management and leadership strategies, facilitation of culture change, effective use of technology services, and the implementation of systems improvement projects.

Organized in cooperation with academic research led by Mayo Clinic Rochester, participating medical centers: 1) elucidated and categorized types of process of care failures; 2) quantified the prevalence of process of care failures; 3) defined the common causes of process of care failures; 4) quantified and described the differences in findings between institutions.

Implementation is local using actionable information and influence. Yet, Collaborative members have the benefit of sharing lessons learned & results with other members through our research program. After on-site training, each participating hospital reviewed process of care for consecutive patients selected from a prior specified cohort (e.g. sepsis, resuscitation calls, mortalities, surgical events, etc). The goal for each hospital was to review 100 cases using mixed method (qualitative & quantitative) reviews entered into the web-based Healthcare Safeware® technology. Monthly multi-disciplinary and multi-specialty case discussion were held locally for those cases with any findings. Only those opportunities/process of care issues that reach 100% consensus from all nurses, doctors and allied health present were included as 'Opportunities for Improvement' outcomes. De-identified data & descriptive statistics illustrated process of care issues identified along with their common cause failures. Benchmarking reports between sites were distributed.

> "We all get that *'this could have been better'* feeling with some patients. This is the way to do something about it!" – MD, Maryland

Healthcare providers are further encouraged to share experiences with all disciplines and specialties within hospital systems within our Learning Collaborative. Our aim is to lessen secondary victim burden and increase knowledge to enhance physician and hospital system performance leading to better patient experience and more positive outcomes. To achieve this culture shift, HBHS continually improves its teaching and training rubric and its technology offering to best serve clients and their individual needs.

HEALTHCARE
SAFETY

Our Successes

The following is a description of how we believe we succeeded in achieving the goals of our specific benefit purpose.
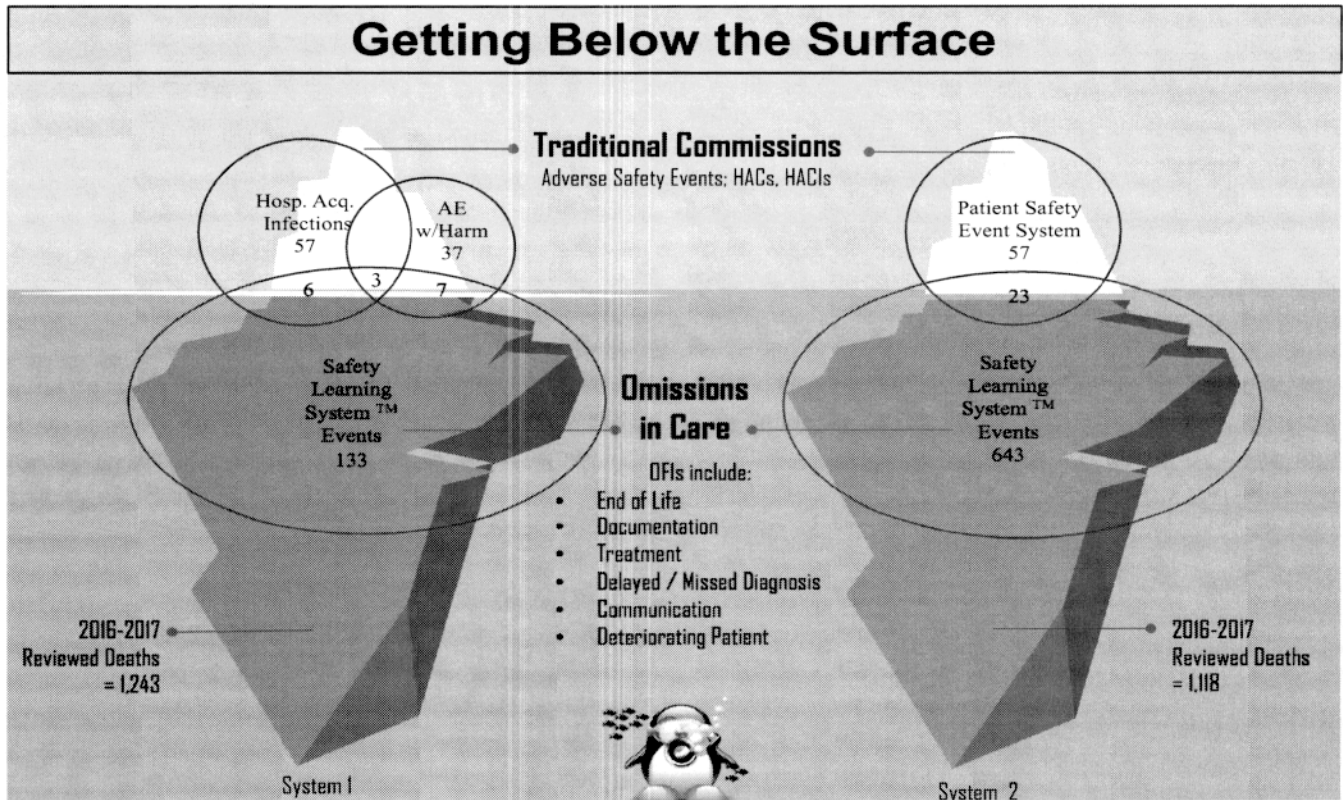
2018 was a year of exponential growth, learning, and gratification in our mission.

New Findings

Our understanding of omissions in care are continually expanding with the hard work of our Collaborative members in the identification and classification of Opportunities for Improvement (OFIs). Data from our Learning Collaborative indicates that of 80% of all the OFIs identified are "acts of omission" as opposed to the commissions more commonly reported and studied.

> "I thought the process was fantastic! I am embarrassed to say that we did an RCA on a case and missed the salient features in this process." -
> MD, Tasmania

By studying patients' journeys, we have identified and prioritized process & system failures below the water that create vulnerability for facilities and impediments that keep providers from doing their best job every day. When reconciled with existing patient safety reporting structures, 90-100% of OFIs identified with this review process were NOT previously reported through other safety reporting mechanisms in hospitals today solidifying our focus of healthcare delivery free from suffering and harm.

Getting Below the Surface

Traditional Commissions
Adverse Safety Events; HACs, HACIs

Hosp. Acq. Infections 57 — AE w/Harm 37 — 6 — 3 — 7

Patient Safety Event System 57 — 23

Safety Learning System ™ Events 133

Omissions in Care

OFIs include:
- End of Life
- Documentation
- Treatment
- Delayed / Missed Diagnosis
- Communication
- Deteriorating Patient

Safety Learning System ™ Events 643

2016-2017 Reviewed Deaths = 1,243

2016-2017 Reviewed Deaths = 1,118

System 1

System 2

Meaningful prioritization in healthcare is impossible when governments and external entities impose counting exercises that increase workload and distract from the real-world issues facing patients and providers. Healthcare is flooded with patient safety information and quality improvement teams are stranded on an Iceberg. Many have done significant work with peer review, incident reporting, and the global trigger tool. Real change however, is lurking beneath the icy water. To be heard by leadership, people communicate with louder, repetitive demands. Without prioritization, quality improvement is famous for Band-Aids on big problems, too much resource for smaller problems, and standardization to the point of losing important nuances between facilities. Healthcare must begin to shift resources toward fixing what matters for patients & providers.

Technology Improvements

We have expanded our technology services to become more customizable and collaborative. Introduced this year are discussion boards that allow new users to seek advice and for seasoned members to offer expertise. Healthcare Safeware® is a web-based Opportunities for Improvement (OFI) workflow tool that facilitates case review completion, record qualitative and quantitative information about each case, tracks new OFI learning shared within the hospital and corporate level structure, and create the ability to capture the patient story and their hospital journey resulting in the capture of actionable insights for system improvements. The application allows authorized users to login and access reviews and cases that they have access to. System administrators can control which users have access to different levels of data for each hospital, and can customize these roles to meet their enterprise's needs.

Growing Staff

HBHS hired its first employees in January 2018: Jessica Huddleston (Clinical Support Specialist) Dalton Shirley (Clinical Support Specialty) and Shelby Hart (Public Relations Specialist). The business is now a family one with a commitment to serving clients as an extension of ours.
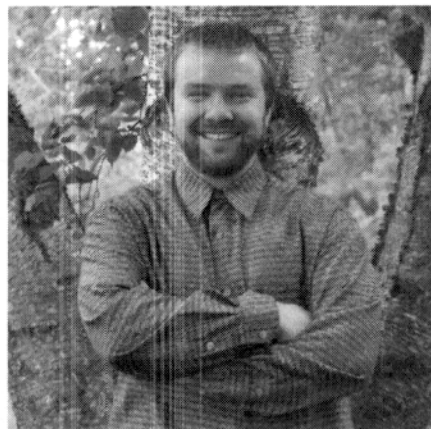
Beyond Borders

Our systems improvement methodology has proven itself to be borderless with an ever-growing worldwide family of collaborators. We are finding continued global interest with dedicated clients in the United States, Canada, and Australia. It is defining, measuring and improving the process of care and system failures that **contribute to the suffering** and harm of our patients *and providers* while providing support for one another.

Alpha Members

- Beaumont Health, Royal Oak, MI
- Mayo Clinic, Methodist Campus, Rochester, MN
- Mayo Clinic, St Mary's Campus, Rochester, MN
- MedStar Franklin Square Medical Center, Baltimore, MD
- MedStar Georgetown University Hospital, Washington, DC
- MedStar Good Samaritan Hospital, Baltimore, MD
- MedStar Harbor Hospital, Baltimore, MD
- MedStar Montgomery Medical Center, Olney, MD
- MedStar Southern Maryland Hospital Center, Clinton, MD
- MedStar St. Mary's Hospital, Leonardtown, MD
- MedStar Union Memorial Hospital, Baltimore, MD
- MedStar Washington Hospital Center, Washington, DC
- Penn State Hershey Medical Center, Hershey, PA
- Regions Hospital Health Partners, St Paul, MN
- Sharp Chula Vista Medical Center, Chula Vista, CA
- Sharp Coronado Hospital & Healthcare Center, Coronado, CA
- Sharp Grossmont Hospital, La Mesa, CA
- Sharp Memorial Hospital, San Diego, CA
- University of Mississippi Medical Center, Jackson, MS
- University of Washington Medical Center, Seattle , WA

"Let's listen to the voices of care workers, recipients and families, make visible the complexity and privilege of care, and lobby for a better future. People must recognize that care is the work that best demonstrates our commitment to people's dignity when at their most vulnerable. It's the work that makes the most profound difference. It is also the work that many of us hope to benefit from in the future." – *Ann Gallagher, Professor, International Care Ethics Observatory, University of Surrey.*

HEALTHCARE SAFETY

Beta Members

- Eastern Main Medical Center, Bangor, ME
- HealthPartners, Regions Hospital, St. Paul, MN
- Hoag Memorial Hospital Presbyterian, Newport Beach, CA
- Mayo Clinic Health System
    - MCHS – Immanuel St. Joseph's, Mankato, MN
    - MCHS – Eau Claire, Eau Claire, WI
- Mayo Clinic Care Network
    - Methodist Health System
        - Methodist Dallas Medical Center, Dallas TX
        - Methodist Mansfield Medical Center, Mansfield TX
        - Methodist Charlton Medical Center, Dallas, TX
        - Methodist Richardson Medical Center, Richardson, TX
    - WellStar Health System
        - WellStar Atlanta Medical Center, Atlanta GA
        - WellStar Atlanta Medical Center South, East Point, GA
        - WellStar Cobb Hospital, Austell, GA
        - WellStar Douglas Hospital, Douglasville, GA
        - WellStar Kennestone Hospital, Marietta, GA
        - WellStar North Fulton Hospital, Roswell, GA
        - WellStar Paulding Hospital, Hiram, GA
        - WellStar Spalding Regional Hospital, Griffin, GA
        - WellStar Sylvan Grove Hospital, Jackson, GA
        - WellStar West Georgia Medical Center, LaGrange, GA
        - WellStar Windy Hill Hospital, Marietta, GA
- Parkview Health, Fort Wayne, IN
- Providence Health Care, Vancouver, Canada
    - Mount Saint Josephs Hospital
- Tasmanian Health Service, Tasmania, Australia
    - Launceston General Hospital
    - Mersey Community Hospital
    - North West Regional Hospital
    - Royal Hobart Hospital
- UMC Health System, Lubbock, TX
- University of Colorado Health
    - Memorial Hospital North, Colorado Springs, CO
    - University of Colorado Hospital, Aurora, CO
- UT Southwestern Medical Center, Dallas, TX
- Wake Forest Baptist Health, Winston-Salem, NC

Gamma Members

- Aurora Health Care, WI
    - Aurora BayCare Medical Center, Green Bay, WI
    - Aurora Medical Center -Manitowoc County, Two Rivers, WI
    - Aurora Medical Center, Oshkosh, WI
    - Auora Medical Center, Summit, WI
    - Aurora Sheboygan Memorial Medical Center, Sheboygan, WI
    - Aurora Psychiatric Hospital , Wauwatosa, WI
    - Aurora Medical Center, Grafton, WI
    - Aurora Medical Center Hartford, Hartford, WI
    - Aurora Medical Hospital Burlington, WI
    - Aurora Medical Center, Kenosha, WI
    - Aurora Sinai Medical Center, Milwaukee, WI
    - Aurora West Allis Medical Center, West Allis, WI
    - Aurora St. Lukes Medical Center, Milwaukee, WI
    - Aurora St. Lukes South Shore, Cudahy, WI
- Bon Secours Health System, Richmond, VA
- Bronson Healthcare, MI
    - Bronson Methodist Hospital, Kalamazoo, MI
    - Bronson Battle Creek Hospital
    - Bronson Lakeview Hospital
    - Bronson South Haven Hospital
- Orlando VA Medical Center, FL
- MD Anderson Cancer Center, Houston, TX
- Sentara Healthcare
    - Sentara Albemarle Medical Center, Elizabeth City, NC
    - Sentara CarePlex Hospital, Hampton, VA
    - Sentara Halifax Regional Hospital, South Boston, VA
    - Sentara Leigh Hospital, Norfolk, VA
    - Sentara Martha Jefferson Hospital, Charlottesville, VA
    - Sentara Norfolk General Hospital, Norfolk, VA
    - Sentara Northern Virginia Medical Center, Woodbridge, VA
    - Sentara Obici Hospital, Suffolk, VA
    - Sentara Princess Anne Hospital, Virginia Beach, VA
    - Sentara RMH Medical Center, Harrisonburg, VA
    - Sentara Virginia Beach General Hospital, Virginia Beach, VA
    - Sentara Williamsburg Regional Medical Center, Williamsburg, VA
- University of Utah Hospital, Salt Lake City, UT
- Vancouver Coastal Health, British Columbia, Canada
    - Vancouver General Hospital
    - Richmond Hospital
    - Lions Gate Hospital

Challenges

Our mission of healthcare free from suffering and harm cannot be accomplished without a fundamental shift in hospital culture from adversarial and hierarchal relationships to collaborative learning and teamwork among supporting colleagues. Culture change is dependent on leadership and change management strategies.

We hope to overcome these challenges with the appeal of financial reimbursement and the innate desire of providers to improve the lives of patients. Our purpose is highly compatible with the experience-based care movement.

Our wealth of clients continues to challenge our technological abilities.

Looking Ahead

HBHS has gained new motivation in our pursuit of healthcare free from harm due to the successes of this year.

We continue to improve our Healthcare Safeware® according to the needs and convenience of our clients. Through this process we hope to develop predictive technology with our ultimate goal being to have created prescriptive technology capable of automating decisions.

During this past year our Collaborative members have strengthened their passion, commitment, and motivation to achieve our shared vision of healthcare free from harm. We plan to enhance this passionate resolve by research publications, collaborative technology, teaching opportunities, webinar and face-to-face meetings.
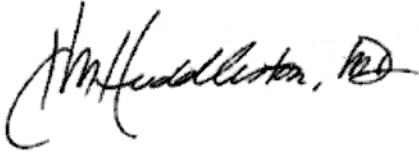
Tackling the Burnout Crisis

Healthcare providers have become morally crippled by inadequate systems that allow for harmful mistakes to be made in the care of patients. Providers have become the silent victims of destructive systems that undermine personal expertise, confidence, and joy in work. We have aimed to provide a community of support though our learning collaborative beyond improving the faulty systems of care delivery through our Safety Learning System™. We have been overjoyed to hear of collaborative journeys in acceptance, forgiveness, solidarity and triumph.

Finances & Market

Members of our Learning Collaborative pay an annual fee according to organization or institution size and services rendered. Many collaborative members are sponsored by development funds of vested patient advocates. HBHS continues to finance efforts largely from founder investments yet was able to begin paying back investments from previous years.

HEALTHCARE
SAFETY

CERTIFICATION BY THE BOARD OF DIRECTORS

The undersigned, being all the directors of HB Healthcare Safety, SBC, hereby acknowledge and certify that we have reviewed and approved the enclosed 2018 Annual Report.
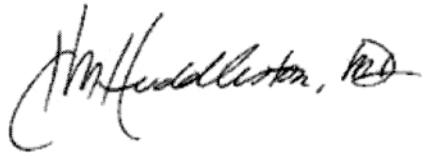
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Jeanne M. Huddleston, M.D.
Chief Executive Officer/President and Secretary

_____

Lacey A. Hart, MBA, PMP
Chief Operations and Financial Officer/Treasure

HEALTHCARE
SAFETY

SUBMISSION:

I, the undersigned, certify that I am the President and Secretary of this public benefit corporation. I further certify that I have signed this document no more than 30 days before the document is delivered to the secretary of state for filing, and that this document is current when signed. I further certify that I have completed all required fields, and that the information in this document is true and correct and in compliance with the applicable chapter of Minnesota Statutes. I understand that by signing this document I am subject to the penalties of perjury as set forth in Section 609.48 as if I had signed this document under oath.

Jeanne M. Huddleston, M.D.
Chief Executive Officer/President and Secretary