



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 attached Annual Benefit report

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.

[Signature]

Signature of Public Benefit Corporation's Chief Executive Officer

March 22, 2021

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:

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, COO

Contact Name

507-208-9438

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

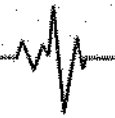


HEALTHCARE
SAFETY

ANNUAL BENEFIT REPORT 2020



HR HEALTHCARE SAFETY, INC.



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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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 Safety Learning System™ methodology paired with our Healthcare Safeware® technology enables healthcare providers to create and implement lasting quality improvements and reliable systems of care.

Healthcare, in particular, is buried in government mandates, counting & trending adverse events, malpractice suits & adversarial peer review. By designing practical solutions & reliable systems that support providers we can get back to the human side of caring for others.

HBHS was founded through Mayo Clinic ventures by Dr. Jeanne M. Huddleston and Lacey A. Hart. Taking care of people is a part of our DNA & we are dedicated to taking care of those who take care of others. Our commitment is to help organizations design reliable systems that reduce burnout & support teams in delivering excellent care. As founders, we are reinvigorated with the gift of truly tapping into our talents and passions to bring compassion and learning to all aspects of society where humans take care of humans.

Our purpose is to reduce the suffering caused by process failures through research, education, initiatives, and advocacy involving all stakeholders in the healthcare system and beyond. As a Social Benefit Corporation, we have a solid foundation for to help human service 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.

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.



Pursuit of Purpose

With regard to the period covered by this report, January 1, 2020 to December 31, 2020, HBHS pursued the specific benefit purpose as follows.

We have remained steady in our purpose through an array of educational, research, and support services that fall within our Safety Learning System™ methodology. We are proud of our non-conventional commercial path by today's corporate standards, rather we have been gifted with reward by sticking to our Mayo Clinic founder roots in a faith-based, mission driven and research approach. SLS Collaborative members remain committed to our vision of healthcare free from harm and gaining wisdom in the process through cooperative research activities.

We are dedicated to continual learning, improving the provider-patient experience, and innovating healthcare systems on a worldwide scale by learning together & fostering a research community of support. 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, implementation of systems improvement projects and the study of methodology outcomes.

While a traditional sales model to commercialize research, efforts waned with the impacts of COVID that strained our existing funding, the pandemic has reinforced our mission; particularly around secondary victim burden and increase knowledge to enhance physician and hospital system performance leading to better patient experience and more positive outcomes.

With the hit of COVID, our research Collaborative members were encouraged and supported to share experiences to lessen secondary victim burden and increase knowledge to enhance physician and hospital system performance leading to better patient experience and more positive outcomes, particularly with COVID challenges. To achieve this shift, HBHS continually improved its teaching and training rubric and its technology offering to best serve members and their individual needs through our research outcomes.

Our Successes

The following is a description of how we believe we succeeded in achieving the goals of our specific benefit purpose.

The Safety Learning System® (SLS) Research Collaborative remained a strong group of American, Australian, Canadian, Saudi Arabian and British medical systems moving beyond simply counting & trending adverse events to defining, measuring, and improving the process of care & system failures that contribute to the suffering & harm caused to our patients & providers.

During COVID, SLS Collaborative members provided guidance to one another throughout the rapidly evolving changes, helped each other to implement just in time solutions & provided support by fostering a community of forgiveness.

COVID Efforts

Dr. Jeanne Huddleston, co-founder, returned to the bedside serving our rural community and critical access hospitals. Ms. Lacey Hart, co-founder, was called upon to assist Mayo Clinic with COVID Incident Command duties. While this burden required the founders to shift attentions, the silver lining provided direct insights into COVID impacts across social sectors with front-line experiences that were shared across the HBHS Research Collaborative.

In the beginning of 2020, very little was known about COVID-19 as a disease and healthcare delivery systems lacked sound evidence for guiding best practices for clinical and care decisions in care processes. As best practices emerged from early learnings, there was high demand for the ability to rapidly disseminate that knowledge to the point-of-need. Donating both time and HBHS digital resources, the founders assisted in a COVID-19 Clinical Practice Guidelines: Best Practice Guidance Digital Collaboration that included the Centers for Disease Control, numerous Academic Centers, Health IT corporations and Healthcare entities across the country to deliver the following COVID-19 objectives:

- Rapid delivery & dissemination of COVID-19 Clinical Best Practice Guidance to those in need through computer-enable means and mechanisms
 - Leverage existing standards to more rapidly deploy COVID-19 clinical guidance in more broadly consumable formats
-



- Use Agile approach and Standards across the Evidence-to-Practice-to-Discovery Ecosystem- including integrated, cross-functional development of COVID-19 guideline formalism and derivatives

Under the Payroll Protection Program (PPP), the HBHS team worked together to produce COVID state-specific Action Reviews that integrated SLS data with an external national data source to create a custom report for each Collaborative member site. The report highlighted opportunities for improvement in respiratory patients along with a visualization of capacity issues facing each State / County where a member facility was located.

In addition, we utilized our software to provide real-time COVID feedback:

- 1) Launched a data entry form created specifically for your COVID patients.
- 2) Fostered member check-ins to move beyond mortality review and learn from as many of their COVID cases as possible (hospitalized and outpatient).
- 3) Gathered and aggregated their team's experiences including initiating the SLS staff well-being surveys (one for providers and another for displaced stay-at-home workers) to provide insights for managing the scaling of care delivery as well as possibly identifying people at risk for significant stress-related illnesses.

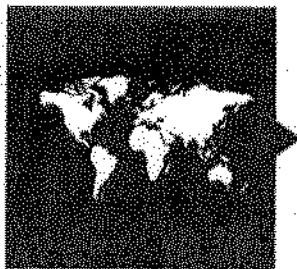
We provided the software and Collaborative member access to all member hospitals and continuing care facilities starting in March specifically for the above real-time COVID reviews at no additional cost (hospital and outpatient cases) and engaged in real-time feedback sessions.

Research Advances

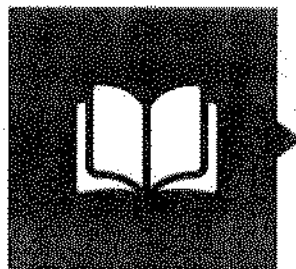
The Safety Learning System® is rooted in high reliability engineering. The intent of the Safety Learning System™ is to create reliable systems of care ensuring the four rights of healthcare: right person, right place, right time, right provider. In addition to our internal research, we submitted three grants to evaluate system impacts of COVID on patients, staff and processes. With stiff competition and record grant requests during COVID, we were not selected for funding, however, the review feedback of our proposals provided a framework for our Collaborators to enhance our own research as well as provide a viable model for future proposals.



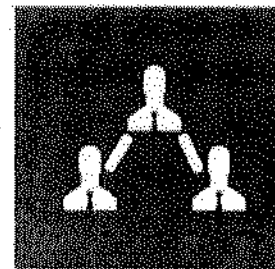
Within the Collaborative, despite COVID resourcing impacts, 83 hospitals across the United States, Canada and Saudi Arabia reviewed over 12,298 patient journeys were reviewed and the case co-horts diversified. Within those reviews over, 8,132 patient journeys had Opportunities for Improvement (OFIs) in delivery or system processes were classified for a total of 27,991 OFIs identified and categorized.



83
Hospitals in
SLS Research
Collaborative



12,298
Patient Case
Reviews
66.1% with OFIs



27,991
Opportunities for
Improvement

In launching the survey and real-time feedback work to address burnout, we uncovered that while burnout was prevalent, it was not necessarily tied to 'over-work', even with the added pressures of COVID as expected. Rather, we uncovered feelings of disenchantment or loss of joy in healthcare delivery work tied to the staff feeling of the value of their work; or the greater desire from staff out of a community need and an altruistic spirit of helping others to be measured the desire for a more innovative, tolerant, and collaborative healthcare system that truly puts patient care first in all aspects of the practice. This shifts our concepts of measuring well-being from traditional workplace measures in net promoter score, burnout, safety, etc. to respect, autonomy, meaning, accomplishment and engagement. We have since hypothesized from our early data that baseline well-being measurements in doctors and nurses stems from experiential memory of the history of medicine, what got them into the workforce, tapping into their inner Why? and thus, how they measure their current workplace well-being to that baseline.



Digitally Transforming

Our Collaborative learning and research activities, historically were held face-to-face and with COVID we shifted these efforts to digital methods. We invested in an online learning management system, revamped training curriculum and research methods to accommodate a virtual delivery system.

HBHS put significant resources into our cloud-based technology platform, supporting monitoring infrastructure and operational protocols to ensure efficacy into the future. To ensure the highest standard of technical security for a cloud-based Software as a Service, we completed enhancements to Safeware® security monitoring within the Amazon Web Service (AWS) environment. The Safety Learning System® supporting software can be hosted in one of three different AWS environments (GovCloud, US EastWest, or Canada). In addition, Collaborators and future commercial customers have the option of storing data in either a multitenant or private storage container.

We are excited to announce that this year we constructed and tested our first marketable version of the Healthcare Safeware® product leveraged and backed by the learning methods and specifically released for government agencies with our first market segment in Veterans Affairs Health Care System. The commercial product is hosted in the GovCloud and is currently in the process of Federal Risk and Authorization Management Program (FedRAMP) review and certification to the U.S. government's meticulous set of security standards. The level of security required is mandated by law. There are 14 applicable laws and regulations, along with 19 standards and guidance documents. It's one of the most rigorous software-as-a-service certifications in the world. We are humbled to be a part of this process and are eager to see this launch for our Veteran's Health Care workers to provide them the tools and resources 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; and ultimately ensure a healthcare delivery system free of harm for our Veterans.

Commitment to Address Inequities and Disparities

In line with HBHS commitments to reduce suffering from systemic process failures, we made a conscious and public commitment in 2020 to include efforts to address barriers contributing to inequities and disparities for socially and economically disadvantaged in the systems we serve. We are proud to



support with monthly contributions for a yearly total of \$1,200.00 to The "Why You?" Initiative [YU?], co-founded by another Mayo Clinic colleague, Dr. Renaldo Blocker, as a growing national nonprofit organization established in 2011 and headquartered in Minneapolis Minnesota with offices in Rochester Minnesota. [YU?] aims to eradicate barriers to students and young professionals' success by effectively delivering longitudinal support via a fusion of technological and traditional mediums. [YU?] staff & volunteers are composed of distinguished young professionals, including doctors, lawyers, social scientists, educators, researchers, and community leaders, who have a zeal for longitudinally helping to ameliorate the academic, social, professional, and personal evolution of high school, undergraduate, graduate, post-graduates and young professionals.



Re-engineering what it means to be a mentor & be mentored.

Over 1000 students are being mentored annually through the Why You? Initiative. The program is designed to provide longitudinal support to students and young professionals, including those who are underrepresented in the field. The program is designed to provide longitudinal support to students and young professionals, including those who are underrepresented in the field. The program is designed to provide longitudinal support to students and young professionals, including those who are underrepresented in the field.

Photo Credit: © 2020 <https://www.whyyou.org/>

Challenges

To meet a growing need within our Research Collaborative to either augment funding for more equitable participation, to provide more venues for research collaboration outside our network, expand publication opportunities and gain access to greater technologies we tested the waters this year with three grant funding proposals; the challenge is resourcing this option for our members as it is time consuming, highly competitive, and costly if not successful.



Because our Learning System work activities crosses countries, various sectors (technology, research, health data) and with applications being explored across industries (healthcare, prison systems, higher education) our SBC is faced with numerous regulations and we are working towards more efficient and scalable staffing to meet these standards that continue to evolve.

Looking Ahead

New opportunities with VA hospitals and prison systems will require dedicated efforts from Dr. Huddleston in 2021. FedRAMP Certification and launching our first commercial product to the Veterans Affairs Health Care system will take considerable time and attention in 2021 but provides a tremendous opportunity to expand this work to touch lives by reducing suffering caused by process and system failures.

New opportunities in research, coaching & education and brand image have become a focus area for Ms. Hart with existing members and external connections. In addressing results of this year's work around the impact of the delivery system on staff mental and physical well-being, we uncovered a precedence for doctors and nurses' altruistic spirit being tied to historical roots. To tie historical lessons to modern desires lends itself to value-based measures. To apply some of the lessons within historical primary sources to our methodology, research and business practices, we engaged an internship model in partnership with the Minnesota State University Mankato where graduate students interpret primary medicine history sources and apply them to the real-world applications. We are excited to have our first internship project in early 2021.

With significant research outcomes compiling, efforts in 2021 will be put towards manuscripts/publications and bridge the gap between extramural knowledge dissemination and research

The impacts of COVID flipping the Healthcare industry on its head as well as our conscious pivot towards learning systems offers a perfect storm of opportunities to diversify and potentially become industry agnostic. To do this well with scalability on limited means will require careful consideration from our Board with co-founders and Mr. Marshall, legal consultation, financial review and staffing alignment.



Finances & Market

Members of our learning research Collaborative pay an annual fee according to organization or institution size and services rendered to participate in Research. Due to COVID impacts, many members were granted a reprieve and allowed to defer participation fees and granted discounts into 2021. Many collaborative members are still sponsored by development funds of vested patient advocates. While it was projected that 2020 would bring in commercial sales, the reality of COVID required HBHS to continue to finance efforts from founder investments, payroll protection program & small business assistance loans.

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 2020 Annual Report.

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

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



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



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Steve Simon

Steve Simon
Secretary of State