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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 or online, $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. File Number 8349745000 56
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2. Corporate Name: (Required) HB Healthcare Safety, SBC

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

4. 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)

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 its Articles of Incorporation to reduce suffering caused by healthcare delivery. With regard to the period covered by our 2025 Annual Benefit Report, January 1, 2025 to December 31, 2025, HBHS pursued the specific benefit purpose attached.

5. 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 of Public Benefit Corporation's Chief Executive Officer

March 23, 2026

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:

huddleston@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:

Andrea Kilen	507-250-0690
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 ■

Print Reset

HEALTHCARE SAFETY
SBC

2025 Annual Benefit Report

For HB Healthcare Safety, SBC
A Minnesota Social Benefit Corporation

Prepared March 2026

Note:

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, the public benefit purpose, as stated in its Articles of Incorporation, is to reduce the suffering caused by healthcare delivery.

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

Company Overview

HB Healthcare Safety (HBHS) is unwavering in its belief that no one should endure emotional or physical suffering or even lose their life due to care processes or system shortcomings. When we say "no one," we encompass patients, families, and caregivers alike. Over the last two years, our original Safety Learning System® methodology has evolved into a comprehensive organizational learning framework called Continuous Organizational Innovation, Improvement, and Learning (COI2L™). Paired with our Healthcare Safeware® SaaS technology, this framework empowers designing and implementing enduring quality enhancements, fostering more dependable healthcare delivery.

HBHS was established through Mayo Clinic ventures by Dr. Jeanne M. Huddleston and Lacey A. Hart. Our mission is clear: to eradicate the suffering caused by healthcare delivery. We are committed to aiding organizations in creating reliable systems that mitigate burnout and enable teams to provide exceptional care. Our passion lies in leveraging our talents and dedication to infuse compassion and learning into every facet of human interactions where care is extended.

We tackle the suffering stemming from process failures through research, education, improvement initiatives, and advocacy, engaging all organizational stakeholders and reaching beyond. As a Social Benefit Corporation, we stand on a strong foundation to help human systems identify common improvement opportunities in care delivery. Our technology solution monitors actions and inactions that may lead to harm while our process development addresses failures. Our unwavering commitment to continuous learning enhances the experience for all, fostering global innovation by building a supportive research community.

Pursuit of Purpose

Regarding the period covered by this report, January 1, 2025, to December 31, 2025, HBHS pursued its specific benefit purpose as follows.

Our purpose remains steady through providing resources and consulting services to our Collaborative members. The various educational, research, and support services that fall within our COI2L™ methodology are in continual improvement cycles as we absorb and disseminate lessons learned from our Collaborative. Our training and consulting services assist organizations in identifying opportunities for improvement, training case reviewers, guiding change management and leadership strategies, facilitating culture transformation, strengthening the effective use of technology, implementing systems-improvement projects, and evaluating outcomes. HBHS continually refines its teaching and training rubric and technology offerings to best serve both the Collaborative and individual Collaborators through our ongoing research efforts.

Introduction of Influence Ignited!

In 2025, HBHS launched *Influence Ignited!*, a new extension of our mission designed to bring support, education, and professional development directly to the front lines of care. Influence Ignited equips staff at every level to find and use their voice in influencing patient quality and safety. This initiative creates accessible pathways for frontline clinicians, leaders, and support teams to strengthen their skills in communication, advocacy, systems thinking, and culture stewardship. By empowering the individuals closest to patients, Influence Ignited enhances our shared ability to identify risk, promote transparency, prevent harm, and advance the goals of the Collaborative. This offshoot reflects our commitment to nurturing leadership from within and expanding our capacity to support organizations where meaningful change begins—at the point of care.

Continued Growth of the SLS Collaborative

Our SLS Collaborative has come a long way since its founding in 2015. It continues to grow as we reach beyond traditional healthcare and encourage renewed social benefit commitments from existing members. We remain particularly proud of the addition of a Veteran's Affairs hospital in 2022. Serving our veterans in this way represents a significant step toward improving their overall health, decreasing morbidity and mortality, and actively contributing to suicide-prevention efforts.

Our Social Benefit Commitment

As part of our continued commitment to social benefit, 10% of our net revenue is used to expand our faith-based culture. We achieve this through:

- **Providing participation for Critical Access Hospitals** in the Collaborative and access to Safeware® at no financial cost.
- **Extending substantial discounts to county hospitals**, allowing them to participate in the Collaborative at cost.
- **Donating to faith-based organizations** whose missions support education and leadership development across all races and ethnicities. One of our target organizations provides mentorship to college-aged students of color to advance both academic achievement and leadership potential.

The following pages contain the content about our SLS Collaborative published in a brochure. This is one of the artifacts provided to new members of the Collaborative to assist with socialization across their organizational enterprise.

Our Successes

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

Opportunities for Improvement

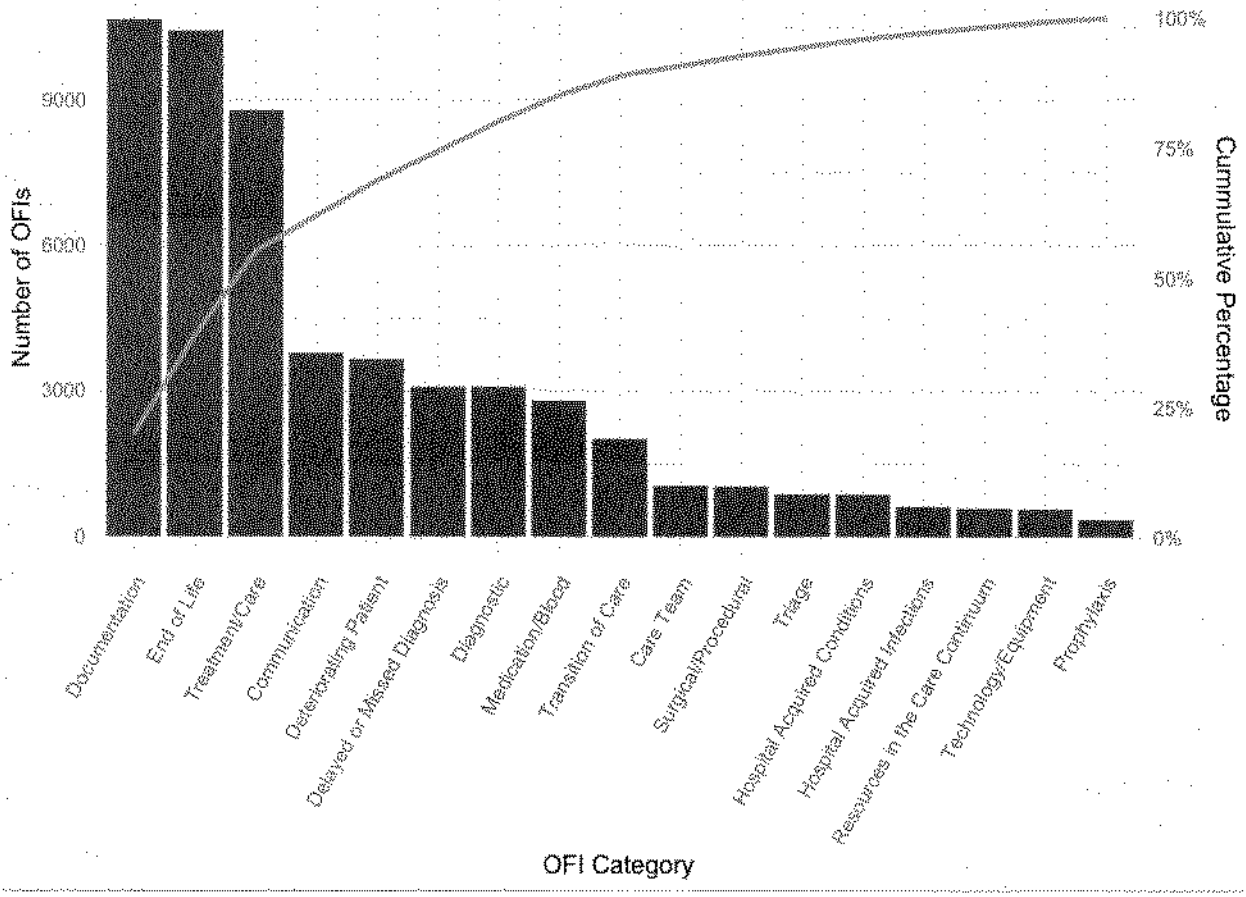
This year marks the 11th year of the well-tested Safety Learning System® (SLS), a modified Delphi approach to clinical case-based organizational learning. This methodology is a primary phase in our Continuous Organizational Innovation, Improvement, and Learning (COI_2L^{TM}) lifecycle. This phase allows our Collaborators to identify, name, define, measure, and analyze opportunities for improvement (OFIs) in the broken processes and systems of care delivery where humans care for other humans.

The SLS portion of our COI_2L^{TM} is foundational for participating organizations to actualize real and sustainable change because of its roots in principles of high reliability. The OFIs are identified by frontline multidisciplinary team members – nurses, doctors, pharmacists, and other allied health. Organizations with the

highest degrees of process reliability recognize that those who do the work know what is broken and will have the best ideas for fixing what is broken.

We have learned a lot from the extensive time commitments made by the SLS Collaborative frontline team members. Since the end of 2015, our Collaborators' frontline care team members have honoured the lives and care experiences of 20,855 individuals in their communities. 67.8% of these care episodes reviewed were found to have one or more OFIs.

There is quite a bit of variation in the proportion of cases reviewed that are noted to have one or more opportunities (17 to 100%). We statistically evaluated many factors to understand this wide variation, including the size of the facility, patient demographics, number of cases reviewed, proportions of OFIs in other hospitals of the same healthcare system, teaching status, year joining the Collaborative, etc. The key will be understanding the organizational learning culture regarding a willingness to discuss failures. Our theory is that if a facility's leadership openly discusses failures and praises individuals for pointing out opportunities, then the front-line reviewers involved in SLS will be much more likely to identify opportunities in the cases they review.



The types of OFI's identified are depicted in the graph above. The most common OFIs found by front-line care team members across the Collaborative are categorized as End-of-Life OFIs. These, along with Documentation, Treatment/Care, Communication, Deteriorating Patient Recognition, and Delayed or Missed Diagnosis, comprise 74% of the OFIs identified. Examples of each of these categories are noted in the table below.

OFI Category	OFI Category Example(s)
End of Life OFI	The care team did not understand the patient's wishes for end-of-life care.
Documentation OFI	Vital signs are missing from the electronic health record. Required forms are not completed.
Treatment OFI	Patient requires a surgical procedure that is not performed at their current

	hospital. The patient then requires transfer to a specialty hospital resulting in a delay for the needed procedure.
Communication OFI	The care team is not all on the same page for understanding the patient's current clinical condition.
Delayed or Missed Diagnosis OFI	Patient is seen in outpatient setting for a cough and treated for bronchitis. Patient later presents to the ED with shortness of breath and is found to have a tumor in their lungs.

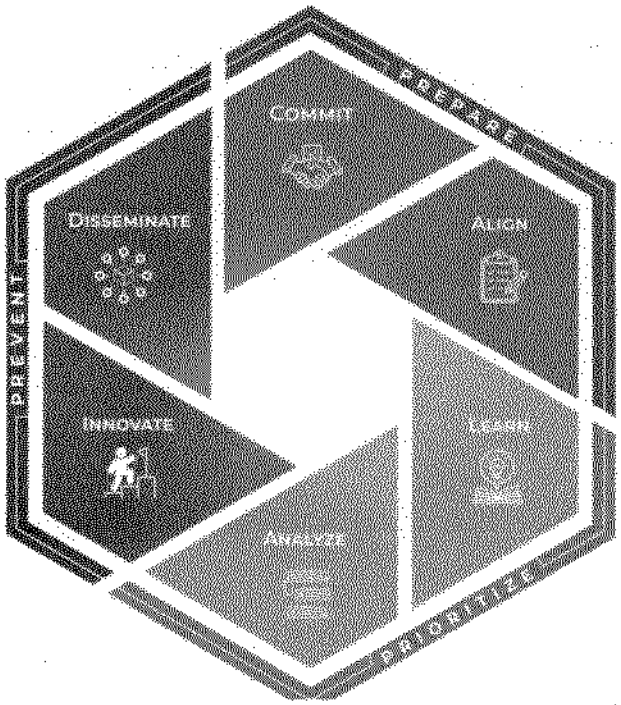
Continuous Organizational Innovation, Improvement, and Learning (COI_2L^{TM})

This year marked significant progress in the continued advancement of the COI2L™ model. Over the past twelve months, we have intentionally refined and revitalized the model's visual flywheel to communicate more clearly to front-line teams and simplify the steps needed to apply it in real-world settings. These enhancements are designed to increase usability, deepen engagement, and ensure that the model resonates with those doing the day-to-day work of improvement.

Historically, the COI2L™ model has driven meaningful results within Collaborators and structured quality teams. As we expand our vision to reach broader audiences, including clinical staff and organizational leaders, we recognize that accessibility is essential. Revitalizing the flywheel allows us to better "meet people where they are," equipping them with practical, approachable knowledge and tools that support improvement regardless of role, experience, or organizational structure.

The new methodology has been renamed the Healthcare QI Operating System and has been developed into curriculum that is accessible to any individual or group in the healthcare space that desires personal professional growth and development. While the refreshed visual design is exciting on its own, its true impact lies in how it will elevate our curriculum and educational offerings. Integrating the updated flywheel across our learning pathways will

enable us to reach more healthcare professionals, strengthen shared understanding, and accelerate the spread of improvement practices across the care continuum.



Expanding Our Impact Through Partnerships

Last year, we were honored to receive designation from AHRQ as a Patient Safety Organization (PSO). This milestone created new opportunities for us to collaborate with like-minded partners in a more transparent, mutually beneficial, and bi-directional way.

Most recently, we established a partnership with the Center for Patient Safety to support Correctional Healthcare Organizations participating in their PSO. Together, we are focused on bringing leaders and frontline healthcare staff from multiple correctional systems into a shared learning environment. The goal is to identify a common improvement priority and draw on the collective experience, insights, and data from each participating group.

We are grateful for the opportunity to work alongside these dedicated organizations. By contributing our expertise, knowledge, and key elements of our Safety Learning System, we aim to meaningfully support their improvement efforts and ultimately enhance safety for individuals receiving care in correctional settings.

Our Challenges

Our mission to end the suffering caused by failures in care delivery cannot be accomplished without a fundamental shift in organizational culture from adversarial and hierarchal relationships to collaborative learning and teamwork among supporting colleagues. We continue to pursue this shift through language, training, and promotion of active participation in quality improvement initiatives at all organizational levels for our Collaborators.

Resource limitations remain prevalent among our Collaborator industries. Healthcare organizations continue year over year to be resource limited. Continued staffing shortages and resource reductions due to financial constraints decrease the number of frontline team members available and willing to add case reviews to their long list of things to accomplish daily. Quality improvement requires effort and is often compromised when care teams are stretched thin. Yet, these are critical times when it is important to double down on quality improvement and resources because low staffing, fatigue, and burnout all contribute to increased human error. Organizations are looking for quick fixes and easy solutions. The Safety Learning System™ is not a quick fix but offers a different, more sustainable approach to quality improvement. In response to these ongoing challenges, our strategic priorities have shifted toward Safeware enhancements and efficiencies that leverage new technologies to reduce the burden of case reviews but maximize the impact of analyzing large data sets to identify OFI's. These new initiatives include medical record interoperability and AI to identify OFI themes and trends.

Our efforts continue to support our Collaborators with change management and a high level of engagement to ensure success. This requires a high-touch, individualized approach from the HBHS team. In 2022, we hired a full-time Quality and Experience Manager to support our collaborators. In 2023, the individual grew into a fully realized role, allowing us to build even stronger relationships and yield higher engagement with our Collaborators as seen through participation in activities, learnings, case review volume, and on-site engagements.

2025 also afforded us the opportunity to think about how we scale to increase the impact of our services in innovative ways. We have expanded our offerings

to focus on supporting individuals on the front lines and removing administrative burden to healthcare workers and quality staff.

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. The nursing staff shortages and tightening margins have led many healthcare systems to terminate positions deemed non-essential to real-time bedside patient care. As stated previously, our learning methodology requires an investment from clinically experienced staff. Unfortunately, these quality and patient safety nurses and their supporting staff are some of the first areas to be cut.

As has become a common practice for HBHS, we granted reprieves and allowed deferred membership fees or discounts. Development funds and vested patient advocates still sponsor some Collaborative members; however, those currently participating are all in the process of making this work as part of their operational budget. Conversations with Collaborators are ongoing to ensure flexibility in our service offerings to meet their needs and budget. The reality of the turmoil in healthcare markets, with hospital closures and high staff and leadership turnover, allowed us only to remain financially neutral again this year.

HEALTHCARE SAFETY
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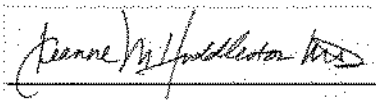
CERTIFICATION BY THE BOARD OF DIRECTORS

The undersigned, being all the directors of HB Healthcare Safety, SBC, hereby acknowledge and certify that we have reviewed and approved the enclosed 2025 Annual Report.



Jeanne M. Huddleston, MD

Chief Executive Officer

President and Secretary



Lacey A. Hart, MBA, PMP

Co-Founder and Member



Roger W. Marshall

Member

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Original File Number 834974500056

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Steve Simon
Secretary of State