Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public
▶ Information about Form 990 and its instructions is at *www IRS gov/form990*

OMB No 1545-0047

2016

Open to Public Inspection

A For the 2016 calendar year, or tax year beginning 01-01-2016 , and ending 12-31-2016

B Check if applicable
☐ Address change
☐ Name change
☐ Initial return
☐ Final return/terminated
☐ Amended return
☐ Application pending

C Name of organization
HENNEPIN HEALTHCARE SYSTEM INC

Doing business as
HENNEPIN COUNTY MEDICAL CENTER

Number and street (or P O box if mail is not delivered to street address) | Room/suite
701 PARK AVENUE P-1

City or town, state or province, country, and ZIP or foreign postal code
MINNEAPOLIS, MN 55415

D Employer identification number
42-1707837

E Telephone number
(612) 873-6518

G Gross receipts $ 973,048,760

F Name and address of principal officer
JON L PRYOR MD MBA
701 PARK AVENUE P-1
MINNEAPOLIS, MN 55415

H(a) Is this a group return for subordinates? ☐ Yes ☑ No
H(b) Are all subordinates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)
H(c) Group exemption number ▶

I Tax-exempt status ☑ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ WWW HCMC ORG

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 2007

M State of legal domicile MN

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities
WE PARTNER WITH OUR COMMUNITY, OUR PATIENTS, AND THEIR FAMILIES TO ENSURE ACCESS TO OUTSTANDING CARE FOR EVERYONE, WHILE IMPROVING HEALTH AND WELLNESS THROUGH TEACHING, PATIENT AND COMMUNITY EDUCATION, AND RESEARCH

2 Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

3	Number of voting members of the governing body (Part VI, line 1a)	3	14
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	9
5	Total number of individuals employed in calendar year 2016 (Part V, line 2a)	5	8,376
6	Total number of volunteers (estimate if necessary)	6	469
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	4,156,579
b	Net unrelated business taxable income from Form 990-T, line 34	7b	563,496

		Prior Year	Current Year
Revenue			
8	Contributions and grants (Part VIII, line 1h)	63,005,974	60,669,401
9	Program service revenue (Part VIII, line 2g)	852,308,591	910,100,290
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,535,002	1,305,743
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0	0
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	916,849,567	972,075,434
Expenses			
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	413,545	695,854
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	597,454,212	692,943,233
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	290,346,872	308,507,945
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	888,214,629	1,002,147,032
19	Revenue less expenses Subtract line 18 from line 12	28,634,938	-30,071,598

Net Assets or Fund Balances		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	517,851,291	593,091,017
21	Total liabilities (Part X, line 26)	461,712,945	575,906,544
22	Net assets or fund balances Subtract line 21 from line 20	56,138,346	17,184,473

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here

****** 2017-11-10
Signature of officer | Date

DERRICK O HOLLINGS CFO CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
TODD A JACKSON	TODD A JACKSON			P00092672

Firm's name ▶ RSM US LLP | Firm's EIN ▶ 42-0714325

Firm's address ▶ 801 NICOLLET MALL SUITE 1100
MINNEAPOLIS, MN 55402 | Phone no (612) 332-4300

May the IRS discuss this return with the preparer shown above? (see instructions) ☑ Yes ☐ No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III . . . . ☑

1 Briefly describe the organization's mission

SEE SCHEDULE O

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . ☐ Yes ☑ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . ☐ Yes ☑ No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses $ 820,876,859 including grants of $ 602,576) (Revenue $ 866,549,956)

See Additional Data

4b (Code) (Expenses $ 19,324,919 including grants of $ 66,740) (Revenue $ 43,550,334)

See Additional Data

4c (Code) (Expenses $ 177,635 including grants of $ 26,538) (Revenue $)

See Additional Data

(Code) (Expenses $ including grants of $) (Revenue $)

HENNEPIN HEALTHCARE SYSTEM, INC (HEREAFTER HHS) IS GOVERNED BY A 14-MEMBER BOARD OF DIRECTORS THE BOARD IS RESPONSIBLE FOR OVERSIGHT OF POLICY AND OPERATING ACTIVITIES UPON DISINTEGRATION OF THE HOSPITAL SYSTEM FROM THE HENNEPIN COUNTY NETWORK, THE HENNEPIN COUNTY OF MINNESOTA RETAINS OWNERSHIP OF THE HHS FACILITIES THE HENNEPIN COUNTY BOARD OF COMMISSIONERS OVERSEES CERTAIN GOVERNING RIGHTS AND OBLIGATIONS, INCLUDING OVERSIGHT OF THE SAFETY NET MISSION AND REVIEW AND APPROVAL OF HHS' BOARD MEMBERS, ANNUAL OPERATING BUDGET, HEALTH SERVICES PLAN AND CAPITAL BUDGET DURING THE YEAR 2016, HHS MAINTAINED THE COURSE TOWARDS CONSTRUCTION OF A NEW $240M CLINIC AND SPECIALTY BUILDING, WHICH WILL CONSOLIDATE HCMC'S EXISTING DOWNTOWN CLINICS IN ONE STATE OF THE ART, SIX-STORY FACILITY AIMED AT IMPROVING CARE, EFFICIENCIES, AND THE PATIENT EXPERIENCE WITHIN THE MAIN CAMPUS COMMUNITY THE NEW SPECIALTY COMPLEX IS EXPECTED TO BE OPERATIONAL IN 2018 HHS IS AN ESSENTIAL COMMUNITY PROVIDER AS DESIGNATED BY THE MINNESOTA DEPARTMENT OF HEALTH HHS IS COMMITTED TO PARTNERING WITH ITS COMMUNITY, PATIENTS AND THEIR FAMILIES TO ENSURE ACCESS TO OUTSTANDING CARE FOR EVERYONE, WHILE IMPROVING HEALTH AND WELLNESS THROUGH TEACHING, PATIENT AND COMMUNITY EDUCATION AND RESEARCH HHS CONTINUES TO PROVIDE UNPARALLELED CARE FOR LOW-INCOME, THE UNINSURED, THE INDIGENT AND VULNERABLE POPULATIONS WHILE BEING A MAJOR EMPLOYER AND ECONOMIC ENGINE IN HENNEPIN COUNTY OF MINNESOTA AS A LEADER IN EMERGENCY AND TRAUMA CARE, HHS PROVIDES STATE-OF-THE-ART TRAUMA CARE SERVICES TO ALL ITS PATIENTS HHS PRIDES ITSELF IN BEING A CENTER FOR INNOVATIVE AND TECHNICALLY- SOPHISTICATED SERVICES THIS IS ESSENTIAL NOT ONLY BECAUSE OF THE TRAINING PROVIDED TO PHYSICIANS, NURSES, AND OTHER HEALTH PROFESSIONALS, BUT ALSO BECAUSE IT IS OFTEN THE SITE FROM WHICH NEW THERAPIES, SURGERIES, AND TECHNOLOGIES TO TREAT AND CURE PATIENTS EMERGE THE CENTER FOR LEARNING INTEGRATION (CLI) CREATED IN 2015, EXCELS IN COORDINATING, DESIGNING AND INTEGRATING EXCELLENT LEARNING THROUGHOUT THE HEALTHCARE SYSTEM WITH THE PRIORITY GOAL TO ACHIEVE IMPROVED QUALITY, SAFETY AND EXPERIENCE OUTCOMES FOR ALL STAKEHOLDERS HHS ALSO OPERATES THE INTERDISCIPLINARY SIMULATION AND EDUCATION CENTER (ISEC), A MULTIDISCIPLINARY TRAINING CENTER THAT HOSTS EDUCATIONAL PROGRAMS FOR NURSES, PHYSICIANS, PRE-HOSPITAL PROVIDERS, AND OTHER ALLIED HEALTH PROFESSIONALS FROM HHS AND ACROSS THE REGION IT IS A GUIDED, SAFE ENVIRONMENT FOR HEALTHCARE PROFESSIONALS TO PRACTICE REAL-LIFE MEDICAL SITUATIONS AND PROCEDURES VIA STATE-OF-THE-ART SIMULATION EQUIPMENT HHS EMPHASIZES TRAINING THE FUTURE HEALTHCARE WORKFORCE IN LIGHT OF COMMUNITY HEALTH NEEDS THE ADVANCED PRACTICE PROVIDER PROFESSIONAL CENTER, ESTABLISHED IN 2013, CONTINUES TO PROVIDE ORGANIZATIONAL STRUCTURE IN LIGHT OF THE INCREASING ROLE OF NURSE PRACTITIONERS AND PHYSICIAN ASSISTANTS AT HHS HHS CONTINUES TO COOPERATE WITH METROPOLITAN STATE UNIVERSITY IN PROVIDING THE DENTAL THERAPIST PROGRAM WHICH FOCUSES ON ADVANCED DENTAL THERAPY TRAINING OPPORTUNITIES IN GENERAL AND PEDIATRIC DENTISTRY AS WELL AS ORAL SURGERY ADDITIONALLY, HHS' EMERGENCY MEDICAL SERVICES PARTNERS WITH HENNEPIN TECHNICAL COLLEGE'S COMMUNITY PARAMEDIC CERTIFICATION TRAINING PROGRAM TO PROVIDE STUDENTS WITH RELEVANT CLINICAL EXPERIENCE COMMUNITY PARAMEDICS IS A NEW HEALTHCARE ROLE THAT APPLIES AND EXPANDS PARAMEDIC SKILLS TO PREVENTATIVE AND PRIMARY CARE MEDICINE, CLOSING THE GAP BETWEEN EMERGENCY CARE AND PRIMARY CARE NEEDS BY PROVIDING COMMUNITY-BASED HEALTH SERVICES TO UNDERSERVED POPULATIONS COMMUNITY PHYSICIANS AND OTHER PRACTITIONERS FROM ACROSS MINNESOTA COME TO HHS FOR CONTINUING MEDICAL EDUCATION TRAINING COURSES AND TO KEEP THEIR SKILLS AND KNOWLEDGE SHARP HHS ALSO CONDUCTS ON-SITE TRAINING AT THE REQUEST OF RURAL HOSPITALS AND CLINICS AND HAS ESTABLISHED RELATIONSHIPS WITH OTHER DESIGNATED TRAUMA CENTERS AND EMERGENCY DEPARTMENTS IN GREATER MINNESOTA THE HHS EMERGENCY DEPARTMENT MAINTAINS A FREE ONLINE DATABASE OF DIVERSE TEACHING MATERIALS INCLUDING INSTRUCTIONAL VIDEOS, LECTURES, CRITICAL CARE CONFERENCE PRESENTATIONS AND VIDEOS, MEDICAL BLOGS, AND EDUCATIONAL LINKS, ALL UTILIZED BY PRACTITIONERS AROUND THE WORLD THIS FOCUS DISTINGUISHES MMRF/HHS FROM OTHER RESEARCH INSTITUTIONS IN THE STATE, DIRECTLY BENEFITS PATIENTS, AND CREATES STRONG LINKS WITHIN THE COMMUNITY MMRF-COORDINATED RESEARCH FOCUS INCLUDES ADDICTION MEDICINE AND TOBACCO DEPENDENCE TREATMENT, BONE INFECTIONS AND HEALING, CANCER BIOLOGY, CHRONIC KIDNEY DISEASES, COGNITIVE ISSUES IN AGING, DIABETES AND OBESITY, DISPARITIES IN HEALTH CARE DELIVERY AND OUTCOMES, EMERGENCY MEDICINE, HEART FAILURE, HIV/AIDS, LIVER DISEASE, PEDIATRIC DISEASE PREVENTION, FOOD SECURITY, TRANSPLANT AVAILABILITY AND OUTCOMES AND TRAUMATIC BRAIN INJURY RESEARCHERS AT HHS, THE UNIVERSITY OF MINNESOTA, AND ABBOTT HEALTHCARE SYSTEM REGULARLY COLLABORATE ON AN INNOVATIVE, COMPREHENSIVE STUDY TO BETTER IDENTIFY THE RANGE OF BRAIN INJURIES AMONG PATIENTS LED BY DR UZMA SAMADANI, AN INTERNATIONALLY RECOGNIZED NEUROSURGEON AND TRAUMATIC BRAIN INJURY RESEARCHER, IT IS HOPED THAT BY USING MULTIPLE EVALUATION TOOLS, INCLUDING EYE TRACKING, BLOOD-BASED BIOMARKERS, IMAGING AND COGNITIVE MEASURES, MEDICAL RESEARCHERS WILL DEVELOP A NEW STANDARD APPROACH TO HELP CLASSIFY BRAIN INJURIES, INCLUDING CONCUSSIONS, AND PROVIDE THE INFORMATION NEEDED TO GUIDE DOCTORS' TREATMENT DECISIONS PHILANTHROPY FOR HHS AND MMRF IS COORDINATED AND SUPPORTED THROUGH HENNEPIN HEALTH FOUNDATION (HHF) HHF CONNECTS THE GENEROSITY OF THE COMMUNITY TO THE MISSION OF HHS TO ENSURE ACCESS TO OUTSTANDING CARE FOR EVERYONE, WHILE IMPROVING HEALTH AND WELLNESS THROUGH TEACHING, PATIENT AND COMMUNITY EDUCATION AND RESEARCH HHF HAS FACILITATED THE ESTABLISHMENT OF THE ROCKSWOLD KAPLAN ENDOWED CHAIR FOR TBI RESEARCH AND HAS ASSISTED IN THE ESTABLISHMENT OF THE DELTA DENTAL ORAL HEALTH CENTER AT HCMC, OPENING IN THE NEW CLINIC AND SPECIALTY CARE BUILDING

4d Other program services (Describe in Schedule O)

(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses ▶** 840,379,413

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services?*If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	Yes	
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f		No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a	Yes	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or other assistance to or for any foreign organization? *If "Yes," complete Schedule F, Parts II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or other assistance to or for foreign individuals? *If "Yes," complete Schedule F, Parts III and IV*	16		No
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I* (see instructions)	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	Yes	
21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21	Yes	
22	Did the organization report more than $5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K If "No," go to line 25a*	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If "Yes," complete Schedule L, Part II*	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	33		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b	Yes	
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36	Yes	
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V . . . . ☐

					Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	1,169			
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b	0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	8,376			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			2b	Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			3a	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O*			3b	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a		No
b	If "Yes," enter the name of the foreign country ▶ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?			5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?			6a		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			7a		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			7f		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			7h		
8	**Sponsoring organizations maintaining donor advised funds.** Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?			8		No
9a	Did the sponsoring organization make any taxable distributions under section 4966?			9a		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?			9b		
10	**Section 501(c)(7) organizations.** Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12	10a				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b				
11	**Section 501(c)(12) organizations.** Enter					
a	Gross income from members or shareholders	11a				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O			13a		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b				
c	Enter the amount of reserves on hand	13c				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			14a		No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*			14b		

Part VI Governance, Management, and Disclosure *For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O See instructions*

Check if Schedule O contains a response or note to any line in this Part VI . . . ☑

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year **1a** 14 If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
b	Enter the number of voting members included in line 1a, above, who are independent **1b** 9			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	**2**		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	**3**		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	**4**		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	**5**		No
6	Did the organization have members or stockholders?	**6**	Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	**7a**	Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	**7b**	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	**8a**	Yes	
b	Each committee with authority to act on behalf of the governing body?	**8b**	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	**9**		No

Section B. Policies (*This Section B requests information about policies not required by the Internal Revenue Code.*)

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	**10a**		No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	**10b**		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	**11a**	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	**12a**	Yes	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	**12b**	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done*	**12c**	Yes	
13	Did the organization have a written whistleblower policy?	**13**	Yes	
14	Did the organization have a written document retention and destruction policy?	**14**	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	**15a**	Yes	
b	Other officers or key employees of the organization	**15b**	Yes	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	**16a**		No
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	**16b**		

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed▶ MN

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you made these available Check all that apply

☐ Own website ☑ Another's website ☑ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year

20 State the name, address, and telephone number of the person who possesses the organization's books and records
▶CHARLES ESLER CONTROLLER 701 PARK AVENUE P-1 MINNEAPOLIS, MN 55415 (612) 873-6518

Part VII **Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII . . . . ☐

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any See instructions for definition of "key employee "
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See Additional Data Table										

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position: Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
See Additional Data Table										

		(D)	(E)	(F)
1b Sub-Total	▶			
c Total from continuation sheets to Part VII, Section A	▶			
d Total (add lines 1b and 1c)	▶	8,159,762	207,468	764,005

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 1,045

			Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3	Yes	
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	4	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
MA MORTENSON COMPANY 700 MEADOW LANE NORTH MINNEAPOLIS, MN 55422	CONSTRUCTION	67,229,448
UNIVERSITY OF MINNESOTA 1425 UNIVERSITY AVENUE SE MINNEAPOLIS, MN 55455	PHYSICIAN SVCS	7,499,030
DATALINK CORPORATION 10050 CROSSTOWN CIRCLE SUITE 500 EDEN PRAIRIE, MN 55344	IT MAINTENANCE	6,454,517
EPIC SYSTEMS CORPORATION PO BOX 88314 MILWAUKEE, WI 53288	INFO TECHNOLOGY	4,792,946
STANDARD CONSTRUCTION LLC 11360 PRESERVE LANE NORTH CHAMPLIN, MN 55316	CONSTRUCTION	4,025,522

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 301

Part VIII **Statement of Revenue**

Check if Schedule O contains a response or note to any line in this Part VIII . . . ☐

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	**1a** Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d 18,055,096				
	e Government grants (contributions)	1e 27,936,372				
	f All other contributions, gifts, grants, and similar amounts not included above	1f 14,677,933				
	g Noncash contributions included in lines 1a-1f $					
	h Total. Add lines 1a-1f ▶		60,669,401			
Program Service Revenue		Business Code				
	2a MEDICARE/MEDICAID REVENUE	624100	538,731,860	538,731,860		
	b MANAGED CARE - COMMERCIAL	621990	242,038,951	242,038,951		
	c RETAIL PHARMACY REVENUE	621990	71,951,857	71,951,857		
	d UPPER PAYMENT LIMIT REVENUE	446110	46,875,323	46,875,323		
	e OTHER OPERATING REVENUE	900099	6,345,720			6,345,720
	f All other program service revenue		4,156,579		4,156,579	
	g Total. Add lines 2a–2f ▶		910,100,290			

Other Revenue

	(i)	(ii)	(A)	(B)	(C)	(D)
3 Investment income (including dividends, interest, and other similar amounts) ▶			1,317,565			1,317,565
4 Income from investment of tax-exempt bond proceeds ▶						
5 Royalties ▶						
	(i) Real	(ii) Personal				
6a Gross rents	727,671					
b Less rental expenses	727,671					
c Rental income or (loss)	0					
d Net rental income or (loss) ▶						
	(i) Securities	(ii) Other				
7a Gross amount from sales of assets other than inventory		233,833				
b Less cost or other basis and sales expenses		245,655				
c Gain or (loss)		-11,822				
d Net gain or (loss) ▶			-11,822			-11,822
8a Gross income from fundraising events (not including $ ____ of contributions reported on line 1c) See Part IV, line 18 . . . . **a**						
b Less direct expenses . . . **b**						
c Net income or (loss) from fundraising events ▶						
9a Gross income from gaming activities See Part IV, line 19 . . . **a**						
b Less direct expenses . . . **b**						
c Net income or (loss) from gaming activities ▶						
10a Gross sales of inventory, less returns and allowances . . **a**						
b Less cost of goods sold . . **b**						
c Net income or (loss) from sales of inventory ▶						
Miscellaneous Revenue		Business Code				
11a						
b						
c						
d All other revenue						
e Total. Add lines 11a–11d ▶						
12 Total revenue. See Instructions ▶			972,075,434	899,597,991	4,156,579	7,651,463

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns All other organizations must complete column (A)

Check if Schedule O contains a response or note to any line in this Part IX . . . . ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraisingexpenses
1 Grants and other assistance to domestic organizations and domestic governments See Part IV, line 21	695,854	695,854		
2 Grants and other assistance to domestic individuals See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, line 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	4,858,564	1,268,403	3,590,161	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	511,812	102,098	409,714	
7 Other salaries and wages	509,915,052	423,888,592	86,026,460	
8 Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions)	36,946,420	29,688,716	7,257,704	
9 Other employee benefits	107,906,772	86,268,585	21,638,187	
10 Payroll taxes	32,804,613	26,260,618	6,543,995	
11 Fees for services (non-employees)				
a Management				
b Legal	1,547,337	1,238,668	308,669	
c Accounting	420,613		420,613	
d Lobbying	174,631	174,631		
e Professional fundraising services See Part IV, line 17				
f Investment management fees	150,152	120,199	29,953	
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	29,808,100	23,153,196	6,654,904	
12 Advertising and promotion	1,336,226	1,069,670	266,556	
13 Office expenses	9,106,944	7,290,253	1,816,691	
14 Information technology	15,839,837	12,680,043	3,159,794	
15 Royalties . .				
16 Occupancy	14,666,973	11,741,147	2,925,826	
17 Travel	1,010,682	809,067	201,615	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials .				
19 Conferences, conventions, and meetings	1,441,308	1,153,790	287,518	
20 Interest	3,049	2,441	608	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization . .	33,026,728	26,438,425	6,588,303	
23 Insurance . . .	1,000,515	800,928	199,587	
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a MEDICAL DRUGS & SUPPLIE	110,106,693	110,106,693		
b SUPPLIES & UTILITY PMTS	41,590,849	33,293,901	8,296,948	
c BAD DEBTS	23,658,875	23,658,875		
d TAXES & SURCHARGE	21,674,865	17,351,077	4,323,788	
e All other expenses	1,943,568	1,123,543	820,025	
25 **Total functional expenses.** Add lines 1 through 24e	1,002,147,032	840,379,413	161,767,619	0
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part IX ☐

				(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing		48,791,956	1	59,069,027
	2	Savings and temporary cash investments			2	
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		185,794,598	4	177,493,877
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		5,001,870	8	6,091,191
	9	Prepaid expenses and deferred charges		8,956,556	9	7,735,476
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 743,023,028			
	b	Less accumulated depreciation	10b 407,501,243	246,772,025	10c	335,521,785
	11	Investments—publicly traded securities			11	
	12	Investments—other securities See Part IV, line 11		6,404,154	12	7,171,523
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		16,130,132	15	8,138
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		517,851,291	16	593,091,017
Liabilities	17	Accounts payable and accrued expenses		155,061,905	17	174,099,166
	18	Grants payable			18	
	19	Deferred revenue		1,651,324	19	1,513,902
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		304,999,716	25	400,293,476
	26	**Total liabilities.** Add lines 17 through 25		461,712,945	26	575,906,544
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets			27	
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		0	30	0
	31	Paid-in or capital surplus, or land, building or equipment fund		250,152,464	31	339,143,427
	32	Retained earnings, endowment, accumulated income, or other funds		-194,014,118	32	-321,958,954
	33	Total net assets or fund balances		56,138,346	33	17,184,473
	34	Total liabilities and net assets/fund balances		517,851,291	34	593,091,017

Part XI **Reconcilliation of Net Assets**

Check if Schedule O contains a response or note to any line in this Part XI . . . . ☑

1	Total revenue (must equal Part VIII, column (A), line 12)	1	972,075,434
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,002,147,032
3	Revenue less expenses Subtract line 2 from line 1	3	-30,071,598
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	56,138,346
5	Net unrealized gains (losses) on investments	5	61,376
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-8,943,651
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	17,184,473

Part XII **Financial Statements and Reporting**

Check if Schedule O contains a response or note to any line in this Part XII . . . . ☐

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☐ Accrual ☑ Other Enterprise If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		No
	If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
	If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☑ Both consolidated and separate basis			
c	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	Yes	
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	Yes	
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b	Yes	

Additional Data

Software ID:
Software Version:
EIN: 42-1707837
Name: HENNEPIN HEALTHCARE SYSTEM INC

Form 990 (2016)

Form 990, Part III, Line 4a:

HHS INC (D/B/A HCMC) (HEREAFTER HHS) IS A NATIONALLY RECOGNIZED LEVEL 1 ADULT AND PEDIATRIC TRAUMA CENTER WITH THE LARGEST EMERGENCY DEPARTMENT IN MINNESOTA HHS IS ALSO RECOGNIZED NATIONALLY FOR LEADERSHIP IN MEDICAL EDUCATION, EMERGENCY PREPAREDNESS, RESEARCH, AND COMPASSIONATE CARE IN MANY MEDICAL SPECIALTIES AS OF DECEMBER 31, 2016, HHS OPERATED A HOSPITAL WITH LICENSED CAPACITY OF 894 BEDS AND 65 BASSINETS, OF WHICH 486 BEDS AND 62 BASSINETS WERE AVAILABLE, AS WELL AS 13 PRIMARY CARE CLINICS AND 35 SPECIALTY CARE CLINICS, 6 PHARMACY LOCATIONS, AND EMPLOYED APPROXIMATELY 711 PROVIDERS, 233 RESIDENTS AND 131 PHARMACISTS

Form 990, Part III, Line 4b:

HHS PROVIDES STUDENTS AND MEDICAL PROFESSIONALS WITH ACCESS TO INNOVATIVE AND COMPREHENSIVE RESOURCES THAT ARE UNIQUE TO THE ORGANIZATION, DRAWING OVER 20,000 PROVIDERS EACH YEAR FOR CLINICAL TRAINING HHS ALSO TRAINS PROVIDERS ACROSS MINNESOTA AND THE REGION THROUGH OUR OUTREACH EFFORTS HHS IS THE LARGEST CONTINUING MEDICAL EDUCATION (CME) PROVIDER ACCREDITED BY THE MINNESOTA MEDICAL ASSOCIATION HHS IS THE LARGEST TEACHING HOSPITAL FOR THE UNIVERSITY OF MINNESOTA SCHOOL OF MEDICINE AND OPERATES 14 HHS-BASED RESIDENCY AND FELLOWSHIP PROGRAMS THERE ARE MULTIPLE EDUCATIONAL AREAS TO ENHANCE STUDENT AND PROVIDER EDUCATION SUCH AS THE INTERDISCIPLINARY SIMULATION AND EDUCATION CENTER, THE CENTER FOR LEARNING INTEGRATION, AND THE ADVANCED PRACTICE PROVIDER PROFESSIONAL CENTER

Form 990, Part III, Line 4c:

HHS IS NATIONALLY RECOGNIZED FOR ITS COMMITMENT TO ADVANCING THE FIELD OF MEDICINE THROUGH PROGRESSIVE MEDICAL RESEARCH MINNEAPOLIS MEDICAL RESEARCH FOUNDATION (MMRF), THE THIRD LARGEST MEDICAL RESEARCH NON-PROFIT IN MINNESOTA, HAS A DELIBERATE AND DISTINGUISHING EMPHASIS ON THE HEALTH CARE PROBLEMS AND NEEDS PREVALENT IN THE HHS PATIENT POPULATION AND SURROUNDING COMMUNITY RESEARCH CONDUCTED AT HHS AND THROUGH MMRF INCLUDES TRAUMA, EMERGENCY MEDICINE, AND TRAUMATIC BRAIN INJURY FIELDS OF STUDY

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position: Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
JON L PRYOR MD MBA CEO	40 00	X		X				821,026	0	56,703
SAMUEL E CARLSON MD FACP BOARD CHAIR	2 00	X		X				0	0	0
BRIAN J RANALLO CHAIR - FINANCE CMTE	2 00	X						0	0	0
DOUGLAS D BRUNETTE MD DIRECTOR - PHYSICIAN	40 00	X						464,488	0	44,779
TARA L GUSTILO MD DIRECTOR - PHYSICIAN	32 00	X						331,105	0	42,278
DAVID B ORBUCH JD DIRECTOR	2 00	X						0	0	0
JANIS A CALLISON MA JD DIRECTOR	2 00 40 00	X						0	102,927	22,531
RANDY JOHNSON JD DIRECTOR	2 00 40 00	X						0	104,541	23,613
SHEILA M RIGGS DDS DMSC DIRECTOR	2 00	X						0	0	0
KRIS L PETERSEN MBA DIRECTOR	2 00	X						0	0	0

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position: Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
DIANA J VANCE-BRYAN JD DIRECTOR	2 00	X						0	0	0
JACOB A GAYLE PHD DIRECTOR	2 00	X						0	0	0
DAVID M YBARRA II DIRECTOR	2 00	X						0	0	0
KATHRYN H TUNHEIM DIRECTOR	2 00	X						0	0	0
DERRICK O HOLLINGS CPA CFO	40 00			X				171,952	0	20,809
NANCY GARRETT PHD CHIEF ANALYTICS OFFICER	40 00				X			308,510	0	47,268
SCOTT WORDELMAN FACHE SVP AMBULATORY ADMIN	40 00				X			385,523	0	37,308
STEVEN P STERNER MD FACEP CHIEF PROVIDER SERVICES	40 00				X			438,398	0	43,453
WILLIAM G HEEGAARD MD CHIEF MEDICAL OFFICER	40 00				X			499,190	0	48,035
KATHY WILDE RN MA CHIEF NURSING OFFICER	40 00				X			378,400	0	43,153

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position: Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
MIAJA CASSIDY JD CHCP CCEP CHIEF COMPLIANCE OFFICER	40 00				X			283,664	0	42,412
WALTER T CHESLEY JD SVP HUMAN RESOURCES	40 00				X			307,440	0	42,671
CONSTANTIN N STARCHOOK MD PHYSICIAN - MANAGING	40 00					X		703,832	0	44,779
CHARLES L TRUWIT MD PHYSICIAN CHIEF	40 00					X		671,067	0	44,779
UZMA SAMADANI MD PHD PHYSICIAN	40 00					X		664,979	0	26,423
CHAD J RICHARDSON MD PHYSICIAN - MANAGING	40 00					X		644,069	0	44,779
MARK HILL MD PHD PHYSICIAN - MANAGING	40 00					X		617,760	0	44,779
LARRY A KRYZANIAK MS FORMER OFFICER	40 00						X	468,359	0	43,453

SCHEDULE A
(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ.
▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047
2016
Open to Public Inspection

Name of the organization
HENNEPIN HEALTHCARE SYSTEM INC

Employer identification number
42-1707837

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is (For lines 1 through 12, check only one box)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990 or 990-EZ))

3 ☑ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170 (b)(1)(A)(iv).** (Complete Part II)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)

9 ☐ An agricultural research organization described in **170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land grant college of agriculture See instructions Enter the name, city, and state of the college or university

10 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)

11 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**

12 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g

a ☐ **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization **You must complete Part IV, Sections A and B.**

b ☐ **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s) **You must complete Part IV, Sections A and C.**

c ☐ **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions) **You must complete Part IV, Sections A, D, and E.**

d ☐ **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions) **You must complete Part IV, Sections A and D, and Part V.**

e ☐ Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization

f Enter the number of supported organizations

g Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 10 above (see instructions))	(iv) Is the organization listed in your governing document? Yes	(iv) No	(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
Total						

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, 8, or 9 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grant ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part VI)						
11 **Total support.** Add lines 7 through 10						

12 Gross receipts from related activities, etc (see instructions) | 12 |

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** . . . . ▶ ☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2016 (line 6, column (f) divided by line 11, column (f)) | 14 |

15 Public support percentage for 2015 Schedule A, Part II, line 14 | 15 |

16a **33 1/3% support test—2016.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support test—2015.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

17a **10%-facts-and-circumstances test—2016.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶ ☐

b **10%-facts-and-circumstances test—2015.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ ☐

Part III **Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support.** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part VI)						
13 **Total support.** (Add lines 9, 10c, 11, and 12)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2016 (line 8, column (f) divided by line 13, column (f))	15	
16 Public support percentage from 2015 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2016** (line 10c, column (f) divided by line 13, column (f))	17	
18 Investment income percentage from **2015** Schedule A, Part III, line 17	18	

19a **331/3% support tests—2016.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support tests—2015.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

Part IV Supporting Organizations

(Complete only if you checked a box on line 12 of Part I If you checked 12a of Part I, complete Sections A and B If you checked 12b of Part I, complete Sections A and C If you checked 12c of Part I, complete Sections A, D, and E If you checked 12d of Part I, complete Sections A and D, and complete Part V)

Section A. All Supporting Organizations

			Yes	No
1	Are all of the organization's supported organizations listed by name in the organization's governing documents? *If "No," describe in **Part VI** how the supported organizations are designated If designated by class or purpose, describe the designation If historic and continuing relationship, explain*	1		
2	Did the organization have any supported organization that does not have an IRS determination of status under section 509 (a)(1) or (2)? *If "Yes," explain in **Part VI** how the organization determined that the supported organization was described in section 509(a)(1) or (2)*	2		
3a	Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? *If "Yes," answer (b) and (c) below*	3a		
b	Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? *If "Yes," describe in **Part VI** when and how the organization made the determination*	3b		
c	Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? *If "Yes," explain in **Part VI** what controls the organization put in place to ensure such use*	3c		
4a	Was any supported organization not organized in the United States ("foreign supported organization")? *If "Yes" and if you checked 12a or 12b in Part I, answer (b) and (c) below*	4a		
b	Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? *If "Yes," describe in **Part VI** how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations*	4b		
c	Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? *If "Yes," explain in **Part VI** what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes*	4c		
5a	Did the organization add, substitute, or remove any supported organizations during the tax year? *If "Yes," answer (b) and (c) below (if applicable) Also, provide detail in **Part VI,** including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document)*	5a		
b	**Type I or Type II only.** Was any added or substituted supported organization part of a class already designated in the organization's organizing document?	5b		
c	**Substitutions only.** Was the substitution the result of an event beyond the organization's control?	5c		
6	Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? *If "Yes," provide detail in **Part VI.***	6		
7	Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? *If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ)*	7		
8	Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? *If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ)*	8		
9a	Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? *If "Yes," provide detail in **Part VI.***	9a		
b	Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? *If "Yes," provide detail in **Part VI.***	9b		
c	Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? *If "Yes," provide detail in **Part VI.***	9c		
10a	Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? *If "Yes," answer line 10b below*	10a		
b	Did the organization have any excess business holdings in the tax year? *(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings)*	10b		

Part IV **Supporting Organizations** (continued)

			Yes	No
11	Has the organization accepted a gift or contribution from any of the following persons?			
a	A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?	**11a**		
b	A family member of a person described in (a) above?	**11b**		
c	A 35% controlled entity of a person described in (a) or (b) above? *If "Yes" to a, b, or c, provide detail in Part VI*	**11c**		

Section B. Type I Supporting Organizations

			Yes	No
1	Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? *If "No," describe in **Part VI** how the supported organization(s) effectively operated, supervised, or controlled the organization's activities If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year*	**1**		
2	Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? *If "Yes," explain in **Part VI** how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised or controlled the supporting organization*	**2**		

Section C. Type II Supporting Organizations

			Yes	No
1	Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? *If "No," describe in **Part VI** how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s)*	**1**		

Section D. All Type III Supporting Organizations

			Yes	No
1	Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?	**1**		
2	Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization (s) or (ii) serving on the governing body of a supported organization? *If "No," explain in **Part VI** how the organization maintained a close and continuous working relationship with the supported organization(s)*	**2**		
3	By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? *If "Yes," describe in **Part VI** the role the organization's supported organizations played in this regard*	**3**		

Section E. Type III Functionally-Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year **(see instructions)**

- **a** ☐ The organization satisfied the Activities Test Complete **line 2** below
- **b** ☐ The organization is the parent of each of its supported organizations Complete **line 3** below
- **c** ☐ The organization supported a governmental entity Describe in **Part VI** how you supported a government entity (see instructions)

			Yes	No
2	Activities Test **Answer (a) and (b) below.**			
a	Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? *If "Yes," then in **Part VI identify those supported organizations and explain** how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities*	**2a**		
b	Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? *If "Yes," explain in **Part VI** the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement*	**2b**		
3	Parent of Supported Organizations **Answer (a) and (b) below.**			
a	Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? *Provide details in **Part VI.***	**3a**		
b	Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? *If "Yes," describe in **Part VI.** the role played by the organization in this regard*	**3b**		

Part V **Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations**

1 ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov 20, 1970 **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1 Net short-term capital gain	1		
2 Recoveries of prior-year distributions	2		
3 Other gross income (see instructions)	3		
4 Add lines 1 through 3	4		
5 Depreciation and depletion	5		
6 Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6		
7 Other expenses (see instructions)	7		
8 **Adjusted Net Income** (subtract lines 5, 6 and 7 from line 4)	8		

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year)	1		
a Average monthly value of securities	1a		
b Average monthly cash balances	1b		
c Fair market value of other non-exempt-use assets	1c		
d **Total** (add lines 1a, 1b, and 1c)	1d		
e **Discount** claimed for blockage or other factors (explain in detail in Part VI)			
2 Acquisition indebtedness applicable to non-exempt use assets	2		
3 Subtract line 2 from line 1d	3		
4 Cash deemed held for exempt use Enter 1-1/2% of line 3 (for greater amount, see instructions)	4		
5 Net value of non-exempt-use assets (subtract line 4 from line 3)	5		
6 Multiply line 5 by 035	6		
7 Recoveries of prior-year distributions	7		
8 **Minimum Asset Amount** (add line 7 to line 6)	8		

Section C - Distributable Amount			Current Year
1 Adjusted net income for prior year (from Section A, line 8, Column A)	1		
2 Enter 85% of line 1	2		
3 Minimum asset amount for prior year (from Section B, line 8, Column A)	3		
4 Enter greater of line 2 or line 3	4		
5 Income tax imposed in prior year	5		
6 **Distributable Amount.** Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6		

7 ☐ Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)

Part V **Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)**

Section D - Distributions	**Current Year**
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI) See instructions	
7 **Total annual distributions.** Add lines 1 through 6	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions	
9 Distributable amount for 2016 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	**(i) Excess Distributions**	**(ii) Underdistributions Pre-2016**	**(iii) Distributable Amount for 2016**
1 Distributable amount for 2016 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2016 (reasonable cause required--see instructions)			
3 Excess distributions carryover, if any, to 2016			
a			
b			
c From 2013.			
d From 2014.			
e From 2015.			
f **Total** of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2016 distributable amount			
i Carryover from 2011 not applied (see instructions)			
j Remainder Subtract lines 3g, 3h, and 3i from 3f			
4 Distributions for 2016 from Section D, line 7 $			
a Applied to underdistributions of prior years			
b Applied to 2016 distributable amount			
c Remainder Subtract lines 4a and 4b from 4			
5 Remaining underdistributions for years prior to 2016, if any Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions)			
6 Remaining underdistributions for 2016 Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions)			
7 **Excess distributions carryover to 2017.** Add lines 3j and 4c			
8 Breakdown of line 7			
a			
b Excess from 2013.			
c Excess from 2014.			
d Excess from 2015.			
e Excess from 2016.			

Part VI **Supplemental Information.**

Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b; Part V, line 1; Part V, Section B, line 1e; Part V Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527
▶Complete if the organization is described below. ▶Attach to Form 990 or Form 990-EZ.
▶Information about Schedule C (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2016

Open to Public Inspection

If the organization answered "Yes" on Form 990, Part IV, Line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then
- Section 501(c)(3) organizations Complete Parts I-A and B Do not complete Part I-C
- Section 501(c) (other than section 501(c)(3)) organizations Complete Parts I-A and C below Do not complete Part I-B
- Section 527 organizations Complete Part I-A only

If the organization answered "Yes" on Form 990, Part IV, Line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then
- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) Complete Part II-A Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

If the organization answered "Yes" on Form 990, Part IV, Line 5 (Proxy Tax) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then
- Section 501(c)(4), (5), or (6) organizations Complete Part III

Name of the organization	Employer identification number
HENNEPIN HEALTHCARE SYSTEM INC	42-1707837

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV
2 Political expenditures ▶ $
3 Volunteer hours

Part I-B Complete if the organization is exempt under section 501(c)(3).

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ $
2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ $
3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No
4a Was a correction made? ☐ Yes ☐ No
b If "Yes," describe in Part IV

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ $
2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ $
3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ▶ $
4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No
5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

(a) Name	**(b)** Address	**(c)** EIN	**(d)** Amount paid from filing organization's funds If none, enter -0-	**(e)** Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-
2				
3				
4				
5				
6				

Part II-A **Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**

A Check ▶ ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)

B Check ▶ ☐ if the filing organization checked box A and "limited control" provisions apply

	Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	**(a)** Filing organization's totals	**(b)** Affiliated group totals
1a	Total lobbying expenditures to influence public opinion (grass roots lobbying)	174,631	
b	Total lobbying expenditures to influence a legislative body (direct lobbying)	0	
c	Total lobbying expenditures (add lines 1a and 1b)	174,631	
d	Other exempt purpose expenditures	1,001,972,401	
e	Total exempt purpose expenditures (add lines 1c and 1d)	1,002,147,032	
f	Lobbying nontaxable amount Enter the amount from the following table in both columns	1,000,000	

If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:
Not over $500,000	20% of the amount on line 1e
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

		(a)	(b)
g	Grassroots nontaxable amount (enter 25% of line 1f)	250,000	
h	Subtract line 1g from line 1a If zero or less, enter -0-	0	
i	Subtract line 1f from line 1c If zero or less, enter -0-	0	
j	If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?	☐ Yes	☐ No

4-Year Averaging Period Under section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period

	Calendar year (or fiscal year beginning in)	**(a)** 2013	**(b)** 2014	**(c)** 2015	**(d)** 2016	**(e)** Total
2a	Lobbying nontaxable amount	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
b	Lobbying ceiling amount (150% of line 2a, column(e))					6,000,000
c	Total lobbying expenditures	206,597	187,527	144,041	174,631	712,796
d	Grassroots nontaxable amount	250,000	250,000	250,000	250,000	1,000,000
e	Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000
f	Grassroots lobbying expenditures	206,597	187,527	144,041	174,631	712,796

Part II-B **Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).**

For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?			
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c	Media advertisements?			
d	Mailings to members, legislators, or the public?			
e	Publications, or published or broadcast statements?			
f	Grants to other organizations for lobbying purposes?			
g	Direct contact with legislators, their staffs, government officials, or a legislative body?			
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i	Other activities?			
j	Total Add lines 1c through 1i			
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).**

			Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?	1		
2	Did the organization make only in-house lobbying expenditures of $2,000 or less?	2		
3	Did the organization agree to carry over lobbying and political expenditures from the prior year?	3		

Part III-B **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."**

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) nondeductible lobbying and political expenditures **(do not include amounts of political expenses for which the section 527(f) tax was paid).**		
a	Current year	2a	
b	Carryover from last year	2b	
c	Total	2c	
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5	Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV **Supplemental Information**

Provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, Part II-A (affiliated group list), Part II-A, lines 1 and 2 (see instructions), and Part II-B, line 1 Also, complete this part for any additional information

Return Reference	Explanation
PART I-A, LINE 1	HENNEPIN HEALTH SYSTEM INC 'S (HHS INC) HAS A SERVICE AGREEMENT IN FORCE WITH HENNEPIN COUNTY INTERGOVERNMENTAL RELATIONS (IGT) TO FURNISH STATE AND FEDERAL GRASSROOT LOBBYING SERVICES RELATED TO HHS INC 'S MISSION AND PURPOSE IN ADDITION, HHS INC IS ASSOCIATED WITH ORGANIZATIONS SUCH AS MINNESOTA HOSPITAL ASSOCIATION, AMERICA'S ESSENTIAL HOSPITALS, AND THE NATIONAL ASSOCIATION OF CHILDREN HOSPITALS WHICH ENGAGE IN LOBBYING ACTIVITIES AT THE STATE AND NATIONAL LEVEL ON BEHALF OF ITS MEMBER ENTITIES THE GRASSROOTS LOBBYING EXPENSES ARE MADE UP AS BELOW HENNEPIN COUNTY IGR PAYMENTS _ $155,000 MINNESOTA HOSPITAL ASSOCIATION _ $5,078 AMERICA'S ESSENTIAL HOSPITALS _ $3,900 NATIONAL ASSOCIATION OF CHILDREN HOSPITALS _ $5,346 MN AMBULANCE ASSOCIATION _ $3,500 MINNESOTA HOMECARE ASSOCIATION _ $1,006 SAFETY NET HOSPITALS PHARM ACCESS _ $536 NATIONAL HOSPICE PALLIATIVE CARE ORG _ $173 MINNEAPOLIS DOWNTOWN COUNCIL _ $92 TOTAL GRASSROOTS LOBBYING EXPENDITURE _ $174,631

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990.
Information about Schedule D (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2016

Open to Public Inspection

Name of the organization
HENNEPIN HEALTHCARE SYSTEM INC

Employer identification number
42-1707837

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate value of contributions to (during year)		
3	Aggregate value of grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or education)
☐ Preservation of an historically important land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

			Held at the End of the Year
a	Total number of conservation easements	2a	
b	Total acreage restricted by conservation easements	2b	
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶

4 Number of states where property subject to conservation easement is located ▶

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ $

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenue included on Form 990, Part VIII, line 1 ▶ $

(ii) Assets included in Form 990, Part X ▶ $

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenue included on Form 990, Part VIII, line 1 ▶ $

b Assets included in Form 990, Part X ▶ $

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

a ☐ Public exhibition
d ☐ Loan or exchange programs
b ☐ Scholarly research
e ☐ Other
c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ **Yes** ☐ **No**

Part IV Escrow and Custodial Arrangements.
Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ **Yes** ☐ **No**

			Amount
b	If "Yes," explain the arrangement in Part XIII and complete the following table		
c	Beginning balance	1c	
d	Additions during the year	1d	
e	Distributions during the year	1e	
f	Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ **Yes** ☐ **No**

b If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII . . . . ☐

Part V Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	3,153,016	2,956,178	2,754,332	2,187,882	
b Contributions					
c Net investment earnings, gains, and losses	46,489	196,839	183,917	566,450	
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	3,199,505	3,153,016	2,956,178	2,754,332	

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a Board designated or quasi-endowment ▶

b Permanent endowment ▶ 58 840 %

c Temporarily restricted endowment ▶ 41 160 %

The percentages on lines 2a, 2b, and 2c should equal 100%

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

		Yes	No
(i) unrelated organizations	3a(i)		No
(ii) related organizations	3a(ii)		No
b If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIII the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment.
Complete if the organization answered 'Yes' on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		28,603,548		28,603,548
b Buildings		376,962,917	241,629,419	135,333,498
c Leasehold improvements		117,755,554	8,901,840	108,853,714
d Equipment		215,639,099	154,831,111	60,807,988
e Other		4,061,910	2,138,873	1,923,037
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c))* ▶				335,521,785

Part VII Investments—Other Securities. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. *(Column (b) must equal Form 990, Part X, col (B) line 12)* ▶		

Part VIII Investments—Program Related. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. *(Column (b) must equal Form 990, Part X, col (B) line 13)* ▶		

Part IX Other Assets. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11d See Form 990, Part X, line 15

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 15)* ▶	

Part X Other Liabilities. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
NET PENSION LIABILITY GASB 68	326,481,978
LEASE REVENUE REFUNDING CERTIFICATES	63,337,266
TAXES	6,957,766
RELATED PARTY PAYABLES	3,516,466
(5)	
(6)	
(7)	
(8)	
(9)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	400,293,476

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII ☐

Part XI **Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**
Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements			1	947,915,257
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains (losses) on investments	2a	61,376		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d			
e	Add lines **2a** through **2d**			2e	61,376
3	Subtract line **2e** from line **1**			3	947,853,881
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII)	4b	24,221,553		
c	Add lines **4a** and **4b**			4c	24,221,553
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	972,075,434

Part XII **Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**
Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements			1	977,925,479
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIII)	2d			
e	Add lines **2a** through **2d**			2e	0
3	Subtract line **2e** from line **1**			3	977,925,479
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII)	4b	24,221,553		
c	Add lines **4a** and **4b**			4c	24,221,553
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	1,002,147,032

Part XIII **Supplemental Information**

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b Also complete this part to provide any additional information

Return Reference	Explanation
See Additional Data Table	

Part XIII **Supplemental Information** ***(continued)***

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 42-1707837
Name: HENNEPIN HEALTHCARE SYSTEM INC

Supplemental Information

Return Reference	Explanation
PART V, LINE 4	THE ENDOWMENT CONSISTS ENTIRELY OF DONOR-RESTRICTED FUNDS ESTABLISHED TO SUPPORT RESEARCH ACTIVITIES AND THE NON-SURGERY ENDOWMENT HHS, INC POLICY PROVIDES FOR THE ABILITY TO APP ROPRIATE FOR DISTRIBUTION EACH YEAR AN AGREED PROPORTION PLUS RELATED ACCUMULATED EARNINGS BASED UPON BALANCES OF THE PRECEDING YEAR AND MAINTAINING A RECOMMENDED PURCHASING POWER OF THE ENDOWMENT DISTRIBUTIONS ARE NOT MADE IN PERIODS SUBSEQUENT TO A DETERMINATION THAT THE FAIR MARKET VALUE OF THE PERMANENTLY RESTRICTED NET ASSETS FALLS BELOW CORPUS

Supplemental Information

Return Reference	Explanation
PART XI, LINE 4B - OTHER ADJUSTMENTS	BAD DEBT RECLASS 23,658,875 LOSS ON SALE/DISPOSAL OF ASSETS -11,822 RELATED PARTY REIMBURSEMENTS 574,500

Supplemental Information

Return Reference	Explanation
PART XII, LINE 4B - OTHER ADJUSTMENTS	RELATED PARTY REIMBURSEMENTS 574,500 BAD DEBT RECLASS 23,658,875 LOSS ON SALE/DISPOSAL OF ASSETS -11,822

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" on Form 990, Part IV, question 20.
▶ Attach to Form 990.
▶ Information about Schedule H (Form 990) and its instructions is at *www.irs.gov/form990.*

OMB No 1545-0047

2016

Open to Public Inspection

Name of the organization
HENNEPIN HEALTHCARE SYSTEM INC

Employer identification number
42-1707837

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	Yes	
b	If "Yes," was it a written policy?	1b	Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year ☑ Applied uniformly to all hospital facilities ☐ Applied uniformly to most hospital facilities ☐ Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for *free* care	3a	Yes	
	☐ 100% ☐ 150% ☐ 200% ☑ Other 30000 0000000000 %			
b	Did the organization use FPG as a factor in determining eligibility for providing *discounted* care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care	3b	Yes	
	☐ 200% ☐ 250% ☑ 300% ☐ 350% ☐ 400% ☐ Other _______ %			
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit report during the tax year?	6a	Yes	
b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			20,955,633		20,955,633	2 090 %
b Medicaid (from Worksheet 3, column a)			404,731,080	360,042,078	44,689,002	4 460 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			425,686,713	360,042,078	65,644,635	6 550 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)		228,929	3,517,844	3,014,101	503,743	0 050 %
f Health professions education (from Worksheet 5)			69,064,342	43,550,334	25,514,008	2 550 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			88,700		88,700	0 010 %
j **Total.** Other Benefits		228,929	72,670,886	46,564,435	26,106,451	2 610 %
k **Total.** Add lines 7d and 7j		228,929	498,357,599	406,606,513	91,751,086	9 160 %

Part II Community Building Activities Complete this table if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support			1,312,826	1,126,730	186,096	0 020 %
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development						
9 Other						
10 Total			1,312,826	1,126,730	186,096	0 020 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1	Yes	
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount	2	23,658,875		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3	748,819		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	192,522,760
6	Enter Medicare allowable costs of care relating to payments on line 5	6	274,200,546
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-81,677,786

8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

			Yes	No
9a	Did the organization have a written debt collection policy during the tax year?	9a	Yes	
b	If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	9b	Yes	

Part IV Management Companies and Joint Ventures (owned 10% or more by officers, directors, trustees, key employees, and physicians—see instructions)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1				
2				
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Part V Facility Information

Section A. Hospital Facilities (list in order of size from largest to smallest—see instructions) How many hospital facilities did the organization operate during the tax year? **1** Name, address, primary website address, and state license number (and if a group return, the name and EIN of the subordinate hospital organization that operates the hospital facility)		Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)	Facility reporting group
	See Additional Data Table										

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

(Complete a separate Section B for each of the hospital facilities or facility reporting groups listed in Part V, Section A)

Name of hospital facility or letter of facility reporting group HENNEPIN HEALTHCARE SYSTEM INC

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A):

			Yes	No
	Community Health Needs Assessment			
1	Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?	1		No
2	Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C	2		No
3	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12	3	Yes	
	If "Yes," indicate what the CHNA report describes (check all that apply)			
a	☑ A definition of the community served by the hospital facility			
b	☑ Demographics of the community			
c	☑ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	☑ How data was obtained			
e	☑ The significant health needs of the community			
f	☑ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	☑ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	☑ The process for consulting with persons representing the community's interests			
i	☐ The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)			
j	☑ Other (describe in Section C)			
4	Indicate the tax year the hospital facility last conducted a CHNA 20 16			
5	In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	5	Yes	
6 a	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	6a		No
b	Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities?" If "Yes," list the other organizations in Section C	6b		No
7	Did the hospital facility make its CHNA report widely available to the public?	7	Yes	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☑ Hospital facility's website (list url) WWW HCMC ORG			
b	☑ Other website (list url) WWW MNHOSPITALS ORG			
c	☑ Made a paper copy available for public inspection without charge at the hospital facility			
d	☐ Other (describe in Section C)			
8	Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11	8	Yes	
9	Indicate the tax year the hospital facility last adopted an implementation strategy 20 16			
10	Is the hospital facility's most recently adopted implementation strategy posted on a website?	10	Yes	
a	If "Yes" (list url) WWW HCMC ORG			
b	If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?	10b		
11	Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed			
12a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	12a		No
b	If "Yes" on line 12a, did the organization file Form 4720 to report the section 4959 excise tax?	12b		
c	If "Yes" on line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information *(continued)*

Financial Assistance Policy (FAP)

Name of hospital facility or letter of facility reporting group HENNEPIN HEALTHCARE SYSTEM INC

			Yes	No
	Did the hospital facility have in place during the tax year a written financial assistance policy that			
13	Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care?	13	Yes	
	If "Yes," indicate the eligibility criteria explained in the FAP			
a	☑ Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of 300 000000000000 % and FPG family income limit for eligibility for discounted care of 300 000000000000 %			
b	☐ Income level other than FPG (describe in Section C)			
c	☑ Asset level			
d	☑ Medical indigency			
e	☑ Insurance status			
f	☑ Underinsurance discount			
g	☑ Residency			
h	☐ Other (describe in Section C)			
14	Explained the basis for calculating amounts charged to patients?	14	Yes	
15	Explained the method for applying for financial assistance?	15	Yes	
	If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply)			
a	☑ Described the information the hospital facility may require an individual to provide as part of his or her application			
b	☑ Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application			
c	☑ Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process			
d	☐ Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications			
e	☐ Other (describe in Section C)			
16	Was widely publicized within the community served by the hospital facility?	16	Yes	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a	☑ The FAP was widely available on a website (list url) WWW HCMC ORG			
b	☑ The FAP application form was widely available on a website (list url) WWW HCMC ORG			
c	☑ A plain language summary of the FAP was widely available on a website (list url) WWW HCMC ORG			
d	☑ The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)			
e	☑ The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)			
f	☑ A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)			
g	☑ Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention			
h	☑ Notified members of the community who are most likely to require financial assistance about availability of the FAP			
i	☑ The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by LEP populations			
j	☑ Other (describe in Section C)			

Part V Facility Information *(continued)*

Billing and Collections

HENNEPIN HEALTHCARE SYSTEM INC

Name of hospital facility or letter of facility reporting group

		Yes	No
17 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon non-payment?	**17**	Yes	
18 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP **a** ☑ Reporting to credit agency(ies) **b** ☐ Selling an individual's debt to another party **c** ☐ Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP **d** ☐ Actions that require a legal or judicial process **e** ☐ Other similar actions (describe in Section C) **f** ☐ None of these actions or other similar actions were permitted			
19 Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	**19**	Yes	
If "Yes," check all actions in which the hospital facility or a third party engaged **a** ☑ Reporting to credit agency(ies) **b** ☐ Selling an individual's debt to another party **c** ☐ Deferring , denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP **d** ☐ Actions that require a legal or judicial process **e** ☐ Other similar actions (describe in Section C)			
20 Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19 (check all that apply) **a** ☑ Provided a written notice about upcoming ECAs (Extraordinary Collection Action) and a plain language summary of the FAP at least 30 days before initiating those ECAs **b** ☑ Made a reasonable effort to orally notify individuals about the FAP and FAP application process **c** ☑ Processed incomplete and complete FAP applications **d** ☑ Made presumptive eligibility determinations **e** ☐ Other (describe in Section C) **f** ☐ None of these efforts were made			

Policy Relating to Emergency Medical Care

		Yes	No
21 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	**21**	Yes	
If "No," indicate why **a** ☐ The hospital facility did not provide care for any emergency medical conditions **b** ☐ The hospital facility's policy was not in writing **c** ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C) **d** ☐ Other (describe in Section C)			

Part V Facility Information *(continued)*

Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)

HENNEPIN HEALTHCARE SYSTEM INC

Name of hospital facility or letter of facility reporting group

		Yes	No
22 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care			
a ☑ The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period			
b ☐ The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period			
c ☐ The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period			
d ☑ The hospital facility used a prospective Medicare or Medicaid method			
23 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?	**23**		No
If "Yes," explain in Section C			
24 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?	**24**		No
If "Yes," explain in Section C			

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

Form and Line Reference	Explanation
See Add'l Data	

Part V Facility Information *(continued)*

Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility
(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? 5

	Name and address	Type of Facility (describe)
1	1 - HCMC CLINICS - 43 CLINICS 701 PARK AVENUE MINNEAPOLIS, MN 55415	HOSPITAL-BASED UNDER NPI 1407897309 - OUTPATIENT & SPECIALTY CARE SERVICE
2	2 - HCMC PHARMACIES - 6 LOCATIONS 701 PARK AVENUE MINNEAPOLIS, MN 55415	PHARMACY SERVICES
3	3 - HCMC-BE WELL CLINIC 300 SOUTH SIXTH STREET MINNEAPOLIS, MN 55487	FREE STANDING CLINIC
4	4 - HCMC - GOLDEN VALLEY CLINIC 5653 DULUTH STREET GOLDEN VALLEY, MN 55422	FREE STANDING CLINIC
5	5 - PARKSIDE PATCH CLINIC 825 SOUTH 8TH STREET MINNEAPOLIS, MN 55404	FREE STANDING CLINIC
6		
7		
8		
9		
10		

Part VI Supplemental Information

Provide the following information

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II and Part III, lines 2, 3, 4, 8 and 9b

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART II, COMMUNITY BUILDING ACTIVITIES	
PART III, LINE 2	BAD DEBT EXPENSE IN THE AMOUNT OF $23,658,875 IS THE AMOUNT RECORDED DURING 2016 WHICH IS WRITTEN OFF OR SENT TO COLLECTIONS NET OF RECOVERIES AND NET OF BOOK RESERVES FOR ADJUSTME NTS TO THE ON-GOING BAD DEBT ALLOWANCE ON OPEN ACCOUNTS RECEIVABLE

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART III, LINE 3	
PART III, LINE 4	HHS INCLUDES DISCUSSION OF ACCOUNTS RECEIVABLE AND BAD DEBT EXPENSE IN THE ATTACHED AUDITED FINANCIAL STATEMENTS ON PAGE 9, 10 AND 15

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART III, LINE 8	
PART III, LINE 9B	HHS USES A COMBINATION OF DISCOUNT AND COLLECTION POLICIES PATIENTS ARE SCREENED USING ES TABLISHED GUIDELINES AS SET BY THE HOSPITAL AND WHENEVER POSSIBLE THE PATIENT OR PATIENT'S FAMILY CAN FILL OUT AN APPLICATION FOR FINANCIAL ASSISTANCE THOSE THAT DO NOT QUALIFY FO R MEDICAL ASSISTANCE, HENNEPIN HEALTH, CHARITY CARE OR HENNEPIN CARE, OR WHO ARE UNINSURED , WILL BE OFFERED AN UNINSURED DISCOUNT PATIENTS WITH SELF-PAY BALANCES WHO ARE CONSIDERE D ABLE TO PAY BASED ON FINANCIAL SCREENING MAY BE TURNED OVER TO COLLECTIONS IF THE HOSPIT AL DEEMS THAT THEY HAVE THE ABILITY TO PAY FOR SERVICES HHS, AS A GOVERNMENT ENTITY, IS A LLOWED TO PARTICIPATE IN STATE OF MINNESOTA REVENUE RECAPTURE PROGRAM THIS PROGRAM ALLOWS HHS TO SUBMIT CLAIMS AGAINST PATIENT INCOME TAX REFUNDS, PROPERTY TAX REFUNDS, AND LOTTER Y WINNINGS TO RECOVER PAST DUE BALANCES AFTER OTHER COLLECTION EFFORTS ARE EXHAUSTED

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART VI, LINE 2	
PART VI, LINE 3	HENNEPIN HEALTHCARE SYSTEM, INC 'S (HHS) FINANCIAL ASSISTANCE POLICY IS INTENDED FOR PATIE NTS WHO NEED HELP PAYING FOR EMERGENCY OR MEDICALLY NECESSARY CARE THEY RECEIVE AT A HENNE PIN HEALTHCARE SYSTEM FACILITY OR BY A HENNEPIN HEALTHCARE SYSTEM PROVIDER WE ARE COMMITT ED TO PROVIDING THE BEST POSSIBLE CARE TO EVERY PATIENT WE SERVE, INCLUDING THOSE WHO ARE NOT ABLE TO PAY FOR THAT CARE PATIENTS REQUESTING FINANCIAL ASSISTANCE FOR THEIR MEDICAL CARE MUST FILL OUT AN APPLICATION TO APPLY AND MUST MEET THE ELIGIBILITY REQUIREMENTS TO Q UALIFY THE FINANCIAL ASSISTANCE PROGRAM HELPS LOW-INCOME, UNINSURED, OR UNDERINSURED PATIE NTS WHO NEED HELP PAYING FOR ALL OR PART OF THEIR MEDICAL CARE PATIENTS ARE ELIGIBLE FOR A HHS FINANCIAL ASSISTANCE PROGRAM WHEN THEIR FAMILY INCOME IS AT OR BELOW 300% OF THE FED ERAL POVERTY LEVEL (FPL) DISCOUNTS FOR PATIENTS WITHOUT INSURANCE ARE ALSO AVAILABLE FOR I NCOMES EXCEEDING 300% OF THE FEDERAL POVERTY LEVEL EVALUATION OF OTHER CRITERIA MAY BE RE QUIRED FOR ALL DISCOUNTS PATIENTS WHO ARE ELIGIBLE FOR HHS FINANCIAL ASSISTANCE WILL NOT BE CHARGED MORE THAN AMOUNTS GENERALLY BILLED (AGB) FOR EMERGENCY OR OTHER MEDICALLY NECES SARY CARE TO PATIENTS WITH INSURANCE (AGB, AS DEFINED BY IRS SECTION 501(R))

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART VI, LINE 4	
PART VI, LINE 5	HHS PROVIDES MORE CARE TO MINNESOTA HEALTH CARE PROGRAM (MHCP) RECIPIENTS AND THE UNINSURE D THAN DO OUR NON-TEACHING PEERS, NEARLY 50% OF HHS' VOLUME IS PROVIDED TO LOW INCOME POPU LATIONS HHS IS MINNESOTA'S LARGEST PROVIDER OF SERVICE TO THE POOR BY A SUBSTANTIAL MARGI N HHS TREATS HENNEPIN COUNTY'S AND THE REGION'S MORE SEVERELY ILL PATIENTS, SUCH AS THOSE REFERRED FROM OTHER HOSPITALS AND THOSE REQUIRING EXTENSIVE SUPPORT SERVICES HHS' PHYSIC IANS AND ALUMNI ARE INTEGRAL TO THE REGION'S EMERGENCY PREPAREDNESS AND STAND-BY CAPABILIT IES HHS PROVIDES MANY SPECIALIZED INPATIENT AND OUTPATIENT SERVICES SUCH AS INTENSIVE NEO NATAL CARE, ORGAN TRANSPLANTATION, ONCOLOGY SERVICES AND SOPHISTICATED RECONSTRUCTIVE SURG ERY TO THE REGION'S POPULATION HHS FACILITATES THE TRANSITIONS OF NEW SERVICES AND TECHNO LOGIES INTO THE MAINSTREAM HEALTH CARE PROVISION SYSTEM AND HELPS TO RAISE THE REGIONAL HE ALTH PROVISION STANDARDS

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART VI, LINE 6	
PART VI, LINE 7, REPORTS FILED WITH STATES	MN

Additional Data

Software ID:
Software Version:
EIN: 42-1707837
Name: HENNEPIN HEALTHCARE SYSTEM INC

Form 990 Schedule H, Part V Section A. Hospital Facilities

Section A. Hospital Facilities (list in order of size from largest to smallest—see instructions) How many hospital facilities did the organization operate during the tax year? **1** Name, address, primary website address, and state license number		Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	**Other (Describe)**	**Facility reporting group**
1	HENNEPIN HEALTHCARE SYSTEM INC HENNEPIN CTY MEDICAL CENTER 701 PARK AVENUE MINNEAPOLIS, MN 55415 WWW HCMC ORG 376138	X	X	X	X		X	X		LEVEL 1 TRAUMA HOSPITAL	

Form 990 Part V Section C Supplemental Information for Part V, Section B.

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

Form and Line Reference	Explanation
HENNEPIN HEALTHCARE SYSTEM, INC	PART V, SECTION B, LINE 3J AS LEGISLATED BY MINNESOTA STATUTE 383B 918, HHS IS REQUIRED TO PREPARE "A HEALTH SERVICES PLAN THAT DRAWS INPUT FROM A POPULATION HEALTH NEEDS ASSESSMENT AND DELINEATES THE ORGANIZATION'S ROLE IN THE COMMUNITY, INCLUDING EDUCATION, RESEARCH, AND PATIENT CARE SERVICES TO IMPROVE THE HEALTH STATUS OF THE COMMUNITY INCLUDING INDIGENT POPULATIONS " THE HEALTH SERVICES PLAN IS APPROVED ANNUALLY BY THE HHS, INC BOARD AND THE HENNEPIN COUNTY BOARD OF COMMISSIONERS

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

Form and Line Reference	Explanation
HENNEPIN HEALTHCARE SYSTEM, INC	PART V, SECTION B, LINE 5 STARTING IN TAX YEARS BEGINNING AFTER MARCH 23, 2012, THE AFFOR DABLE CARE ACT REQUIRED 501(C)(3) NON-PROFIT HOSPITALS TO CONDUCT A COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) AND ADOPT AN IMPLEMENTATION STRATEGY AT LEAST ONCE EVERY THREE YEARS I NDIVIDUALS FROM MORE THAN 30 KEY COMMUNITY ORGANIZATIONS WERE INTERVIEWED TO GAIN COMMUNIT Y INSIGHT INTO THE MOST PRESSING HEALTH NEEDS IN THE HCMC COMMUNITY WE SOUGHT INPUT FROM THE FOLLOWING PERSONS AND TYPES OF ORGANIZATIONS - COUNTY AND CITY WORKERS OF MINNEAPOLIS HEALTH PROFESSIONALS - ORGANIZATIONS WORKING DIRECTLY WITH COMMUNITY MEMBERS, SERVING SPEC IFIC POPULATIONS AND/OR ADDRESSING SPECIFIC SOCIAL AND HEALTH NEEDS - ORGANIZATIONS WITH A BROAD FOCUS AND SCOPE, CROSSING A MULTITUDE OF POPULATIONS, INCLUDING FUNDERS SUCH AS UN ITED WAY AND HENNEPIN HEALTH FOUNDATION - HCMC PATIENTS AND FAMILIES- KEY HCMC LEADERS I N AN EFFORT TO INCLUDE INPUT FROM THOSE REPRESENTING THE HCMC COMMUNITY DEMOGRAPHIC PROFIL E, HCMC CONTACTED AGENCIES AND ORGANIZATIONS THAT REPRESENTED THE RACIAL, ETHICAL, LANGUAG E, AND AGE DISTRIBUTION FOUND IN ITS PATIENT AND COMMUNITY POPULATIONS THROUGH CONSIDERAB LE INPUT FROM A BROAD GROUP OF COMMUNITY STAKEHOLDERS, THE CHNA IDENTIFIED THREE PRIORITY NEEDS 1 MENTAL HEALTH WAS IDENTIFIED AS ONE OF THE THREE TOP PRIORITY HEALTH NEEDS IN THE HCMC COMMUNITY MENTAL HEALTH ITSELF ENCOMPASSES A WIDE RANGE OF ISSUES, FROM PROMOTING M ENTAL, EMOTIONAL, AND SPIRITUAL WELLBEING TO DIAGNOSING AND TREATING SERIOUS LONG-TERM MEN TAL ILLNESS 2 SOCIAL DETERMINANTS OF HEALTH WHICH INCLUDES THE FOOD SHELF AT HCMC AND THE COMMUNITY RESOURCE NETWORK COLLABORATIVE THE CENTERS FOR DISEASE CONTROL DEFINES DETERMI NANTS OF HEALTH AS "FACTORS THAT CONTRIBUTE TO A PERSON'S CURRENT STATE OF HEALTH " ADDITI ONALLY, CDC SAYS "SOCIAL DETERMINANTS ARE THE COMPLEX, INTEGRATED, AND OVERLAPPING SOCIAL STRUCTURES AND ECONOMIC SYSTEMS THAT ARE RESPONSIBLE FOR MOST HEALTH INEQUITIES "SEVERAL COMMUNITY STAKEHOLDERS OBSERVED, "IT'S HARD TO THINK ABOUT HEALTHY EATING OR GETTING EXERC ISE, WHEN YOU DON'T KNOW WHERE YOU'RE GOING TO SLEEP TONIGHT " ADDRESSING SOCIAL DETERMINA NTS OF HEALTH WAS SEEN AS FOUNDATIONAL TO ADDRESSING OTHER HEALTH ISSUES SUCH AS HEALTH BE HAVIORS AND CHRONIC DISEASES 3 MATERNAL CHILD HEALTH INCLUDING THREE SPECIFIC ASPECTS OF NEED THAT WERE IDENTIFIED BY A BROAD GROUP OF COMMUNITY STAKEHOLDERS PARTICIPATING IN THE ASSESSMENT PROCESS PRENATAL SERVICES, EARLY CHILDHOOD DEVELOPMENT AND CARE FOR HIGH-RISK TEENAGERS THESE TOP THREE PRIORITY NEEDS ARE IN ALIGNMENT WITH TWO OF THE NEEDS IDENTIFIED IN 2013 I E MATERNAL AND CHILD HEALTH AND SOCIAL AND EMOTIONAL WELL-BEING NUTRITION, OB ESITY, AND PHYSICAL ACTIVITY-THE THIRD NEED FROM THE 2013 COMMUNITY HEALTH NEEDS ASSESSMEN T-WAS A NEED CONSIDERED WITHIN THE HEALTHY BEHAVIORS CATEGORY IN THE 2016 PROCESS BUT DID NOT RISE TO THE LEVEL OF PRIORITY OF THE SELECTED TOP HEALTH NEEDS TO LEARN MORE ABOUT TH E PROCESS AND FINDINGS, VISIT

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

Form and Line Reference	Explanation
HENNEPIN HEALTHCARE SYSTEM, INC	THE 2016 HCMC COMMUNITY HEALTH NEEDS ASSESSMENT REPORT ON THE HCMC WEBSITE (WWW HCMC ORG)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

Form and Line Reference	Explanation
HENNEPIN HEALTHCARE SYSTEM, INC	PART V, SECTION B, LINE 11 AFTER THE COMMUNITY ADVISORY GROUP MEETING, THE RESULTS FROM T HE INDIVIDUAL SCORING PROCESS WERE CONSIDERED ALONG WITH WRITTEN COMMENTS FROM THE TABLE D ISCUSSIONS AND INDIVIDUAL NOTES ADDED TO THE SCORING SHEETS TAKING ALL OF THESE INPUTS IN TO ACCOUNT, THE FOLLOWING THREE HEALTH NEEDS WERE INDICATED AS TOP PRIORITY THESE WERE GI VEN APPROVAL BY HCMC LEADERS 1 - MENTAL HEALTH2 - SOCIAL DETERMINANTS OF HEALTH3 - MATERNA L CHILD HEALTHCONCERNING THE REMAINING CONSIDERED HEALTH NEEDS - CULTURALLY SPECIFIC CARE - CULTURALLY SPECIFIC SOLUTIONS WILL BE CONSIDERED IN THE IMPLEMENTATION PLANNING FOR ADD RESSING THE TOP PRIORITY NEEDS - CHRONIC CONDITIONS, HEALTH BEHAVIORS, AND ORAL HEALTH - WHILE ALL WERE CONSIDERED IMPORTANT, EACH OF THESE HEALTH NEEDS SCORED LOWER THAN THE TOP NEEDS IN ADDITION, THERE WAS BROAD AGREEMENT THAT ADDRESSING MENTAL HEALTH, MATERNAL CHIL D HEALTH, AND ESPECIALLY SOCIAL DETERMINANTS OF HEALTH WAS FOUNDATIONAL AND, IF EFFECTIVE, COULD HAVE POSITIVE IMPACT ON OTHER HEALTH NEEDS HCMC HAS A LONG-STANDING COMMITMENT TO ADDRESS THE HEALTH NEEDS OF OUR COMMUNITY HHS CONTINUES TO UNDERTAKE A PLANNING PROCESS T O BUILD A MULTI-YEAR IMPLEMENTATION STRATEGY TO ADDRESS THE PRIORITY HEALTH NEEDS IDENTIFI ED IN THE 2016 COMMUNITY HEALTH NEEDS ASSESSMENT PROCESS IN COMPLIANCE WITH IRS REQUIREME NTS, THE 2017-2019 COMMUNITY HEALTH IMPLEMENTATION PLAN WILL BE COMPLETED BY MAY 2017 HHS ACTIVELY ENGAGED COMMUNITY STAKEHOLDERS IN THE IDENTIFICATION AND PRIORITIZATION OF PRIOR ITY HEALTH NEEDS MANY COMMUNITY STAKEHOLDERS EXPRESSED STRONG INTEREST IN CONTINUED INVOL VEMENT IN DETERMINING APPROACHES TO ADDRESS THOSE NEEDS LIKEWISE, INTERNAL HHS' STAKEHOLDE RS ARE A KEY CONTRIBUTOR TO FURTHER UNDERSTANDING NEEDS AND POSSIBLE SOLUTIONS RECOGNIZIN G THAT COLLABORATIVE EFFORTS INVOLVING HHS STAKEHOLDERS AND COMMUNITY PARTNERS ARE THE MOS T LIKELY TO YIELD POSITIVE IMPACTS, HHS' CHNA IMPLEMENTATION PLANNING WILL CONTINUE TO BE DIRECTED FROM THE POPULATION HEALTH DEPARTMENT AND UNDER EXECUTIVE LEADERSHIP OF THE COMMU NITY CARE RING HHS' IMPLEMENTATION STEERING COMMITTEE, WHICH GUIDES THE IMPLEMENTATION PLA NNING PROCESS, HAS BEEN TASKED TO CONTINUE ENGAGING BOTH HHS AND COMMUNITY STAKEHOLDERS T HIS ENCOMPASSES HELPING DETERMINE KEY STRATEGIES, PROGRAMS AND INITIATIVES TO ADDRESS EACH OF THE THREE IDENTIFIED PRIORITY HEALTH NEEDS AS WELL AS CONTINUOUSLY MONITORING PROGRESS OF EFFORTS AND INITIATIVES HHS CONVENES COMMUNITY LISTENING SESSIONS WHICH ALLOW FOR REGU LAR AND ONGOING DIALOGUE ABOUT THE PRIORITY NEED AREAS AND WHERE MORE FOCUS AND ATTENTION IS NEEDED THE SESSIONS ARE HELD IN THE COMMUNITY AND IN PARTNERSHIP WITH COMMUNITY PARTNE RS ADDITIONALLY, POTENTIAL COLLABORATIVE SOLUTION FORUMS REGULARLY BRING ALL COMMUNITY STA KEHOLDERS INVOLVED IN THE CHNA PLUS ADDITIONAL STAKEHOLDERS TOGETHER TO DEFINE AND DEVELOP POSSIBLE COLLABORATIVE SOLUTIONS TO PRIORITY NEED AREAS IF APPLICABLE, HHS CONVENES NEED -FOCUSED WORKGROUPS TO ENSURE

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

Form and Line Reference	Explanation
HENNEPIN HEALTHCARE SYSTEM, INC	ENGAGEMENT THE WORKGROUPS FOCUS ON SPECIFIC IMPLEMENTATION STRATEGIES, PROGRAMS, AND INIT IATIVES (AS APPLICABLE)

Form 990 Part V Section C Supplemental Information for Part V, Section B.

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

Form and Line Reference	Explanation
HENNEPIN HEALTHCARE SYSTEM, INC	PART V, SECTION B, LINE 16J PATIENTS CAN REQUEST TO SEE FINANCIAL COUNSELORS WHO CAN HELP DETERMINE ELIGIBILITY FOR MANY FINANCIAL ASSISTANCE PROGRAMS UPON REGISTRATION, PATIENTS ARE SCREENED USING ESTABLISHED GUIDELINES AS SET BY HHS AND WHENEVER POSSIBLE, THE PATIENT OR PATIENT'S FAMILY CAN FILL OUT AN APPLICATION FOR MEDICAL ASSISTANCE AND/OR HENNEPIN CARE FOR THOSE THAT DO NOT QUALIFY FOR CHARITY CARE, HENNEPIN CARE MAY BE ELIGIBLE FOR AN UNINSURED DISCOUNT HHS HAS ISSUED A NEW BROCHURE "WHAT'S YOUR PLAN" THAT ASSISTS PATIENTS NAVIGATE THE PROGRAMS AVAILABLE THESE BROCHURES ARE AVAILABLE THROUGHOUT THE CAMPUS ANOTHER TOOL FOR PATIENTS IS ON THE HHS WEBSITE WWW HCMC ORG - "PATIENT BILLING PORTAL" FUNCTIONS AS AN ONLINE "WHAT'S YOUR PLAN" BROCHURE

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments and Individuals in the United States

Complete if the organization answered "Yes," on Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.
▶ Information about Schedule I (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047
2016
Open to Public Inspection

Name of the organization
HENNEPIN HEALTHCARE SYSTEM INC

Employer identification number
42-1707837

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . ☑ **Yes** ☐ **No**

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments.

Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than $5,000 Part II can be duplicated if additional space is needed

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
See Additional Data Table							
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . ▶ 30

3 Enter total number of other organizations listed in the line 1 table . . . . ▶ 3

Part III **Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22
Part III can be duplicated if additional space is needed

(a) Type of grant or assistance	**(b)** Number of recipients	**(c)** Amount of cash grant	**(d)** Amount of non-cash assistance	**(e)** Method of valuation (book, FMV, appraisal, other)	**(f)** Description of non-cash assistance
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					

Part IV **Supplemental Information.** Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Return Reference	**Explanation**
PART I, LINE 2	PROCEDURES FOR MONITORING THE USE OF GRANT FUNDS THE HENNEPIN HEALTH FOUNDATION RAISES AND ADMINISTERS PHILANTHROPIC SUPPORT FOR HENNEPIN HEALTHCARE SYSTEM, INC THE SUPPORT INCLUDES A GRANT MANAGEMENT DEPARTMENT WHICH COORDINATES THE TASK OF MONITORING GRANT RECEIPTS AND GRANT DISBURSEMENTS FROM FEDERAL, STATE, LOCAL OR INDIVIDUAL TO BENEFICIARIES THE HENNEPIN HEALTH FOUNDATION WORKS CLOSELY WITH HHS TO ENSURE PROPER CONTROLS ARE IN PLACE BY USE OF RECONCILITATIONS AND COMPLIANCE MONITORING AND REPORTING

Additional Data

Software ID:
Software Version:
EIN: 42-1707837
Name: HENNEPIN HEALTHCARE SYSTEM INC

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
PHILLIPS EYE INSTITUTE 2215 PARK AVENUE MINNEAPOLIS, MN 55404	36-3261413	501C3	5,146				EMERGENCY PREP
RIDGEVIEW MEDICAL CENTER 500 SOUTH MAPLE STREET WACONIA, MN 55387	31-1667875	501C3	16,180				EMERGENCY PREP

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
MAYO CLINIC HLTH SYSTEM NEW PRAGUE 301 SECOND STREET NE NEW PRAGUE, MN 56071	41-0723639	501C3	9,510				EMERGENCY PREP
ST FRANCIS REGIONAL MEDICAL CENTER 1455 ST FRANCIS AVENUE SHAKOPEE, MN 55379	41-0907986	501C3	16,814				EMERGENCY PREP

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
FAIRVIEW HEALTH SERVICES 6401 FRANCE AVENUE SOUTH EDINA, MN 55435	41-0991680	501C3	36,650				EMERGENCY PREP
LAKEVIEW HOSPITAL 927 CHURCHILL STREET WEST STILLWATER, MN 55082	41-0811697	501C3	15,360				EMERGENCY PREP

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
NORTHFIELD HOSPITAL & CLINICS 2000 NORTH AVENUE NORTHFIELD, MN 55057	41-6038368	501C3	7,846				EMERGENCY PREP
ALLINA HEALTH SYSTEM - UNITY HOSPITAL 500 OSBORNE ROAD FRIDLEY, MN 55432	36-3261413	501C3	6,739				EMERGENCY PREP

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
REGINA MEDICAL CENTER 1175 NININGER ROAD HASTINGS, MN 55033	41-0740678	501C3	12,175				EMERGENCY PREP
REGIONS HOSPITAL 640 JACKSON STREET ST PAUL, MN 55101	41-0956618	501C3	19,798				EMERGENCY PREP

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
MAPLE GROVE HOSPITAL CORPORATION 9875 HOSPTIAL DRIVE MAPLE GROVE, MN 55369	20-8316475	501C3	17,804				EMERGENCY PREP
ALLINA HEALTH SYSTEM - MERCY HOSPITAL 4050 COON RAPIDS BLVD COON RAPIDS, MN 55433	36-3261413	501C3	12,832				EMERGENCY PREP

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
ALLINA HEALTH SYSTEM - UNITED HOSPITAL 333 NORTH SMITH AVENUE SAINT PAUL, MN 55102	36-3261413	501C3	25,188				EMERGENCY PREP
NORTH MEMORIAL HEATH CARE 3500 FRANCE AVE N STE 106 ROBBINSDALE, MN 55422	41-0729979	501C3	12,073				EMERGENCY PREP

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
CHILDREN'S HOSPS & CLINICS OF MN 2525 CHICAGO AVENUE MINNEAPOLIS, MN 55404	41-1754276	501C3	32,749				EMERGENCY PREP
STATE OF SOUTH DAKOTA SAD 133 BOX 2201 BROOKINGS, SD 57007	46-6000364		13,809				EDUCATION & RESEARCH

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
ABBOTT NORTHWESTERN HOSPITAL 800 E 29TH STREET MINNEAPOLIS, MN 55407	36-3261413	501C3	25,478				EMERGENCY PREP
HEALTHEAST CARE SYSTEM NW 7205 PO BOX 1450 MINNEAPOLIS, MN 55485	36-3517697	501C3	38,060				EMERGENCY PREP

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
UNIVERSITY OF MN MEDICAL CENTER 2450 RIVERSIDE AVENUE MINNEAPOLIS, MN 55454	41-0991680	501C3	27,887				EDUCATION & RESEARCH
GILLETTE CHILDREN'S SPECIALTY 200 UNIVERSITY AVENUE EAST SAINT PAUL, MN 55101	41-1200302	501C3	11,215				EMERGENCY PREP

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
HEALTHEAST WOODWINDS HOSPITAL 1925 WOODWINDS DRIVE WOODBURY, MN 55125	41-1592761	501C3	11,960				EMERGENCY PREP
ST JOHN'S HOSPITAL 1575 BEAM AVENUE MAPLEWOOD, MN 55379	41-1456897	501C3	11,960				EMERGENCY PREP

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
ST JOSEPH'S HOSPITAL 45 W 10TH STREET SAINT PAUL, MN 55102	41-0693880	501C3	11,960				EMERGENCY PREP
ALLINA HEALTH SYSTEM PO BOX 43 MR 10890 MINNEAPOLIS, MN 55440	36-3261413	501C3	5,438				EMERGENCY PREP

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
WILAND ASSOCIATES LLC PO BOX 117 SELAH, WA 98942	58-2679959	501C3	26,978				EMERGENCY PREP
PATTERSON DENTAL 1031 MENDOTA HEIGHTS ROAD SAINT PAUL, MN 55120	74-3076772	501C3	84,837				EMERGENCY PREP

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
PARK NICOLLET METHODIST HOSPITAL 6500 EXCELSIOR BOULEVARD ST LOUIS PARK, MN 55426	36-3465840	501C3	18,029				EMERGENCY PREP
NW HEALTHCARE RESPONSE NETWORK 7100 FORT DENT WAY SUITE 210 TUKWILIA, MN 98188		501C3	40,248				EMERGENCY PREP

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
NORTH MEMORIAL MEDICAL 3300 OAKDALE AVENUE NORTH ROBBINSDALE, MN 55422	41-1777966	501C3	8,123				EMERGENCY PREP
MASA CONSULTING INC 13033 RIDGEDALE DRIVE STE 112 MINNEAPOLIS, MN 55305			11,875				EMERGENCY PREP

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
HIRED 212 FIFTH AVENUE NORTH NO 300 MINNEAPOLIS, MN 55411	41-6078344	501C3	14,782				TRAINING PROGRAM
CITY OF BROOKLYN CENTER 6155 EARLE BROWN DR BROOKLYN CENTER, MN 55430		501C3	74,595				EMERGENCY PREP

Form 990,Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
JON GAYKEN 13626 SUPERIOR DRIVE ROGERS, MN 55374			6,756				EMERGENCY PREP

Schedule J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
▶ Attach to Form 990.
▶ Information about Schedule J (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2015

Open to Public Inspection

Name of the organization
HENNEPIN HEALTHCARE SYSTEM INC

Employer identification number
42-1707837

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☐ First-class or charter travel ☐ Travel for companions ☐ Tax idemnification and gross-up payments ☐ Discretionary spending account ☐ Housing allowance or residence for personal use ☐ Payments for business use of personal residence ☐ Health or social club dues or initiation fees ☐ Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	**1b**		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	**2**		
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III ☐ Compensation committee ☐ Independent compensation consultant ☐ Form 990 of other organizations ☐ Written employment contract ☐ Compensation survey or study ☐ Approval by the board or compensation committee			
4	During the year, did any person listed on Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**		No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.			
5	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization?	**5b**		No
	If "Yes," on line 5a or 5b, describe in Part III			
6	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	If "Yes," on line 6a or 6b, describe in Part III			
7	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		No
8	Were any amounts reported on Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual

(A) Name and Title	**(B)** Breakdown of W-2 and/or 1099-MISC compensation			**(C)** Retirement and other deferred compensation	**(D)** Nontaxable benefits	**(E)** Total of columns (B)(i)-(D)	**(F)** Compensation in column(B) reported as deferred on prior Form 990
	(i) Base compensation	**(ii)** Bonus & incentive compensation	**(iii)** Other reportable compensation				
See Additional Data Table							

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II Also complete this part for any additional information

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 42-1707837
Name: HENNEPIN HEALTHCARE SYSTEM INC

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation (i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation	(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
1 JON L PRYOR MD MBA CEO	(i)	757,546	62,688	792	39,750	16,953	877,729	0
	(ii)	0	0	0	0	0	0	0
1 DOUGLAS D BRUNETTE MD DIRECTOR - PHYSICIAN	(i)	457,116	6,580	792	23,320	21,459	509,267	0
	(ii)	0	0	0	0	0	0	0
2 TARA L GUSTILO MD DIRECTOR - PHYSICIAN	(i)	326,897	3,932	276	23,320	18,958	373,383	0
	(ii)	0	0	0	0	0	0	0
3 DERRICK O HOLLINGS CPA CFO	(i)	136,754	35,000	198	16,961	3,848	192,761	0
	(ii)	0	0	0	0	0	0	0
4 NANCY GARRETT PHD CHIEF ANALYTICS OFFICER	(i)	290,102	18,228	180	26,500	20,768	355,778	0
	(ii)	0	0	0	0	0	0	0
5 SCOTT WORDELMAN FACHE SVP AMBULATORY ADMIN	(i)	364,629	20,378	516	26,500	10,808	422,831	0
	(ii)	0	0	0	0	0	0	0
6 STEVEN P STERNER MD FACEP CHIEF PROVIDER SERVICES	(i)	410,469	26,405	1,524	26,500	16,953	481,851	0
	(ii)	0	0	0	0	0	0	0
7 WILLIAM G HEEGAARD MD CHIEF MEDICAL OFFICER	(i)	473,140	25,774	276	26,500	21,535	547,225	0
	(ii)	0	0	0	0	0	0	0
8 KATHY WILDE RN MA CHIEF NURSING OFFICER	(i)	356,224	21,384	792	26,500	16,653	421,553	0
	(ii)	0	0	0	0	0	0	0
9 MIAJA CASSIDY JD CHCP CCEP CHIEF COMPLIANCE OFFICER	(i)	258,411	25,000	253	26,500	15,912	326,076	0
	(ii)	0	0	0	0	0	0	0
10 WALTER T CHESLEY JD SVP HUMAN RESOURCES	(i)	290,071	16,577	792	26,500	16,171	350,111	0
	(ii)	0	0	0	0	0	0	0
11 CONSTANTIN N STARCHOOK MD PHYSICIAN - MANAGING	(i)	693,851	9,801	180	23,320	21,459	748,611	0
	(ii)	0	0	0	0	0	0	0
12 CHARLES L TRUWIT MD PHYSICIAN CHIEF	(i)	661,135	9,140	792	23,320	21,459	715,846	0
	(ii)	0	0	0	0	0	0	0
13 UZMA SAMADANI MD PHD PHYSICIAN	(i)	664,799	0	180	23,320	3,103	691,402	0
	(ii)	0	0	0	0	0	0	0
14 CHAD J RICHARDSON MD PHYSICIAN - MANAGING	(i)	635,569	8,320	180	23,320	21,459	688,848	0
	(ii)	0	0	0	0	0	0	0
15 MARK HILL MD PHD PHYSICIAN - MANAGING	(i)	609,369	8,211	180	23,320	21,459	662,539	0
	(ii)	0	0	0	0	0	0	0
16 LARRY A KRYZANIAK MS FORMER OFFICER	(i)	439,781	27,786	792	26,500	16,953	511,812	0
	(ii)	0	0	0	0	0	0	0

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SCHEDULE O (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2016

Open to Public Inspection

Name of the organization
HENNEPIN HEALTHCARE SYSTEM INC

Employer identification number
42-1707837

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART I, LINE 6	OVER 450 VOLUNTEERS SERVED A TOTAL OF OVER 34,000 HOURS DURING THE YEAR 2016 VOLUNTEERING AT HHS, INC GIVES QUALIFIED AND INTERESTED INDIVIDUALS THE OPPORTUNITY TO PROVIDE PATIEN T SUPPORT SERVICES WITHIN OUR COMMUNITY OF DIVERSE VOLUNTEERS, STAFF, VISITORS AND PATIENT S VOLUNTEERS SUPPLEMENT AND ENHANCE HOSPITAL-BASED PATIENT SUPPORT SERVICES AND PROGRAMS A VOLUNTEER SERVICES COORDINATOR WILL WORK WITH A VOLUNTEER TO FIND A POSITION THAT FITS THEIR SCHEDULE AND INTERESTS FROM AMONG VARIOUS OPENINGS THE REPORTED VOLUNTEERS INCLUDE NINE (9) UNCOMPENSATED INDEPENDENT BOARD MEMBERS WHO SERVED DURING THE YEAR 2016

990 Schedule O, Supplemental Information

Return Reference	Explanation
PART III, LINE - BRIEFLY DESCRIPT THE ORGANIZATION'S MISSION	HHS' MISSION IS "WE PARTNER WITH OUR COMMUNITY, OUR PATIENTS, AND THEIR FAMILIES TO ENSURE ACCESS TO OUTSTANDING CARE FOR EVERYONE, WHILE IMPROVING HEALTH AND WELLNESS THROUGH TEAC HING, PATIENT AND COMMUNITY EDUCATION, AND RESEARCH " HHS STRIVES TO PROVIDE THE BEST POSS IBLE CARE TO EVERY PATIENT, TO SEARCH FOR NEW WAYS TO IMPROVE THE CARE THAT WILL BE PROVID ED TOMORROW, TO EDUCATE HEALTH CARE PROVIDERS FOR THE FUTURE, AND TO ENSURE ACCESS TO HEAL THCARE FOR ALL

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6	AS PER THE CORPORATE BYLAWS, THE CORPORATION SHALL HAVE ONE CLASS OF MEMBERS-A GOVERNING M EMBER THE GOVERNING MEMBER OF THE CORPORATION IS THE COUNTY OF HENNEPIN OF MINNESOTA AND IS REPRESENTED BY THE HENNEPIN COUNTY BOARD OF COMMISSIONERS

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A	THE GOVERNING MEMBER, COUNTY OF HENNEPIN, MINNESOTA HAS RETAINED THE RIGHTS, DUTIES AND PRIVILEGES SPECIFIED UNDER THE BYLAWS OF HHS UP TO AND INCLUDING THE AUTHORITY TO APPOINT THE DIRECTORS OF HHS THE HHS BOARD OF DIRECTORS IS EMPOWERED TO EXECUTE THE RIGHTS, DUTIES AND PRIVILEGES OF THE CORPORATION TO THE EXTENT AS SPECIFIED IN HHS BYLAWS

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7B	AS EXPLAINED IN PART VI LINE 7A, THE GOVERNING MEMBER, HENNEPIN COUNTY OF MN RETAINS THE A PPROVAL RIGHTS TO APPOINTING THE HHS BOARD OF DIRECTORS, THE HHS BUDGET, ANY ADDITIONAL IN DEBTEDNESS, FINANCE COMMITTEE RECOMMENDATIONS AND EXECUTIVE COMMITTEE AS WELL AS APPROVING THE ANNUAL HHS HEALTH SERVICES PLAN WHICH IS REQUIRED BY STATE LAW

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11B	THE FORM 990 IS COMPLETED AND REVIEWED INTERNALLY FOR ACCURACY, COMPLETENESS AND VALIDITY, THEN SUBMITTED FOR EXTERNAL REVIEW THE FORM 990 IS THEN REVIEWED BY THE FINANCE COMMITTE E AND THE HHS BOARD OF DIRECTORS THE FORM 990 IS FORMALLY APPROVED VIA A LINE ITEM MOTION IT IS THEN SIGNED AND FILED ELECTRONICALLY AS REQUIRED BY THE IRS

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	HHS HAS A POLICY ON CONFLICT OF INTEREST AND CONFIDENTIALITY WHICH REQUIRES THAT AN INTERESTED PERSON WHO IS A DIRECTOR, OFFICER, OR MEMBER OF A COMMITTEE WITH BOARD-DELEGATED POWERS MUST DISCLOSE IN WRITING WHEN POSSIBLE, OR ORALLY WHEN TIME DOES NOT ALLOW FOR WRITTEN DISCLOSURE THE EXISTENCE AND NATURE OF HIS/HER RELATIONSHIP OR MATERIAL FINANCIAL INTEREST TO THE DIRECTORS AND MEMBERS OF COMMITTEES WITH BOARD-DELEGATED POWERS CONSIDERING THE PROPOSED TRANSACTION OR ARRANGEMENT AT OR PRIOR TO THE MEETING OF THE BOARD OR COMMITTEE CONSIDERING THE PROPOSED TRANSACTION OR ARRANGEMENT AN INTERESTED PERSON SHALL NOT ATTEMPT TO EXERT HIS OR HER PERSONAL INFLUENCE WITH RESPECT TO THE MATTER EITHER AT OR OUTSIDE THE MEETING COPIES OF DISCLOSURES ARE MAINTAINED BY CORPORATE LEGAL COUNSEL WHO ALSO DOES MONITORING EVERY YEAR THE ORGANIZATION IS AUDITED SEPARATELY FROM HENNEPIN COUNTY OF MINNESOTA AND A SEPARATE AUDIT REPORT IS PREPARED AND PRESENTED TO THE BOARD OF DIRECTORS AND TO THE HENNEPIN COUNTY, MN BOARD OF DIRECTORS

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15	HHS BOARD OF DIRECTORS ENGAGES AN INDEPENDENT CONSULTING FIRM EXPERT TO EVALUATE THE BASE AND TOTAL CASH COMPENSATION FOR THE CEO AND OTHER TOP OFFICIALS THE COMPARABLE DATA COLLE CTED BY THE INDEPENDENT CONSULTING FIRM EXPERT RELEVANTLY APPLIES REVENUE, EMPLOYEE SIZE A ND GEOGRAPHIC LOCATION IN DELINEATING THE COMPARISON GROUP THE DATA IS REVIEWED BY THE CO MPENSATION SUBCOMMITTEE AND FURTHER SUBMITTED FOR DISCUSSION AND APPROVAL BY THE HHS, INC BOARD OF DIRECTORS

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	DOCUMENTS ARE AVAILABLE UPON REQUEST FOR THE SAME PERIOD OF DISCLOSURE AS SET FORTH IN SECTION 6104(D)

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART XI, LINE 9	MVNA AND HOTC NET ASSETS ADJUSTMENT -8,943,651

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART XI, LINE 9 - OTHER CHANGES IN NET ASSETS	EFFECTIVE JANUARY 1, 2015, HHS ACQUIRED MINNESOTA VISITING NURSES ASSOCIATION (MVNA) AND I TS AFFILIATE HOSPICE OF TWIN CITIES (HOTC) FULL INTEGRATION WAS EFFECTIVE JANUARY 1, 2016 MVNA WAS ORGANIZED TO IMPROVE LIVES AT EVERY AGE THROUGH HOME AND COMMUNITY HEALTH SERVI CES PRIMARILY IN HENNEPIN COUNTY OF MINNESOTA HOTC WAS ORGANIZED TO ENHANCE THE QUALITY O F LIFE FOR PATIENTS, FAMILIES, AND CAREGIVERS BY PROVIDING RESPECTFUL CARE BASED ON MAINTA INING DIGNITY AND ALLEVIATING PHYSICAL, PSYCHOSOCIAL, AND SPIRITUAL SUFFERING SUCCESSFUL INTEGRATION OF MVNA AND HOTC WILL ENHANCE CRITICAL INNOVATIVE COMMUNITY HEALTH SERVICES CO MMUNITY AND END-OF-LIFE SERVICE TO OUR PATIENTS FOLLOWING THE FULL INTEGRATION, HHS HAD T O RECONICLE MVNA AND HOTC NET ASSETS DUE TO THE MERGER TOTALING -$8,943,651

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.

▶ Attach to Form 990. ▶ Information about Schedule R (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2016

Open to Public Inspection

Name of the organization
HENNEPIN HEALTHCARE SYSTEM INC

Employer identification number
42-1707837

Part I **Identification of Disregarded Entities** Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II **Identification of Related Tax-Exempt Organizations** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	No
(1)HENNEPIN HEALTH FOUNDATION 701 PARK AVENUE MINNEAPOLIS, MN 55415 41-0845733	GRANTS MGT	MN	501C3	7	HHS INC	Yes	
(2)MINNEAPOLIS MED RESEARCH FOUNDATION 701 PARK AVENUE PP7700 MINNEAPOLIS, MN 55415 41-1677920	RESEARCH	MN	501C3	4	HHS INC	Yes	
(3)METROPOLITAN HEALTH PLAN 400 SOUTH FOURTH STREET STE 201 MINNEAPOLIS, MN 55415	GOV'T UNIT	MN		6	N/A		No
(4)HENNEPIN COUNTY 300 SOUTH 6TH STREET MINNEAPOLIS, MN 55487	GOV'T UNIT	MN		6	N/A		No

Part III **Identification of Related Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No

Part V Transactions With Related Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

		Yes	No
Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule			
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest, **(ii)**annuities, **(iii)** royalties, or**(iv)** rent from a controlled entity	1a	Yes	
b Gift, grant, or capital contribution to related organization(s)	1b		No
c Gift, grant, or capital contribution from related organization(s)	1c	Yes	
d Loans or loan guarantees to or for related organization(s)	1d		No
e Loans or loan guarantees by related organization(s)	1e		No
f Dividends from related organization(s)	1f		No
g Sale of assets to related organization(s)	1g		No
h Purchase of assets from related organization(s)	1h		No
i Exchange of assets with related organization(s)	1i		No
j Lease of facilities, equipment, or other assets to related organization(s)	1j	Yes	
k Lease of facilities, equipment, or other assets from related organization(s)	1k	Yes	
l Performance of services or membership or fundraising solicitations for related organization(s)	1l	Yes	
m Performance of services or membership or fundraising solicitations by related organization(s)	1m	Yes	
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	Yes	
o Sharing of paid employees with related organization(s)	1o	Yes	
p Reimbursement paid to related organization(s) for expenses	1p	Yes	
q Reimbursement paid by related organization(s) for expenses	1q	Yes	
r Other transfer of cash or property to related organization(s)	1r	Yes	
s Other transfer of cash or property from related organization(s)	1s	Yes	

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

See Additional Data Table

(a) Name of related organization	**(b)** Transaction type (a-s)	**(c)** Amount involved	**(d)** Method of determining amount involved

Part VI **Unrelated Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization See instructions regarding exclusion for certain investment partnerships

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	**No**			**Yes**	**No**		**Yes**	**No**	

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R (see instructions)

Return Reference	Explanation
FORM 990, SCHEDULE R - RELATED ORGANIZATIONS	HHS, INC (HEREAFTER REFERRED TO AS HHS) SUPPORTS THE HENNEPIN HEALTH FOUNDATION BY PROVIDING SPACE FOR OFFICES, GIFT SHOPS, COFFEE SHOPS, AND FOR DISPLAY AND STORAGE OF COLLECTIONS OF THE HENNEPIN HISTORICAL CENTER AND THE INSPIRE ARTS PROGRAM HHS INCURS EXPENSES FOR ALL ADMINISTRATION COSTS, STAFF, INFORMATION TECHNOLOGY SYSTEMS, OFFICE SUPPLIES AND PROFESSIONAL SERVICES ON BEHALF OF HENNEPIN HEALTH FOUNDATION CERTAIN PERSONNEL OF HENNEPIN HEALTH FOUNDATION ARE EMPLOYEES OF HHS THE HENNEPIN HEALTH FOUNDATION (HHF) CONNECTS THE GENEROSITY OF THE COMMUNITY TO THE MISSION OF HHS WHICH IS TO ENSURE ACCESS TO OUTSTANDING CARE FOR EVERYONE, WHILE IMPROVING HEALTH AND WELLNESS THROUGH TEACHING, PATIENT AND COMMUNITY EDUCATION AND RESEARCH HHF-COORDINATED RESEARCH FOCUSES INCLUDE CLINICAL INNOVATIONS IN CHRONIC DISEASE MANAGEMENT AND CLINICAL-COMMUNITY PARTNERSHIPS TO IMPROVE PUBLIC HEALTH MINNEAPOLIS MEDICAL RESEARCH FOUNDATION IS THE RESEARCH ARM OF HHS, INC HHS IS A MAJOR PROVIDER OF HEALTH CARE SERVICES FOR METROPOLITAN HEALTH PLAN (MHP D/B/A HENNEPIN HEALTH), AN ENTERPRISE FUND OF THE HENNEPIN COUNTY OF MINNESOTA HHS HAS AN AGREEMENT WITH MHP TO PROVIDE SERVICES TO ENROLLEES OF THE HENNEPIN HEALTH PROGRAM WHEREBY MHP REIMBURSES HHS BASED ON SERVICES PERFORMED AND PROGRAM OUTCOMES

Additional Data

Software ID:
Software Version:
EIN: 42-1707837
Name: HENNEPIN HEALTHCARE SYSTEM INC

Form 990, Schedule R, Part V - Transactions With Related Organizations

	(a) Name of related organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
(1)	HENNEPIN HEALTH FOUNDATION	C	3,489,811	CASH
(1)	HENNEPIN HEALTH FOUNDATION	O	1,696,642	CASH
(2)	HENNEPIN HEALTH FOUNDATION	R	348,091	FAIR VALUE
(3)	METROPOLITAN HEALTH PLAN	Q	890,726	CASH
(4)	MINNEAPOLIS MED RESEARCH FOUNDATION	A	676,068	CASH
(5)	MINNEAPOLIS MED RESEARCH FOUNDATION	B	1,129,745	FAIR VALUE
(6)	MINNEAPOLIS MED RESEARCH FOUNDATION	O	3,805,325	CASH
(7)	MINNEAPOLIS MED RESEARCH FOUNDATION	R	381,265	CASH