

TO: Devin Hogan
FROM: Kyle Friend
DATE: Feb. 11, 2025
SUBJECT: HealthPartners Research

Background

Below you can find a broad overview of HealthPartners' financials with an eye toward financial facts that could help build leverage at the bargaining table. I've also created a handful of graphs and charts to visualize HealthPartners trends since 2020, rather than using text-based tables. Where appropriate, I have also included direct sources from the organization's 990 form. Finally, I've concluded the report with suggested talking points that you might find useful as you consider the public aspect of your campaign.

Quick facts

- HP has 1.8 million insured medical and dental plan members across five states
 - Minnesota, Wisconsin, Iowa, North Dakota, South Dakota
 - HP reports they see 1.2 million patients annually at 90+ clinics and hospitals¹
 - Largest “consumer governed” nonprofit healthcare organization in the world, they say²
 - *Note: Deeper into the weeds, they say they're “consumer governed by elected board members” — feels misleading on HP's part³*
-

¹ <https://www.healthpartners.com/about/facts/>

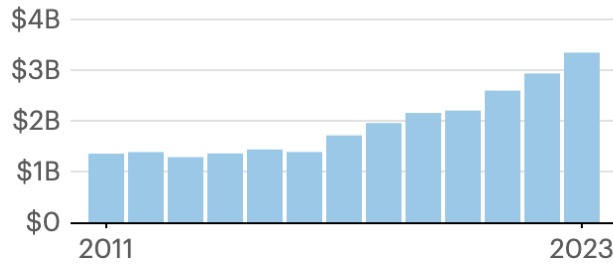
² <https://www.healthpartners.com/about/#:~:text=It's%20the%20largest%20consumer%20governed,dental%20health%20plan%20members%20nationwide.>

³ <https://www.healthpartners.com/about/leadership/>

Financial overview⁴

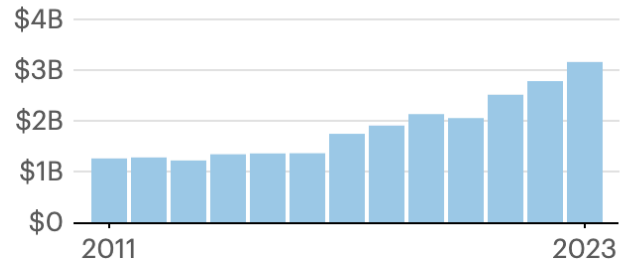
Revenue

\$3.35B (2023)



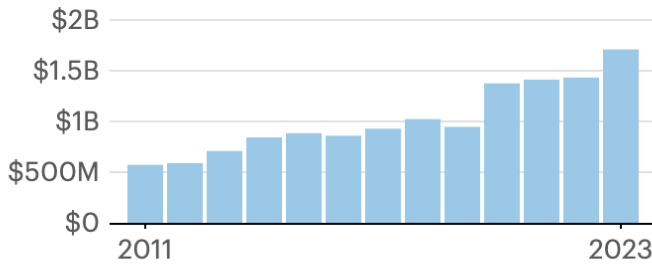
Expenses

\$3.16B (2023)



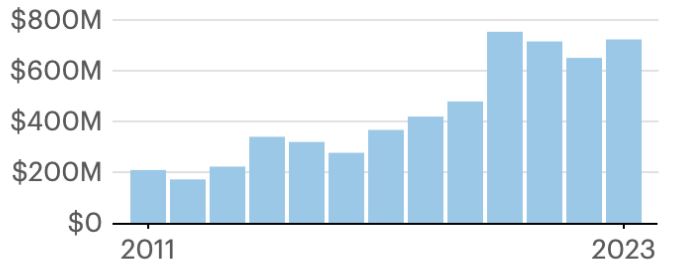
Total Assets

\$1.71B (2023)



Total Liabilities

\$723M (2023)

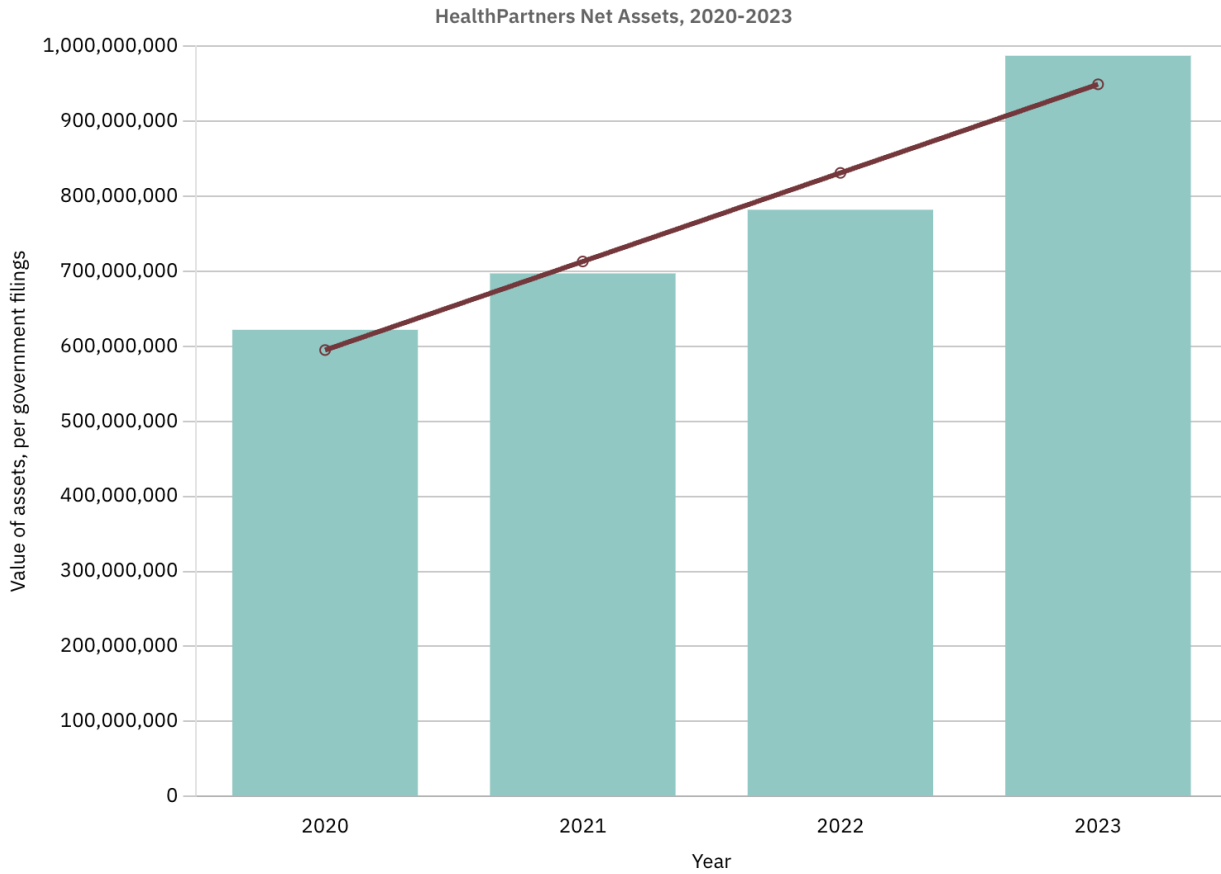


Source: Form 990 tax filings from 2011 to 2023

HealthPartners has seen steady growth in recent years across major metrics (detailed throughout this report)

⁴ <https://projects.propublica.org/nonprofits/organizations/411693838>

Net Assets



Above: HealthPartners 990 filings, 2020-2023⁵

Below: Asset summary from 990 filings, 2023⁶

Assets	1 Cash—non-interest-bearing		777,996	1	18,114,000	
	2 Savings and temporary cash investments		92,355,379	2	420,528,529	
	3 Pledges and grants receivable, net			3		
	4 Accounts receivable, net		415,911,667	4	513,924,931	
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons			5		
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)			6		
	7 Notes and loans receivable, net		57,266,083	7	46,055,000	
	8 Inventories for sale or use			8		
	9 Prepaid expenses and deferred charges		9,198,461	9	11,871,598	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a	160,817,738			
	b Less: accumulated depreciation	10b	32,108,777	84,758,905	10c	128,708,961
	11 Investments—publicly traded securities		610,587,256	11	419,198,406	
	12 Investments—other securities. See Part IV, line 11		62,878,678	12	65,740,644	
	13 Investments—program-related. See Part IV, line 11			13		
	14 Intangible assets			14		
	15 Other assets. See Part IV, line 11		98,848,709	15	86,179,512	
16 Total assets. Add lines 1 through 15 (must equal line 33)		1,432,583,134	16	1,710,321,581		

⁵ Assets-liabilities=net assets. *Total* assets in 2023 are \$1.7 billion. See next image on next page for more details.

⁶ Part X, 2023 990 filing. Page 11.

Nonprofit organizations are only required to detail assets if they rise above a certain threshold in their overall revenue picture.

Net Assets (cont.)

Part XI Reconciliation of Net Assets			
Check if Schedule O contains a response or note to any line in this Part XI		<input checked="" type="checkbox"/>	
1	Total revenue (must equal Part VIII, column (A), line 12)	1	3,345,003,598
2	Total expenses (must equal Part IX, column (A), line 25)	2	3,159,255,743
3	Revenue less expenses. Subtract line 2 from line 1	3	185,747,855
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	781,675,597
5	Net unrealized gains (losses) on investments	5	24,619,539
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	-5,167,034
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	986,875,957

Source: Part XI, Page 12 of most recent IRS 990 filing. Highlighted is net income.

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				
b Buildings		26,148,616	16,058,923	10,089,693
c Leasehold improvements				
d Equipment		43,831,042	16,049,854	27,781,188
e Other		90,838,080		90,838,080
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				128,708,961

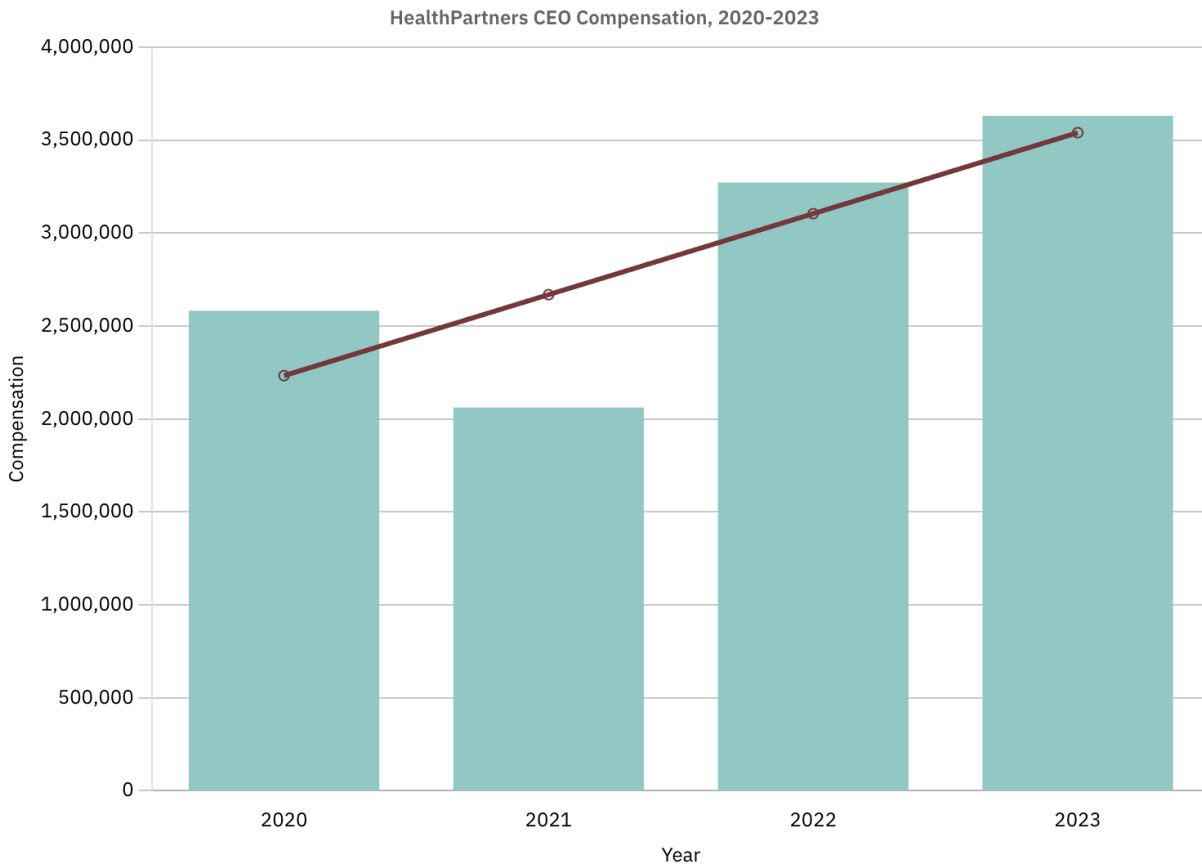
**HP is not required to detail its investments in publicly traded securities, despite earning \$33 million in investment income (see below, line 10)—a major uptick from the \$5.6 million earned the prior year, per its most recent government filing. Investment income accounts for just 1% of overall revenue, below the IRS’s 5% threshold for requiring reporting.⁷*

Revenue

		Prior Year	Current Year
Revenue	8 Contributions and grants (Part VIII, line 1h)	0	0
	9 Program service revenue (Part VIII, line 2g)	2,920,963,025	3,305,116,977
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	5,609,011	33,227,433
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	7,109,309	6,659,188
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	2,933,681,345	3,345,003,598

⁷ <https://projects.propublica.org/nonprofits/organizations/411693838>

CEO Compensation



Source: HealthPartners 990 filings, 2020-2023⁸

HP features a “leadership incentive program” which factors in heavily to the organization’s highest-compensated employees and officers’ overall compensation. Interestingly, **“employee satisfaction”** and **“work environment”** are considered one of the key areas of achievement that impact compensation (see below image).

HEALTHPARTNERS, INC.'S OFFICERS AND HIGHEST COMPENSATED EMPLOYEES MAY RECEIVE COMPENSATION BASED ON THE LEADERSHIP INCENTIVE PROGRAM (PROGRAM) OF GROUP HEALTH PLAN INC., OR PARK NICOLLET HEALTH SERVICES, RELATED ORGANIZATIONS. THE PROGRAM INCENTS AND REWARDS BUSINESS LEADERS WHO HELP THE ORGANIZATION ACHIEVE STATED BUSINESS AND/OR HEALTH IMPROVEMENT GOALS FOR A SPECIFIC FISCAL YEAR. THE PROGRAM IS A KEY ELEMENT OF THE PARTICIPANT'S TOTAL COMPENSATION PACKAGE. THE PROGRAM'S INCENTIVE OPPORTUNITY IS BASED ON POSITION IN THE ORGANIZATION (E.G. SENIOR VICE PRESIDENT, VICE PRESIDENT, DIRECTOR, MANAGER, OTHER SPECIFICALLY IDENTIFIED LEADERS) AND THE ACHIEVEMENT OF BUSINESS AND HEALTH IMPROVEMENT GOALS ESTABLISHED IN A VARIETY OF AREAS. GOALS WILL BE RELATED TO THE ORGANIZATION'S STRATEGIC PLAN AND WILL BE BALANCED. THESE AREAS MAY INCLUDE, BUT ARE NOT LIMITED TO, PATIENT SATISFACTION, **EMPLOYEE SATISFACTION**, WORK ENVIRONMENT, HEALTH EQUITY, HEALTHCARE AFFORDABILITY MEASURES, EMPLOYEE AND/OR LEADERSHIP DEVELOPMENT, CARE DELIVERY, PATIENT EDUCATION, SIX AIMS, HEALTH CARE AND CARE DELIVERY MARKET SHARE, STRATEGIC CAPABILITIES, HOSPITAL AND CLINIC QUALITY MEASURES, FINANCIAL PERFORMANCE (OPERATING INCOME), ETC., AND WILL BE DEFINED ANNUALLY FOR EACH YEAR'S PROGRAM. AN OPERATING INCOME THRESHOLD MUST BE MET FOR ANY PAYMENT TO BE MADE FROM THE PROGRAM AND THERE IS A CAP ON THE MAXIMUM INCENTIVE POTENTIALLY AVAILABLE TO EACH PARTICIPANT.

Source: HealthPartners most recent 990 filing, Schedule J.

⁸ 2020: \$2,581,647; 2021: \$2,061,040; 2022: \$3,271,058; 2023: \$3,630,317

Note: Includes retirement and deferred payments. See Schedule J, Part II of most recent 990 filing.

<https://projects.propublica.org/nonprofits/organizations/411693838/202413189349305226/full>

Key Employee Compensation

At least 63 employees at HealthPartners earn \$250,000 or more.⁹

HP's highest paid employees are:¹⁰

NAME	TITLE	REPORTABLE COMPENSATION	ESTIMATED OTHER COMPENSATION	TOTAL COMPENSATION
Andrea Walsh	President/CEO	\$2,738,020	\$892,297	\$3,630,317
Nancy McClure	COO	\$1,312,315	\$394,374	\$1,706,689
Katie B. Sayre	SVP, Health Plan Operations and Government Programs	\$1,416,587	\$275,641	\$1,692,228
Penny D. Cermak	EVP/CFO	\$1,383,266	\$284,988	\$1,668,254
DeLinda H. Washington ¹¹	SVP, Chief People Officer	\$1,079,578	\$209,377	\$1,288,955
James W. Eppel	Executive VP and Chief Administrative Officer	\$1,029,966	\$62,758	\$1,092,724

⁹ See Part VII of most recent 990:

<https://projects.propublica.org/nonprofits/organizations/411693838/202413189349305226/full>

¹⁰ Reportable compensation + estimated amount of other compensation from the organization and related organizations

¹¹ Human resources background at Kaiser Permanente, PepsiCo, Fannie Mae, and Honeywell. Serves as a board member for Urban Alliance. <https://www.healthpartners.com/about/leadership/delinda-washington/>

Recent media

- [Andrea Walsh named among nation's most influential people in healthcare](#) (Jan. 31, 2025)
 - [HealthPartners to broaden health plan options in Iowa](#) (Oct. 28, 2024)
 - [Minnesota seniors feel like pawns in HealthPartners, UnitedHealthcare dispute](#) (Aug. 12, 2024)
 - [HealthPartners named to Newsweek's America's Greatest Workplaces 2023](#) (Oct. 5, 2023)
 - Newsweek says the award is for workplaces that “[treat] employees respectfully, pays them fairly, provides training and advancement opportunities, and supports a healthy work-life balance”
 - [Minnesota Sells \\$500 Mln in Hospital Bonds](#) (Jan. 19, 2024)
 - “The Minnesota Agricultural and Economic Development Board issued \$500 million in bonds to fund new hospitals near the Twin Cities. The bonds mature between 2035 and 2054, yielding between 2.99% and 4.25%. They received a rating of A2 from Moody's Investors Service and A from S&P Global Ratings. **The board will loan the bond proceeds to Group Health Plan, Inc, a nonprofit healthcare system which does business as HealthPartners.** *The bond proceeds will fund the construction of a replacement hospital in Stillwater, a city on the outskirts of St. Paul. They will also finance a replacement clinic in St. Paul, a new specialty care clinic in the St. Paul suburb of Woodbury, and improvements at Park Nicollet Methodist Hospital.*”
-