MGB nonprofit benefits, charity care, and tax exemption

Forensic public-record investigation - evidence cutoff July 19, 2026

A conservative, reproducible investigation of Mass General Brigham's direct financial assistance, broader community benefits, legal duties, peer context, tax-subsidy questions, governance sequence, and enforcement record.

Executive verdict

No universal federal or Massachusetts statute found in this review requires MGB to devote a fixed percentage of revenue or expenses to charity care. The enforceable core is charitable purpose plus facility-level policies, CHNAs, charge limits, collection protections, licensing and reporting duties. MGB's FY2024 group return confirms $128.7 million of net financial assistance at cost, 0.57% of expenses. That is below two selected Massachusetts academic peers and above one; the recent evidence is mixed and does not establish systematic underperformance. The public record reviewed does not prove ill intent. It does support sharper transparency questions about facility allocation, HSN reimbursement, bad-debt screening, headline reconciliation, and whether direct aid has kept pace with system scale.

What this edition completes - and does not

Completed: the legal floor; a reproducible FY2021-FY2024 Schedule H component series; confirmed paper-return points for FY2016-FY2018; annual group expense/revenue scaffolding where the ProPublica API exposes it; recent peer anchors; claims, contradictions, controversy, tax-method and search ledgers. Not complete: a fully populated FY2005-FY2024 facility-level panel, parcel-by-parcel municipal tax estimates, HSN receipt crosswalk, facility FAP scoring, board committee timeline, national/for-profit panel, and a defensible low/middle/high tax-subsidy dollar estimate. Missing cells mean unknown, not zero.

1. Plain-language legal answer

No fixed charity percentage

Neither federal community-benefit doctrine nor the reviewed Massachusetts rules creates a universal dollar or percentage floor. A benchmark can be a peer, community-need, or tax-subsidy benchmark, but must not be mislabeled as law.

What is enforceable

Charitable purpose and private-benefit limits; each facility's CHNA and implementation strategy; written financial-assistance and emergency policies; charge limits; reasonable efforts before extraordinary collections; EMTALA; licensing and program rules.

What can threaten exemption

Private inurement, substantial private benefit, excess-benefit transactions, serious or repeated 501(r) failures, or operations inconsistent with charitable purpose. Consequences can be transaction-level, facility-level, or organization-level depending on the rule and facts.

2. Confirmed direct financial assistance series

The table prints only years for which a primary Schedule H value was extracted. Years omitted from this display remain present as blank rows in charity-series.csv.

FY	Net aid at cost	Expenses	Reported	Recalc	Status
2016	$101,546,084	$10,735,291,530	0.90%	0.95%	confirmed
2017	$71,125,796	$11,237,538,826	0.57%	0.63%	confirmed
2018	$83,567,864	$12,384,319,495	0.64%	0.67%	confirmed
2021	$92,900,042	$17,085,714,453	0.54%	0.54%	confirmed
2022	$98,089,753	$18,617,025,563	0.53%	0.53%	confirmed
2023	$110,886,113	$21,584,405,066	0.51%	0.51%	confirmed
2024	$128,730,734	$22,704,161,857	0.57%	0.57%	confirmed

Recent trend

Net aid rose from $92.9 million in FY2021 to $128.7 million in FY2024. Expenses rose from $17.09 billion to $22.70 billion. The reported ratio moved 0.54% -> 0.53% -> 0.51% -> 0.57%; the FY2024 rebound therefore follows two years of ratio erosion, not a monotonic decline.

3. FY2024 community-benefit reconciliation

Schedule H category	Net expense	% expenses
financial assistance at cost	$128,730,734	0.57%
unreimbursed Medicaid	$662,230,524	2.92%
community health improvement services and operations	$59,605,867	0.26%
health professions education	$247,674,707	1.09%
subsidized health services	$155,145,378	0.68%
research	$200,983,330	0.89%
cash and in-kind contributions	$30,661,285	0.14%
total Schedule H community benefit	$1,485,031,825	6.55%

Do not collapse these categories

Financial assistance is direct free/discounted medically necessary care under a policy. Medicaid shortfall is a calculated payment gap. Research, education, subsidized services and community health are separate. Bad debt and Medicare shortfall are also separate. The roughly $713 million public headline is not direct charity care and requires an exact category crosswalk.

4. Peer evidence

Known FY2024 Schedule H expense ratios: MGB 0.57%; BIDMC 0.65%; Tufts Medical Center Parent group 0.70%; UMass Memorial group 0.29%. This mixed four-entity view is descriptive, not risk-adjusted. It cannot support a claim of systematic underperformance without standardized scope and payer/hospital-mix sensitivity tests.

5. Tax-subsidy comparison

A defensible tax-benefit estimate is not yet publicly determinable from the assembled packet. Publishing a single number now would create false precision. The required model is facility- and exemption-specific: reconstruct taxable income; obtain exempt parcel values and tax rates; subtract actual cash PILOT payments without silently treating all claimed credits as cash; estimate sales/use-tax savings from purchases; and price the tax-exempt-bond spread. tax-benefits.csv publishes the low/middle/high methodology and the missing base for each component.

6. Financial-assistance access and collections

The FY2021-FY2024 group Schedule H facility rows selected no reviewed extraordinary collection actions. This is a filing result, not proof that no affiliate sued a patient, sold debt, recorded a lien, made a credit report, or disputed eligibility. Facility policies, provider exclusions, language access, presumptive eligibility, late applications, refunds, and bad-debt screening remain a separate field audit.

7. Board and leadership sequence

The recent ratio series does not establish that a board or CEO change caused a reduction. A valid sequence claim requires exact appointment and approval dates, actual authority, a policy change, a subsequent ratio change within a stated interval, confounder testing, and minutes or another direct record. The board-timeline.csv is intentionally empty rather than guessed.

8. Controversy and enforcement context

Date	Entity / event	Disposition	Label
2015	Partners HealthCare: Proposed South Shore/Hallmark acquisition consent judgment challenged	judicial rejection of proposed consent judgment	regulatory/judicial event; verify full decision in follow-up
2017	Brigham and Women's Hospital: Federal research-grant allegations	settlement following self-disclosure and cooperation	settlement of allegations
2018	Partners HealthCare affiliates: Billing transparency practices	settlement/corrective commitments	settlement of allegations
2022-2024	Mass General Brigham: State cost-growth benchmark scrutiny	18-month Performance Improvement Plan implemented; success evaluation separate	regulatory finding/process
2023	Massachusetts Eye and Ear: False Claims Act compensation/billing allegations, including conduct predating MGB acquisition	settlement	settlement of allegations

Settlements resolve allegations; they are not converted here into convictions or admissions. Acquisition timing is separated where known.

9. What the evidence does not prove

It does not prove illegality, private inurement, fraudulent community-benefit reporting, deliberate denial of aid, a board-directed charity reduction, or that total public benefit is smaller than the tax subsidy. It also does not prove the opposite. Those questions require records not yet in this packet.

10. Advocacy questions

- Release facility-by-facility Schedule H workpapers and the HSN reimbursement crosswalk.

- Reconcile the $713 million headline to Schedule H, Massachusetts AGO categories, restricted funding and entity boundaries.

- Disclose how many bad-debt accounts were screened for presumptive FAP eligibility and how many were reclassified.

- Publish current and historical FAP thresholds, physician exclusions, translations, refund practices and post-collection application outcomes.

- Publish Boston and other municipal PILOT requests, cash paid, credits claimed, exempt assessed values and agreements by facility.

- Release board minutes or committee records showing who approved FAP, CHNAs, community-benefit budgets and material reclassifications.

11. Public evidence exhausted - current edition

The current edition exhausts the primary filings already assembled in the workspace and the targeted official web checks logged on July 19, 2026. It does not claim that all public records everywhere have been exhausted. The search log identifies the remaining pulls and why each unresolved claim stays unresolved.

12. Evidence packet

The companion directory contains legal-requirements.csv, charity-series.csv, community-benefit-components.csv, tax-benefits.csv, financial-assistance-policies.csv, peers.csv, board-timeline.csv, controversies.csv, contradictions.csv, claims.csv, search-log.csv and SHA256SUMS.txt. Each blank is unknown or not extracted, never an implied zero.