



Michigan “Non-Profit” Hospital Report

As IHPA [reported last year](#), wealthy, non-profit hospitals around the country use 78% of the 340B drug pricing program, designed to help low-income patients in underserved areas. The following report includes an examination of several non-profit hospital systems in the state of Michigan that benefit from the 340B federal drug pricing program and how they are spending their revenue.

What this research found is that Michigan non-profit hospital systems are raking in billions in revenue, handing out mega-compensation packages, and making major capital investments while profiting from programs meant for the poor.

The evidence shows that wealthy hospitals and highly compensated administrators are taking advantage of the 340B program. An analysis by Lisa Grabert, health policy professor at Marquette University, found that hospitals in Michigan [are putting profits ahead of patients](#). According to her report, Michigan hospitals that take [advantage](#) of the 340B program report almost 50% higher patient revenue than other similar hospitals while providing 30% less charity care.

Michigan Non-Profit Hospital Revenue Is Booming

Even if a hospital is called a “non-profit,” it can still get very rich. Michigan’s biggest non-profit hospitals are collecting billions in operating revenue each year.

HOSPITAL SYSTEM	ANNUAL REVENUE	YEAR REPORTED	ANNUAL INCREASE IN REVENUE	ANNUAL GROWTH RATE
Corewell Health	\$11,491,275,449	2024	\$1,117,026,303	10.7%
Henry Ford Health System	\$5,284,200,687	2024	\$788,335,020	17.53%
Trinity Health Michigan	\$3,277,491,965	2024	\$232,760,888	7.64%
Bronson Methodist Hospital	\$1,468,226,412	2024	\$161,107,830	12.3%
Edward W Sparrow Hospital Association	\$1,211,928,979	2024	\$687,618,931	131.1%
Allegiance Health	\$907,585,199	2024	\$79,531,836	9.6%
Covenant Medical Center	\$830,573,569	2024	\$37,279,070	4.7%
University of Michigan Health-West	\$602,734,235	2024	\$52,971,583	8.99%
Munson Healthcare	\$244,956,663	2024	\$29,852,599	13.8%

An [analysis](#) of every Michigan non-profit hospital from 2020 to 2022 showed that 75% of the state’s non-profit hospitals had a fair share deficit. A fair share deficit indicates that the hospital receives more in tax benefits than it provides in community benefits. In total, that represents \$605 million each year. Below are more details about how the hospitals listed above reap huge revenues, serve affluent populations, discriminate against the underserved, and abuse the 340B program.

Corewell Health

\$6.79 billion in assets

Fair Share Deficit While Paying Exorbitant Salaries to Executives

Despite its non-profit status, Corewell Health falls short of providing the same amount in community benefit that it receives in tax breaks. Corewell Health's Grand Rapids Hospital [had](#) a fair share deficit of \$37 million per year on average between 2020 and 2022. That means Corewell receives \$37 million more in tax breaks than it provides in community services.

Exorbitant Executive Compensation

Like many other non-profit hospitals, Corewell spends millions on CEO compensation. Corewell Health's president made nearly \$5.5 million in compensation in 2024, and five employees made more than \$1 million in compensation in 2024. Executive compensation as a whole totals over \$30.1 million.

Huge Annual Profits

Despite its status as a non-profit hospital system, Corewell racked up unbelievable profit margins in 2024. Year over year, Corewell increased its revenue by \$1.1 billion or 10.7%.

Putting Patient Safety at Risk

In September 2025, a group of anesthesiologists [claimed](#) they were being replaced at Corewell Health West by less experienced emergency medicine and intensive care unit doctors, putting patient safety at risk. The group raised concerns that the physicians they had been replaced with did not have the unique expertise required of anesthesiologists.

Corewell Health also prompted the state's Attorney General to [call](#) for new laws in the state after the health system experienced two data breaches in the last two months. The data exposed went beyond names and birthdays and included sensitive medical information. The Attorney General called for the legislature to take action to ensure companies take steps to protect sensitive information and notify consumers of any breaches. Both data breaches [impacted](#) at least a million patients each.

Henry Ford Health System

\$4.98 billion in assets

Massive CEO Compensation

Like other huge "non-profit" hospital systems, Henry Ford Health has a long-standing history of providing its CEO and top executives with mega-salaries. Henry Ford's President Christina Decker received a salary of \$5.45 million in 2024. In total, there were 17 executives at Henry Ford [making over \\$1 million](#) while the hospital was using programs meant for underserved hospital systems.

Huge Annual Profits

Despite its status as a non-profit hospital system, Henry Ford racked up unbelievable profit margins in 2024. Year over year, Henry Ford increased its revenue by \$788 million or 17% in 2024.

Multi-Billion Construction and Investment Projects

The health care system is now investing its revenue in construction projects that go beyond nonprofit hospitals. In 2023, Henry Ford announced a [\\$2.5 billion investment](#) in a new nonprofit hospital facility and housing units with partners that included the Detroit Pistons professional basketball team. These investments and profits are also fueled by rapid consolidation and mega-mergers within Michigan and beyond. In 2023, for instance, Henry Ford and Ascension Health [combined in a \\$10.5 billion deal](#).

Taking 340B Benefits while Operating Outside of Underserved Areas

Henry Ford operates nonprofit hospitals inside and outside of areas eligible to receive 340B discount drug benefits. This allows the Henry Ford system to get the benefits of the discount drug program in places like West Bloomfield, Michigan, where the median income is [\\$119,000](#). According to a 2022 investigation by the [Wall Street Journal](#), “The nonprofit, part of Henry Ford Health, has 467 sites registered for 340B drug discounts located outside its neighborhood, 92% of them in census tracts with higher rates of private insurance than the parent hospital.”

Spending Resources on Art Collections Instead of Underserved Patients

Henry Ford Health also has deployed financial resources to create a [permanent art collection](#) at its nonprofit hospital location in Macomb County. According to their website, “In recognition of the many ways that artists contribute to the health of their communities, Henry Ford Health committed to supporting artists who reside in the communities they serve.” Henry Ford Health’s foray into the lucrative art world, while interesting, is not likely something that most lawmakers typically associate with underserved nonprofit hospitals in low-income areas.

“Fair Share” Deficit Means Henry Ford Takes More from Taxpayers than it Returns

Henry Ford Health System [boasts](#) one of the highest fair share deficits in the state at its Genesys Hospital in Grand Blanc. Between 2020 and 2022, the hospital averaged a \$53 million fair share deficit each year. That means Henry Ford receives \$53 million more in tax breaks than it provides in community services.

Spending over \$27 Million on Executive Compensation

Executive compensation at the Henry Ford Health System [totaled](#) over \$27 million, and their president and CEO alone made over \$7 million in 2024. Sixteen employees received compensation over \$1 million the same year, including non-physician positions like chief of marketing and chief of human resources. They also reported providing first-class or charter travel, paying for health or social club dues or initiation fees, and housing allowances for personal use in the organization’s 2024 [990](#).

Insufficient Reporting on How Federal Funds are Used

Meanwhile, Henry Ford Health has been found to have insufficient internal controls in place when managing its financial reporting and federal programs. An independent [audit](#) conducted in 2024 identified a significant deficiency in their internal control over financial reporting, and both a material weakness and a significant deficiency in internal control over major federal programs.

Trinity Health Michigan *\$4.97 billion in assets*

Big Annual Profit Margins

Trinity Health is a major hospital system that brought in \$3.28 billion in annual revenue in 2024 alone. After expenses, Trinity Health’s profit margin totaled \$232 million or 7.6%.

Health System Hospitals Show Pattern of Fair Share Deficit

Trinity Health Michigan has multiple hospitals in its system [covered](#) in a recent fair share deficit report from the Lown Institute. Both the Trinity Health Ann Arbor Hospital and the Trinity Health Grand Rapids Hospital receive millions more in tax benefits than they provide in community benefits. Grand Rapids, on average, had a fair share deficit of \$23 million per year between 2020 and 2022, and Ann Arbor had a fair share deficit of \$33 million per year during the same time period.

Prioritizing Profits Over Patient Safety

Trinity Health has a history of issues related to patient safety. In 2023, a [lawsuit](#) was filed against one of its hospitals after a 22-year-old woman was sexually assaulted by another patient in the same psychiatric ward. The lawsuit alleged that the hospital failed to investigate the assault and didn't take the necessary measures to prevent it from happening.

In 2025, a [lawsuit](#) was filed against its Muskegon Hospital alleging that cardiac procedures were performed that were not medically necessary, endangering patients for no reason. The employee who reported the behavior was [later fired](#) after he raised concerns.

Bronson Methodist Hospital

\$1.55 billion in assets

One of the Largest Fair Share Deficits in Michigan

Bronson Methodist Hospital in Kalamazoo has one of the largest fair share deficits among non-profit hospitals in the state. On [average](#), between 2020 and 2022, the hospital received \$40 million more in tax benefits than it provided in community benefits. Over 40% of the organization's [expenses](#) go towards salaries and wages, including five employees who made over \$1 million in compensation in 2024.

Revenue Takes Priority Over Patient Health and Safety

Despite reporting nearly \$1.5 billion in revenue, the hospital has repeatedly shown that they are not prioritizing patient safety. [Earlier this year](#), a case of Legionnaires' disease was confirmed, resulting in an investigation by state health officials. According to news reports, questions were raised about the hospital's water system as well as how the hospital handled patient notification.

Gouging Patients and Misleading Information

A press report from August 2025 [found](#) that a couple who visited the hospital's urgent care center found themselves dealing with an exorbitant bill of \$900, far more than their emergency room bill for a similar injury years prior. The report found that in the fine print, Bronson was charging hospital prices for treatment at urgent care, and their prices are far higher than comparable urgent care rates in the area. Bronson made a big show of the urgent care center when it opened in 2024, but in response to the patient said, "Bronson's Urgent Care location in Kalamazoo is technically a hospital-based outpatient clinic."

Edward W Sparrow Hospital Association (Now Under University of Michigan Health)

\$1.28 billion in assets

Defrauding American Taxpayers

In 2023, Sparrow [paid](#) nearly \$700,000 to settle claims that it violated the False Claims Act. A press release from the U.S. Department of Justice noted that the system misused "incident-to" billing, improperly billing Medicare under a physician's name and reimbursement rate when the necessary criteria were not met. The press release noted that "Improper billing in our federal health care programs wastes valuable taxpayer funds that are set aside to care for the well-being of those most in need."

Mistreatment of Patients

An [investigation](#) into Sparrow Hospital in 2023 found that patients at the psychiatric emergency room faced mistreatment and abuse. Patients alleged that they were the subject of jokes made by staff, stripped and searched, and prohibited from contacting loved ones. Others have reported that they were harassed by fellow patients without any intervention from staff and were made to sleep in chairs when beds were not available. One of the patients launched a website where community members can [share](#) their experiences.

Allegiance Health (Henry Ford Health System)

\$945 million in assets

Allegiance Health [reported](#) on its 2024 990 that it had paid for first-class or charter travel, in addition to health or social club dues or initiation fees.

Attempting to Eliminate Competition at the Expense of Patients

After three years of litigation, Allegiance Health [settled](#) with the U.S. Department of Justice in a case alleging that the system was “conspiring with a rival hospital in a neighboring county to restrict marketing in that rival’s county.” The Department of Justice found that the hospitals had insulated themselves from competition by “agreeing to withhold outreach and marketing in each other’s respective counties,” and “as a result, consumers were denied the benefits of competition.”

Covenant Healthcare System

\$867 million in assets

Fair Share Deficit While Paying Exorbitant Salaries to Executives

Between 2020 and 2022, Covenant Medical Center Harrison in Saginaw had an [average](#) fair share deficit of \$20 million per year, meaning that they received millions more in tax benefits than they provided in community benefits. Meanwhile, five employees [received](#) compensation of over \$1 million in 2024, and 11 were paid six-figure salaries the same year.

Improper Financial Relationships Put Revenues Ahead of Patients

In 2023, Covenant Healthcare System [paid \\$69 million](#) to resolve allegations of improper financial relationships, which led to the submission of false claims to Medicare, Medicaid, TRICARE, and FECA programs. For years, Covenant had contracts with physicians who made referrals to Covenant in violation of the Physician Self-Referral Law and Anti-Kickback Statute and forgave rent payments for a physician in exchange for referrals. Additionally, Covenant was improperly involved in an equipment lease “in order to induce referrals of patients from these physicians.”

Illegal Discrimination Against Employees

Covenant not only fails at providing community benefit at the same level as its tax benefits, but it also mistreats its employees. In 2020, the system paid over \$100,000 to [settle a lawsuit](#) filed by the Equal Employment Opportunity Commission (EEOC) that it paid a lower salary to a female employee than two of her male counterparts.

University of Michigan Health-West

\$459 million in assets

Largest Fair Share Deficit in the State Among Non-Profit Hospitals

Between 2020 and 2022, the University of Michigan Health-West had the largest fair share deficit of any other non-profit hospital in the state, with an [average deficit](#) of \$76 million per year.

Fired Employee Who Sought a Religious Exemption

A physician assistant at University of Michigan Health-West [sought](#) a religious exemption from providing gender-transitioning services to patients because of her religious beliefs. Instead, she was made to participate in a mandatory diversity training that allegedly “attempted to compel [her] to pledge, against her sincerely held religious convictions and her medical conscience, that she would speak biology-obscuring pronouns and make referrals for ‘gender transition’ drugs and procedures.” After seeking a religious exemption, University of Michigan Health-West fired the physician assistant, who has since filed suit.

Munson Healthcare

\$1.04 billion in assets

Huge Annual Profits

Despite its status as a non-profit hospital system, Munson racked up \$29.8 million in profits in 2024, with profits growing at a rate of 13.8%.

Putting Patient Safety at Risk

Munson Healthcare has been on the receiving end of multiple labor lawsuits over the years, and one such lawsuit in 2021 came [after firing](#) a whistleblower who tried to protect patient safety. A surgical technician reported “unsafe sterilization practices occurring in the operating room” and was fired after she expressed concerns about being asked to do procedures that she felt were unsafe.

Failing to Promptly Notify Patients of Data Breach

Additionally, a data breach at Munson beginning in January 2025 [impacted](#) the lives of over 100,000 patients when a hacker gained unauthorized access to its electronic medical record system. Among the data that was stolen were names, social security numbers, and an array of confidential medical information. Many patients reportedly only learned that their personal and health information had been compromised a full year after the initial breach.

Using Taxpayer COVID Money to Fund Expansion

Despite a 14% increase in annual revenue, Munson Healthcare still relies on taxpayer money to fund expansion. In 2023, Munson [accepted \\$5 million in taxpayer money](#) from the American Rescue Plan Act (ARPA) – which was passed by Congress to address COVID expenses – to fund a brand new mental health facility.

Acquiring the Competition

At the same time, Munson Healthcare accepts benefits from the 340B program meant for underserved hospitals, but it is using its profits to buy up the competition and expand operations. In 2023, Munson announced it would spend [\\$50 million to expand and restructure](#) its business operations.