

Testimony of Will Hild

Executive Director, Consumers' Research

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Hearing: "Virtue Signaling vs. Vital Services: Where Tax-Exempt Hospitals are Spending Your Tax Dollars"

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Chairman Schweikert, Ranking Member Sewell, and Members of the Subcommittee: Thank you for the opportunity to testify on behalf of Consumers' Research.

My name is William Hild and I serve as the Executive Director of Consumers' Research, the nation's oldest consumer protection organization. Founded in 1929, Consumers' Research originally was created to educate and protect consumers from harmful products. Today, our mission at Consumers' Research is to increase the knowledge and understanding of issues, policies, products, and services of concern to consumers and to promote the freedom to act on that knowledge and understanding. This year, we expanded our consumer education initiative to include nonprofit health systems nationwide that leverage numerous funding streams from the federal government and benefits from tax-exempt status to advance controversial political and social causes rather than serve their community. Instead of lowering costs and improving patient care, these hospitals have spent considerable money, time, and manpower pursuing a partisan agenda pertaining to Diversity, Equity, and Inclusion (DEI), radical gender ideology, and environmental activism.

As part of our efforts to educate consumers, we issued a *Consumer Warning* detailing how several large tax-exempt health systems have devoted critical resources to infuse everyday operations with progressive ideological goals. Those initiatives include instituting large-scale DEI bureaucracies, promoting gender ideology to children, and supporting environmental activism. This misprioritization of politics over patients distracts hospitals from their core mission and can compromise the quality of treatment and increase costs, which can put consumers in serious physical and financial danger. At the same time, hospitals are pushing political agendas, many fail to comply with healthcare price transparency rules and a proportional growth in charity care. [1][2][3]

I sent our *Consumer Warning* in a letter to President Donald J. Trump and Congressional leadership and leaders of the Ways and Means Committee asking for additional scrutiny of nonprofit hospital systems that appear to prioritize ideological commitments over core clinical obligations and to review tax-exempt privileges and relevant funding streams accordingly. The letters emphasize that hospitals should use surplus funds to improve facilities, equipment, and patient care, rather than political agendas. [2][3]

This hearing allows questions posed by Consumers' Research about whether nonprofit hospitals that receive substantial tax benefits and numerous federal funding streams are devoting significant resources to activities that stray from their core mission of advancing patient care or measurable community benefit to be discussed. Based on our research, the answer is unequivocally yes.

As the Executive Director of a nonprofit organization, I fully understand the commitments required to attain that status. Under section 501(c)(3), charitable organizations must be organized and operated exclusively for legally exempted purposes and must serve public interests rather than private interests. For hospitals, the Internal Revenue Service (IRS) has implemented this through the community benefit standards, and the Affordable Care Act added hospital-specific obligations in section 501(r). To keep this tax-exempt status, hospitals must abide by a variety of requirements. Notably, none of these requirements demand a commitment to a political agenda. While Congress does not necessarily need to dictate what medical decisions are made to meet the community benefit standard, both Congress and the public deserve transparency from hospitals that they are using their nonprofit status and resources as effectively and efficiently as possible. Based on our research, Congress needs to require transparent, verifiable reporting of the activities hospitals are using to meet the community benefit standard. [4][5]

The desperate need for transparency is not a new concept for hospitals. Many hospitals ignore federal healthcare price transparency rules and practice indefensible price gouging by concealing the actual prices of services. As of 2024, a national report found that only about twenty one percent of hospitals were fully compliant with federal price transparency rules, a lower rate than earlier periods. When prices are opaque, patients pay the price. Families cannot plan, compare options, or avoid surprise bills without clear machine-readable prices for common services. This staggering noncompliance is another example of hospitals wasting valuable resources on political concerns, rather than actual healthcare policies. [6]

Our research highlighting nonprofit health systems promoting a political agenda is particularly alarming given their eligibility for millions of dollars in federal funding, and government-mandated savings programs in addition to the core benefit of tax exempt status. This means taxpayers are often left footing the bill for hospitals' political activism. American taxpayers are entitled to increased transparency and assurance that hospitals are using their money judiciously and that requirements such as community benefit are legitimately being met.[1]

Consumers' Research has been documenting programs and public materials of nonprofit health systems across the country, relying on the institutions' own webpages, publications, and third-party reporting focused on two questions: (1) What initiatives are elevated, promoted, and branded by hospital leadership as a core part of its mission? (2) How do those choices intersect with patient benefits such as access to quality healthcare focused on price transparency low costs? [1][2]

Our first campaign focused on exposing Cleveland Clinic. In our campaign we posed the question “Is Cleveland Clinic the wokest hospital in America?” given Cleveland Clinic’s prioritization of race-based care and DEI, gender ideology, and climate activism over patients. Even Cleveland Clinic CEO Tom Mihaljevic admitted this misguided prioritization. In a letter to patients, caregivers, and community members, Mihaljevic stated: “providing high-quality healthcare is only part of our mission.” We found Cleveland Clinic is entrenched in DEI policies, for example, in 2024, Cleveland Clinic was accused of violating anti-discrimination laws by a law group for prioritizing certain patients over others based on skin color (the Minority Stroke Program and the Minority Men’s Health Center). Cleveland Clinic also hired Jacqui Robertson as Chief of Diversity of Inclusion to “lead efforts that will further diversity and inclusion across the health system.” In a 2023 interview, Robertson stated: “I don’t believe that diversity and inclusion should ever be a standalone strategy. It has to be embedded in everything that we do. And so that’s our processes, that’s our metrics.” We also found that Cleveland Clinic embraces radical transgenderism, even for children. Cleveland Clinic has administered transgender care to hundreds of kids, which included irreversible surgeries and the prescribing of hormone puberty blockers and has published articles with controversial claims such as: young kids are not too young to understand or question gender; puberty blockers are appropriate; and hormone therapy has “a positive impact” on youth struggling with body image. Additionally, in December 2024, Cleveland Clinic opened a new facility in Florida designed exclusively for LGBTQ+ patients to provide “inclusive” transgender care. Cleveland Clinic is also a self-proclaimed leader in climate activism, spending millions on the far-left climate agenda. [1][7]

Our second campaign focused on uncovering what Vanderbilt University Medical Center (VUMC), was hiding from the public. After President Trump issued an executive order ending federal funding for entities that support DEI initiatives, VUMC began removing or restricting access to many of its DEI-related webpages. But DEI has been embedded in VUMC’s programs for years. For example, VUMC operated an Office of Inclusion and Health Equity designed to provide a “safe space” within the hospital system, merging with the VUMC Office of Diversity and Inclusion in May 2024 and hosted trainings for employees on “bias” and “cultural competency.” VUMC also secured an NIH grant funding through May 2028 for a DEI program to hire, promote, recruit, and retain diverse biomedical researchers. In 2022, *The Daily Wire* exposed VUMC’s transgender clinic for performing gender transition surgeries on children. The outlet spotlighted remarks by Dr. Shayne Taylor asserting that such procedures were a “big money maker. “The hospital also partnered with Philips to map a path to decarbonize radiology, including energy measurement for high-intensity imaging and research on how to reduce consumption in that domain. [1][8][9]

Our third campaign highlighted how Henry Ford Health is putting politics over patients. The health system has focused on weaving discriminatory practices into everything it does, administering harmful transgender treatments on kids, and prioritizing a radical climate agenda. We found statements from the hospital that diversity is the cornerstone of its health system, claiming that “diversity, equity, and inclusion are woven into the fabric of everything we do.” As

part of its commitment to DEI, Henry Ford Health also aimed to increase engagement with “diverse suppliers,” which it believes will “further demonstrate diversity, equity, inclusion and justice in action.” It also defines “diverse” businesses as those majority-owned by “LGBTQ persons,” or “minority persons.” Henry Ford Health has administered transgender treatment to kids, which included irreversible surgeries and the prescribing of hormone puberty blockers and even though President Trump has made it clear through executive orders, sex-change procedures for kids should be stopped, recent media reporting shows Henry Ford Hospital continues to offer these services to kids. The hospital has also made radical climate change commitments, including a commitment to achieve net-zero emissions by 2050. [1][10]

In our *Consumer Warning*, we highlighted the Memorial Hermann Health System for its DEI policies and gender ideology. Memorial Hermann maintains that “health equity” is paramount and has stated its intention of embedding DEI practices at the core of its mission and vision. They furthered these discriminatory policies by launching a supplier diversity program in 2022 and received the Vizinet Supplier Diversity Excellence Award in 2024. That same year, it was recognized by the Houston Business Journal as an “Outstanding Diverse Organization for excelling in promoting #equity, #diversity and #inclusion within our #workforce and #community engagement practices.” Memorial Hermann publicly claims not to offer gender-transition services to individuals under eight. However, according to the organization *Do No Harm*, Memorial Hermann Health System has reportedly performed 15 sex-change surgeries on minors and prescribed puberty blockers or hormone therapy to three children. [1]

Johns Hopkins All Children's Hospital is also highlighted in our report for its far-left political agenda. The hospital considers “diversity and inclusion” to be part of its founding values and its website includes a DEI-related land acknowledgment for the Native American tribes that once lived in the St. Petersburg area. In addition, the Johns Hopkins Medicine “Equity Statement” encourages all individuals to promote DEI in health and actively work towards combating “negative biases.” The Johns Hopkins All Children’s website formerly included a page about children’s gender and sexual development and a spokesperson for Johns Hopkins All Children’s stated in 2022 that children should have access to transgender procedures to improve their mental health. [1]

After our initial *Consumer Warning*, we expanded state-specific research on nonprofit systems in Kansas, Minnesota, and Wisconsin in an effort to show this troubling and systematic trend.

At the University of Kansas Health System a complaint against University of Kansas Medical Center was filed with the U.S. Department of Education’s Office for Civil Rights for only allowing members of underrepresented populations to apply for the “Urban Scholars Program for Students Underrepresented in Medicine,” which prompted the U.S. Department of Education’s Office for Civil Rights to open an investigation. The health system has repeatedly earned the LGBTQ+ Healthcare Equality Leader designation from the Human Rights Campaign Foundation. According to *Do No Harm*, the health system has performed 17 pediatric sex change procedures, with eight pediatric surgery patients, nine pediatric hormone and puberty blocker patients, and 34 pediatric prescriptions written. While its webpage claims the hospital only

provides gender care to adults, in March 2025, the health system told *The Daily Caller* that they are still providing transgender services to minors “despite President Donald Trump’s executive order defunding those services.” The medical center also has a focus on “Sustainability” which includes measures to reduce greenhouse gas emissions. [11][12][13][14][15][16]

The Mayo Clinic touts on its website it has “pledged \$100 million in its commitment to eliminate racism and advance belonging within Mayo Clinic, and to improve health equity.” Recently, in an attempt to cover up its DEI policies, the clinic moved its DEI offices under an Office of Belonging, which the most commonly used euphemism for DEI. The Office publishes leadership commitments and goals, and it highlights the existence of Mayo Employee Resource Groups. The Mayo Clinic also has prioritized gender ideology. According to *Do No Harm’s* database, the Mayo Clinic’s Minnesota locations have had 29 total sex change child patients, with 13 sex change surgery patients, and 16 hormone/puberty blocker patients. The clinic also has a webpage to teach parents how to talk to their children about gender identity, and suggests parents “Don’t rush to label your child. Over time your child will continue to tell you what feels right.” The clinic also committed to radical climate goals. Under the Biden Administration, the Mayo Clinic partnered with U.S. Department of Energy’s Better Climate Challenge and committed to reducing greenhouse gas emissions by 50 percent. [17][18][19][20][21][22][23]

Lastly, the Children’s Hospital of Wisconsin (Children’s Wisconsin) has also prioritized politics over patients. On its Inclusion, diversity & equity webpage, the hospital declared their “inclusion, diversity, and equity vision” is to be “intentionally inclusive, diverse and anti-racist.” Children’s Wisconsin also runs Inclusion Resource Groups which “focus on activities and initiatives to support the needs of their affinity population or area of interest,” including “Black Professionals and Allies” and “Children’s Pride.” It also operates a Gender Health Clinic within its endocrinology program. According to *Do No Harm’s* database, Children’s Wisconsin has had 18 total sex change patients, 6 transgender surgery patients, and 12 hormone and puberty blocker patients. As of March 2025, reporting by *The Daily Caller*, Children’s Wisconsin continues to offer transgender services, including to minors at its Gender Health Clinic. In 2024, Children’s Wisconsin received an Energy to Care Award in recognition of its dedication to reducing energy consumption and its carbon footprint. [24][25][26][27]

Our research not only highlights troubling findings, but also raises serious questions. The deliberate choices these health systems are making to prioritize politically-motivated issues such as DEI, gender ideology, and environmental activism are not free. They require staff, program budgets, marketing, and other resources. Hospitals can not do everything at once. Budgets and executive bandwidth is finite. Therefore, every dollar placed into a DEI policies is a dollar not placed into price transparency. Every dollar used for gender ideology is a dollar taken from charity care. Every dollar put toward environmental activism takes money away from staffing, or capacity expansion. Are programs that push a specific, left-wing political agenda being claimed as a community benefit? Without clear reporting requirements, Members of Congress and taxpayers cannot be sure what hospitals are using tax dollars to fund.

Tax exemption status, and access to federal funding, grants, and savings programs are public privileges. Congress has broad authority to condition those privileges on transparency and patient benefit without dictating medical judgment. Improving outcomes for patients is a worthy

goal, and many hospitals do important work in this area. The oversight problem comes when community benefit is used as a vague justification for engaging in partisan political activity, project rather than as a clinical program with measurable outcomes. Congress could require line-item disclosure and outcome measures for any equity spending that is claimed as community benefit. Initiatives should focus on quality of care and patient outcomes, and hospitals should show the data.

Moving forward, we believe Congress should first modernize Schedule H, and regulators should update relevant guidance so that community benefit reflects clinical investments. They should require hospitals to distinguish between charity care, patient financial assistance, access expansion, quality improvement, and non-clinical programming and make the definitions clear and outcome-based, and require line-item reporting for major categories. Second, align public privileges with transparency. Condition certain discretionary payment updates or program benefits on officer-certified compliance with price transparency rules. Finally, require board-level attestations from the chair and the audit committee that community benefit claims have been reviewed for clinical relevance and that price transparency has been verified.

Congress can require hospital-level reporting that shows realized discounts and how those dollars reduce patient out-of-pocket costs, sustain financial assistance programs, or expand access. A hospital that has nonprofit status should meet the basic requirement of telling patients what care will cost. Machine-readable files and consumer-friendly tools are not optional. They are necessary for families to plan and to compare options, and they are essential for employers and insurers to apply competitive pressure. Persistent noncompliance undermines the promise of market discipline in health care.

These steps do not tell clinicians how to practice medicine. They protect patients and taxpayers by ensuring that nonprofit advantages advance public ends. They also create positive recognition for hospitals that lead on transparency and measurable patient outcomes.

Before I close, I want to make mention that while our research focused on politically-aligned activities, those activities are not uniquely exclusive of the problem. Since Consumers' Research published our *Consumer Warning*, I have had conversations with numerous hospital system insiders who mentioned hospitals naming stadiums, making real estate investments in low-income neighborhoods, and incurring unnecessary capital outlays at the end of the reporting year to drive down profit margins. Hospital management may not be driven just by ideology when implementing these programs. It could be an unintended consequence of trying to appear as if the system is not making too much money. If that is the case, this Committee may also consider whether it might be beneficial for nonprofit hospital systems to have access to ways to invest what they consider excess profits for the long-term benefits of the health system. Consumers' Research does not want to punish nonprofit hospitals for their success. Still, we do want those hospitals to be honest and transparent about how they use their status to benefit the community.

Hospitals are civic institutions that hold public trust. Nonprofit hospitals receive generous privileges because Congress expects them to deliver measurable community benefits. When

systems elevate discriminatory policies, activist climate campaigns, or gender ideology while leaving price transparency and charity care underdeveloped, the trust fails. Congress can restore this trust through more precise definitions, verifiable reporting, and alignment of privileges with the value patients receive. Thank you for this opportunity to testify.

I look forward to your questions.

Endnotes

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