

# Healthcare Philanthropy is Evolving Away from Hospitals

John H. Taylor

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The healthcare industry is changing dramatically. Traditionally, funds were raised to build large hospital buildings, acquire specialized equipment, and ensure proper and enhanced staffing with the expectation that everyone would eventually come to the hospital to receive care. With rapidly emerging technology, increased access, and sweeping changes to healthcare costs reimbursement models, healthcare institutions recognize they must adapt quickly or be left behind.

## Increasing Access Points

Large hospitals are no longer the only access point for patients to receive medical care. Technology has advanced to the point where patients can now receive medical consultation via text, patient portals, or video chats. In addition, many institutions are now being rewarded through grants for keeping people out of the hospital.

Some institutions are working to take a new approach to healthcare which establishes the hospital as an anchor to a health village. Health villages may include a variety of wellness services such as fitness centers, ambulatory clinics or natural food grocery stores. The goal is to teach the community how to stay healthy, so they do not have to go to the hospital in the first place.

As the healthcare industry continues to promote wellness, over treatment, hospital fundraising offices have an entirely new philanthropic landscape to consider. Healthcare development teams need to be prepared to clearly articulate their goals particularly in the areas of preventive medicine and wellness initiatives. Development officers should be specific and give real-life examples whenever possible as they explain the needs and how donors' contributions will directly or indirectly benefit patients, sometimes before they become *patients*. Donors should not be burdened to search for compelling stories or illustrations that demonstrate their potential impact on the healthcare facility specifically, or society generally.

## Rethinking ER

According to the Centers for Disease Control (CDC), Americans visited the emergency room 141 million times in 2014, with fewer than 8% of these occurrences resulting in admission to the hospital. Hospitals are rightly feeling the need to create more urgent care centers where patients can receive immediate care for minor injuries and illness, such as cuts or a sore throat. Some experts speculate this could reduce the number of ER patients by 30-35% which is in line with NIH analysis confirming that 37% of ER visits are non-urgent.

Therefore, there is a compelling case for development officers to know who is visiting their Emergency Departments for treatment, just as many have monitored admissions in the hospital historically. Thankfully, hospitals are acquiring data like never before and the most successful organizations are incorporating the Emergency Room data into their regular prospect screenings.

We have seen several more sophisticated offices even incorporate a “concierge” level of service for their donors for those unexpected visits.

### **Grateful Non-Patient Programs**

Certainly, grateful patient programs have played an important role in healthcare philanthropy and will continue to do so, especially as more mature fundraising programs segment their appeals further than they ever have before. For example, where appeals for “cancer” research have worked in the past, segmenting by specific types of cancer (provided the patient has agreed to release that information) works even better; however, the days of the grateful *non-patient* are upon us and we need to concentrate on those individuals as well if not more.

To adequately hear about patient experiences and cultivate new donors, healthcare facilities need to prepare adequate tools to reach this ambulatory or out-patient population. Surveys, calls, emails, and mailings all need to be optimized and tracked efficiently to make the most of the growing grateful non-patient population.

### **Don’t Neglect Major Gifts**

In 2017, the largest source of charitable giving came from individuals at \$286.65 billion, or 70% of total giving, according to the Giving USA 2018 Report. Healthcare institutions should keep in mind individual donors support multiple causes ranging from basic needs to religion. Intentional cultivations of major gift prospects can help donors understand the importance of their gifts in a confusing and increasingly competitive climate.

There is no denying rapid changes are taking place in the healthcare industry, prompted by patient (and non-patient!) actions, activities and preferences. Development officers who can leverage opportunities through the emerging trends of out-patient care and wellness training, while cultivating strong relationships with individual donors, will be setting the stage for success in the years to come.