



The power of philanthropy

Philanthropy is a critical source of revenue for nonprofit and public hospitals and nursing homes. Whether your board has fiduciary responsibilities or is an advisory board, there is tremendous opportunity to involve the community through philanthropic fundraising.

Many hospitals are investing in philanthropy and the work of their foundations to strengthen their financial position.

Did you know that every \$1 invested in a foundation returns \$4 in charitable giving? As Marc Harrison, MD, CEO of Intermountain Healthcare said in an [interview](#) with the Association for Healthcare Philanthropy, “The easiest explanation of the value of philanthropy is the financial explanation.... We raise a lot of money and in order to generate the income that the foundation generates we would have to add \$3 billion worth of gross patient revenue.”

There are three important ways that trustees can help increase charitable giving to your hospital:

1. **Give yourself:** Organizations with boards who give are more likely to achieve their fundraising goals because this demonstrates that leadership believes in the strategic direction of the organization and has confidence in its future. The “ask” of foundation staff to donors will be taken more seriously if they can say that 100% of leadership, employed and volunteer, participate.
2. **Analyze your network:** Think about who you know who could be potential donors. Do any of them care about the projects and efforts the hospital plans to undertake in the next three to five years? Has anyone had experiences with the hospital? Consider going through your contact list to identify people for the foundation team to contact. You could help by making a warm introduction. The foundation can also use events and education sessions to invite people into the hospital community.
3. **Be ready with a story:** When you attend events, bump into people at the grocery store, and spend time with friends and colleagues, use these opportunities to discuss your hospital’s work. Prepare by asking fundraising leadership for a few stories you can tell about the amazing people at your hospital and the incredible things that charitable donations enable for your community. Practice telling these stories so that you are comfortable. Storytelling is one of the best ways to educate your network and get them involved.

[Attend the HTNYS Annual Trustee Conference session](#), “Tricky questions for boards: How to answer from the potato chip aisle,” to learn how to effectively engage questions appropriately within your community.

How far does just \$1 of charitable giving go? To have the same net income impact, most hospitals would need to generate \$75 to \$100 in gross patient revenue. If you can help the foundation raise even \$100,000, you will be contributing the same amount as if the hospital was able to find an additional \$7.5 million to \$10 million in gross patient revenue. That is an achievement with quite an impact.

Interested in learning more? [Attend the HTNYS Annual Trustee Conference session](#), “Beyond the boardroom: Driving impact through philanthropy” to learn practical strategies for donor engagement, storytelling and advocacy that build support without requiring a direct financial ask — and messaging to communicate the power of philanthropy within your boardroom.

Information for this article was obtained from

- [CEO Corner: Show Your Board the Power of Philanthropy](#), Alice Ayers, Association for Healthcare Philanthropy, April 7, 2022.

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