The Impact of Philanthropy on Today’s Healthcare Landscape

The Role of Volunteers in Successful Healthcare Fundraising
Overview

• Scripps Health
• Fundraising’s Vital Signs
• How important is the Development effort?
• Understanding donors
  – Who are they?
  – Donor continuum
• The case for volunteer involvement in development
Scripps Health Overview

• Half million patients treated annually through the dedication of 2,600 affiliated physicians and 13,000 employees

• 5 acute-care hospital campuses, 12 Scripps Coastal Medical Center locations, 11 Scripps Clinic locations

• 3 highly respected graduate education programs, 2 pharmacy residency programs
• 72,402 inpatient discharges/visits
• 2,092,355 outpatient visits
• 142,447 emergency department visits
• $321 million in community benefit services, including education, research, activities and uncompensated care
• 698 active volunteers
• 77,147 hrs volunteered
$33.6 million raised in FY 2012
55 staff members

Campaigns underway:
- Campaign for Cardiovascular Care
- Campaign for Scripps Encinitas
- Scripps Radiation Therapy Center

Other funding priorities:
- Scripps Genomic Medicine
- Scripps Whittier Diabetes Institute
- General Hospital Operations
Healthcare Philanthropy Vital Signs
AHP* Report on Giving (USA) for FY 2011:

1. Donations to US nonprofit hospitals and healthcare systems advanced **8.2% in 2011** to $8.941 billion.

2. The FY 2011 total for cash gifts and pledges represented a **4% increase** over the previous high-water mark of $8.6 billion in 2008.

3. 60% of dollars raised came from individuals.

* The Association for Healthcare Philanthropy: www.ahp.org
Vital Signs FY 2011 Cont’d

4. Annual giving and major gifts were the two largest sources of funds raised in FY 2011, followed by capital campaigns and special events.

5. Philanthropy most often funded construction and renovations, equipment purchases and general operations.
Is Philanthropy Important?

- $9 billion reasons that it is important
- The Campaign for Scripps Mercy Hospital
- Construction Cost: $40 million
- Campaign Goal: $25 million
As the *Wall Street Journal* reported on August 8, 2011, nonprofit hospitals’ revenue is *growing at the slowest rate in 20 years* – a four percent median growth rate. Given the increasing financial pressure these institutions are facing, fundraising is becoming more important than ever.
Development - More to it Than $ 

- Healthcare driven by metrics – LOS, Quality..etc.
- What if Relationships Matter – A LOT?
- *Firms of Endearment*, most successful orgs value relationships highly. [www.firmsofendearment.com](http://www.firmsofendearment.com)
- To become the best of the best – organizations must be loved by all stakeholders
  - Employees (physicians)
  - Vendors
  - Customers (patients)
  - Investors (donors)
- Common Thread – Relationships
Development’s Strength – Relationships

To Win in Business Today: “It’s not share of the wallet anymore, but the share of the heart.”

- Patient visits
- Referrals and appointment assistance
- Service recovery
- Educational opportunities
- Amenities
- Recognition
Who are Our Donors?

• The Family:
  – Board Members
  – Employees
  – Physicians
  – Volunteers

• Foundations

• WEALTHY INDIVIDUALS

• GRATEFUL PATIENTS
GRATEFUL PATIENTS ARE THE FUTURE

• AHP data shows that the share of giving coming from patients has grown sharply.

• In 2008, patients contributed 21 percent of total individual contributions.

• In 2004 the share was just 7 percent of individual contributions.

• Over the same period, giving by board members, employees, physicians and other individuals has remained flat or even declined.

• Growth in philanthropic support is quite likely to come from patients and patient families.
According to the 2012 Bank of America Study of High Net Worth Philanthropy:

- Among wealthy households, average giving as a % of household income held steady at 9% between 2009 and 2011 despite the economy.
- Of the more than $300 billion donated in 2011, more than 70% was given by the wealthiest 3%.
- Of the $9 billion contributed to HealthCare, over $6 billion from wealthiest.
We Need to Understand Why the Wealthy Give and Why They Keep Giving

"Half the donors received the normal annual-fund appeal and the others got a harmless placebo."
*Wealthy Donors Give Under the Following Circumstances:

- Donors give strategically
- Feeling the organization is efficient (68%)
- Half reported they would maintain their current charitable giving levels even if income tax deductions were eliminated.
- Have given to the same organization or cause every year (69%)
- Feeling financially secure (71%)
- Being moved by how a gift can make a difference (74%)

*Association for Healthcare Philanthropy*
Wealthy Donors Commitment to Nonprofits

• Societal issues and confidence in those working to address them:
  – Education (60%)
  – Healthcare (45%)
  – Economy (38%)
  – Poverty (34%)
  – Federal Deficit (33%)
How Do We Reach the Wealthy Grateful Patient and Their Family Members?

Start by Understanding Them....
Understanding the *Donor Continuum – When, Why & How

* Advancement Resources, LLC – Great Training for Healthcare Philanthropy

Ignorance  Awareness  Interest  Experience  Participation  Ownership
Ignorance

- I may or may not recognize the name of the organization.
- I am not familiar with what the organization does.

Awareness

- I recognize the name of the organization.
- I have a rough idea of what the organization does.
- Do I agree with what the organization does?
- Do I want to learn more about this organization?
Interest

- I am likely to read/scan the organization’s promotional literature.
- I may contribute occasional small gifts. Tribute Gifts

Experience

- I have seen/heard/felt the results of the organization’s work.
- I believe the methods the organization uses to accomplish its mission are good. AG Donor

Deliberations

- Does this organization share my values?
- Is this organization’s cause important to me?

- Am I getting an adequate return on my investment (good feelings, recognition, opportunity to make a difference, results)?
- Am I willing and able to give more to this organization?
**Participation**

- I go beyond giving money to contribute time and energy to the organization as well.
- I feel like part of the organization.  *MG Donor*

**Ownership**

- I continually seek new ways to advance the mission of the organization.
  - My membership in/affiliation with the organization is an important part of who I am.  *PG Donor*

**Deliberations**

- Do I feel valued and valuable?
- Do I enjoy my association with the organization and its people?

**Can I make the greatest contribution to this organization?**

- Do I want to leave behind a legacy?
Conrad T. Prebys

- **Ignorance** – Basic knowledge
- **Awareness** – Needed education (volunteer/doc)
- **Interest** – First gift-Catholic Mission; community resource; “his” hospital for healthcare
- **Experience** – Physician briefings, patient, volunteer reinforcement
- **Participation** – Advisory board, Event Chair, Honoree
- **Ownership** – Legacy Gift – HIS hospital

Scripps Prebys Cardiovascular Institute
“I’ve learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel.”

-- Maya Angelou
Why Involve Your Volunteers In Fundraising

• Your Volunteers are beyond ignorance, interest and experience – they are at participation!
• Your Volunteers know your organization well.
• Your Volunteers understand your organization.
• Your Volunteers are being selective with their money in the same way they are being selective with their time.
• Your Volunteers know more people than you do!
• Volunteers can tell your story in a way staff can’t – greater impact!

• Your Volunteers are more likely to give to your organization because they volunteer there.

67% of Americans who volunteered in the past year say they “generally make their financial contributions to the same organizations where they volunteer.”

-- Fidelity Charitable Gift Fund

- Have you asked your volunteers to donate? Have you made it easy for them to do so?
Volunteers donate, on average, 10 times more than non-Volunteers.

– Fidelity Charitable Gift Fund
In 2011, more than half (54%) of wealthy individuals volunteered more than 100 hours, and 35% volunteered more than 200 hours. In general, the more high-net-worth individuals volunteered, the more they gave.
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- Do I agree with what the organization does?
- Do I want to learn more about this organization?
- Do I want to learn more?

- Getting to “yes” deepens their commitment = more philanthropy

*Description*

*Deliberations*

*Volunteer Engagement*
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Experience

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Volunteer Engagement

- Can I make the greatest contribution to this organization?
- Do I want to leave behind a legacy?
Food for Thought

• Are you working with Development to engage your volunteers in fundraising?
• Are your volunteers also serving on boards, committees etc. of the Foundation or Hospital?
• Are your volunteers asked to contribute?
• Do your volunteers know about planned giving opportunities?
• Do your volunteers get invitations to events hosted by the Foundation?
• Is your Foundation included in volunteer orientation?
• Do you communicate regularly about the importance of philanthropy?
• Are you partnering with your Foundation to meet the changing needs of healthcare? – patient-focus, fiscal realities
Thank You!

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