



International Trends and Issues in Healthcare Philanthropy

As 2023 draws to a close, I have taken the opportunity to identify key trends and issues that impact and influence healthcare philanthropy at an international level. In doing so, I sought perspectives and insights from colleagues who have extensive experience in and a deep understanding of healthcare philanthropy. While the perspectives I am sharing primarily come from a North American perspective, I see them as highly relevant to healthcare philanthropy in Australia. There is a lot to consider, from both a strategic and operational context, across all of the themes that have been identified.

Key themes

1. Clinicians response to patient philanthropy

In September 2023, there was several articles in the USA medical media that highlighted arguments around clinician engagement in fundraising. In the case against participation, three key issues were stated as being factors for clinicians to consider when presented with the question of engaging in fundraising. The counter argument presented by healthcare philanthropy professionals centred on agreement that the three primary objections presented were all completely valid. However, best practice in healthcare philanthropy would mean that clinicians would not be engaged in the factors that were presented as barriers to participation. The articles and counterpoints are presented below.

A case against ...

1. **Annals of Internal Medicine article October 2023**

[Ethical Guidance for Physicians and Health Care Institutions on Grateful Patient Fundraising: A Position Paper From the American College of Physicians](#)

2. **Medpage Today article September 25, 2023**

[Doctors should Stay Away from Grateful Patient Fundraising](#)

A case for ...

3. **Advancement Resources Position Statement September 2023**

[Advancement Resources' Position on the Recent ACP Paper on Grateful Patient Fundraising](#)

4. **AHP Connect article July 23, 2020**

[CEO Corner: Thoughts on JAMA's Public Attitudes Regarding Hospitals and Physicians Encouraging Donations From Grateful Patients](#)



Advancement Resources Position Statement

At Nigel Harris & Associates, we are in agreement with the ACP position statements when taken individually. The overall conclusion that grateful patient fundraising is ethically problematic is ultimately dependent upon how one defines grateful patient fundraising – we have seen this as an industry-wide problem for quite a while.

In lieu of the term “Grateful Patient Fundraising” Advancement Resources recommends “referral-based medical philanthropy”. This is the process of making referrals of patients, families, and others who are wishing to become more engaged (give, advocate, volunteer) to the development partners that can help them. This is a process which the ACP article supports. I’ve outlined each of the positions and how it compares to the approach most of our partners take:

Position 1

Participation by physicians in health care fundraising should be guided by the best interests of patients and by the need to establish and maintain trust in the patient–physician relationship. Physicians should not solicit charitable contributions from their patients. Patients or family members initiating discussions about charitable donations should be directed to the institution’s administrators. We agree 100% and the ethics statement in our training reinforces this. The referral-based approach reflects the process of hearing gratitude and responding appropriately and if philanthropy is broached by patient to redirect the philanthropic conversations to development and maintain the sanctity of the physician-patient relationship.

Position 2

Physicians have a duty to protect patient privacy and confidentiality and should not reveal or use patient information for fundraising purposes. When following the above practice in Position Statement 1, then access to patient information is not required. If referrals are made to development by clinicians responding to patient or family interest it should include having received consent to make the referral to development. We don’t recommend bringing patient lists to clinicians to review. It clutters the discussion and isn’t required for successful partnerships.

Position 3

Physicians should not be asked or expected to participate in fundraising solicitation of their patients or patient families. Participation in fundraising should not be a condition of employment, nor should it be a performance metric or part of an incentive system for physicians. We agree, physicians focus on care, development focuses on fundraising. Clinicians should not be incentivized or have metrics for participation in fundraising. Development will still work closely with clinicians that provide subject matter expertise for priorities in their area as they develop a case for support.



We would recommend to our clients that they remind their development team that the partnership with clinicians is based on trust...if the clinicians/faculty have questions from this article, then the team needs to be ready to respond in a way that is not defensive. One of the aspects that this article misses is the benefit that some clinicians find in partnering with development — a sense of being appreciated, a broader relationship with their patient, and the opportunity to improve outcomes for others through advancing their research (especially in academic medicine).

2. Gratitude

According to Bruce Bartoo (Gratitude Health Group), a growing trend in healthcare philanthropy in the USA is a greater understanding of the power of patient and family gratitude inspiring philanthropic investments in healthcare.

Bruce observes that how organisations choose to harness that gratitude is a challenge today, as the clear best practice for building a gratitude-inspired philanthropy program is often minimized because philanthropy teams are too often distracted by transactional fundraising activities.

Stephanie Foster (Fostering Philanthropy) also identifies the trend in grateful patient fundraising, with a focus on engaging with physician champions and garnering referrals of grateful patients. Stephanie also references the benefit of a focus on gratitude impacts health care professional wellbeing, noting that with a 47% physician burnout rate, it is more important than ever to collaborate with physicians to help them understand how expressions of gratitude can significantly reduce and improve burnout.

3. Leadership

Randall Hallett (Hallett Philanthropy) observes that non-fundraising executive leaders (more often in larger shops) are not at all prepared to engage philanthropic opportunities because of their lack of training, experience, and engagement prior to becoming the CEO or leader. He highlights the importance of leadership in philanthropy investing time and effort in teaching and engaging future non-fundraising leaders early in their leadership journey, so they are more comfortable with their future role.

While Bruce Bartoo identifies an unfortunate trend in where philanthropy leadership in healthcare organisations are being positioned on the organisational chart. He notes that many philanthropy leadership roles are being moved from directly reporting to the CEO to reporting to other executives, often not even at the c-suite level. This has a direct impact on the strategic framing of philanthropy and risks impairing high level donor engagement and aspirational giving.



4. Investment

Financial investments in healthcare philanthropy programs appears also to be on the decline in far too many organizations according to Bruce Bartoo. He observes that staff positions and program eliminations are all too frequent because of the challenging nature of healthcare financial results, particularly post-pandemic.

This will inevitably have the result of diminishing philanthropic engagement, especially on a long-term basis. And savings realized in short term cost reduction will be overshadowed by medium to long term opportunity loss in philanthropic revenue and constituency engagement.

Randall Hallett notes that delayed gratification of results, through planned giving, needs to be increasingly embraced. He comments that as inflation and economic uncertainty rages, the best/largest gift many people might be able to give is through their estate. He adds that the short-term metrics that are commonly used and “need for cash now” disincentives organisations and fundraisers from engaging in this area of giving.

It is observed to be common for organisations to direct their fundraising effort to more immediate and apparently urgent needs while longer-term relationship-based engagement opportunities remain unattended, often over many years. A short-term focus around costs, measurement and a focus on immediate needs will ultimately starve a philanthropy program.

5. Donors

Bill Littlejohn (The Foundations of Sharp HealthCare) is among a number of philanthropy professionals to point to what is termed the ‘donor crisis.’ He identifies the continuing decrease in donor numbers and the subsequent impact on donor engagement in the US market. The trend identified in the USA is consistent with trends in Canada, the United Kingdom and Australia. Organisations can’t continue to ignore this macro trend which has now been evident over several decades and expect to increase philanthropic engagement.

On the same theme, Randall Hallett identifies the ability to properly identify and engage new ‘prospects’ (pipeline) is now, more than ever, critical to long-term viability. With few people worldwide making gifts overall, as well as a smaller and smaller population making up a majority of all dollars, it is beyond critical to have volunteers, key partners, and database based ‘identification’ and ‘introductions/referrals’ be robust and ever-present.

One response to the ‘donor crisis’ is identified as focusing more attention on developing mid-level gifts. Sarah Fawcett-Lee (Virtua Health) touches on a renewed focus on building a mid-level donor program. She identifies that for many years, there has been a focus on building major giving programs while ignoring mid-level donors which has allowed this essential pipeline to dry up.



Sarah states that mid-level donors can, through their collective giving, be a powerful force in healthcare philanthropy.

Stephanie Foster comments on the role of women in giving, observing that according to statistics provided by The Women's Philanthropy Institute (WPI), women control 32% of global wealth. She notes that in every income group, women are giving more than men. She adds that women are building giving circles to support communities and moving millions of dollars into non-profit organizations. One example is Giving Tuesday, where 65.7% of funds raised came from women.

6. Intergenerational Wealth Transfer

Stephanie Foster introduces the concept of the Triple Ask: Today, Tomorrow & Legacy. The triple ask consists of an annual, major, and planned gift invitation. She explains that the annual gift covers operations and is the smallest of the three gifts. The major gift supports a capital project and a larger vision for the hospital, often given as a pledge over time. The last part of the triple ask is for a legacy or deferred gift, which helps the donor leave a legacy to the institution.

She states that to be successful with this method, you should have these steps in place. Have a clear funding opportunity and establish a list of donors who trust you and you have a relationship with. Know the donor's affinity and what their interests are. This is a package deal; all three gifts are solicited at the same time. Record everything in writing and finally, have a clearly defined stewardship plan in writing for your records.

And as Randall Hallett has already called out, planned giving needs to be increasingly embraced. As inflation and economic uncertainty rages, the best/largest gift many people might be able to give is through their estate.

With the noted trend of intergenerational wealth transfer continuing to be identified overtly, approaches that attend to short-, medium-, and longer-term giving will be founded on authentic and sustained relationship engagement. It is a massive opportunity for all manner of social purpose organisations, with health care organisations especially well placed to engage donors on all three levels.

7. Short Term Focus

As previously identified by Randall Hallett, short termism is a threat to sustainable philanthropic engagement as the need for immediate cash returns and the limitation of metrics impede organisations and fundraisers from engaging in donor focused giving.



8. People

Acquiring fundraising talent, retaining staff, and pursuing succession planning is an issue identified by Bill Littlejohn. He is not alone in this observation as this is a sector trend that has now been evident in research for well over a decade.

Tenure is critical in a relationship focused function such as fundraising practice, and tenure also is a pathway to future leadership. With no overt pathway for fundraising practitioners, recruitment continues to be difficult, and there is still evidence of limited due diligence exercised by employers at times. Training and development is also overlooked or under exercised in some organisations, and yet there is also market evidence to show that this is a critical investment in fundraising effectiveness.

Workforce management issues are also a factor for many organisations, with the balance between working in an office, working from home, or creating a hybrid environment, a challenge for many employers. This tension is arguably more pronounced in a relationship focused function such as fundraising practice.

9. Digital Transformation

Sarah Fawcett-Lee touches on the impact of digital technology in fundraising and poses the question of how can new computing power and new tools improve our work in healthcare philanthropy? She notes that the move to digital philanthropy is trial and error for many healthcare philanthropy shops, and we are constantly having to adopt, test, and rethink new strategies that can enhance (or complicate) our work. Bill Littlejohn also raises the question of digital transformation in healthcare philanthropy, noting the need to build on technology and platforms to continue to serve and engage donors.

10. Strategic Alignment

The question of strategic alignment of philanthropy within health care is nominated by Bill Littlejohn as a significant issue, and one that is threatened by organisational default to seek more immediate funding. Strategic alignment, especially around the pursuit of big issues and opportunities, is a major strategic factor in engaging philanthropy in health care.

11. Health Equity

Raising funds for health equity and improving access to care for under resourced communities is a very big topic. In the US. Sarah Fawcett-Lee observes that most health systems and hospitals are trying to figure out what this means and how they go about it. While there are different factors around health equity in the US as compared to Australia, there is also a strong case to consider the role of philanthropy in addressing health equity in Australia, and already many examples of how this has been exercised in market.



Summary

If any of these themes have prompted questions or issues to be explored in more detail, please feel free to contact me. I am happy to elaborate on these insights and discuss any specific concepts or applications that are relevant to you and your organisation.

About the author: Nigel Harris AM MBA CFRE GAICD FFIA

Nigel Harris is Managing Director of Nigel Harris & Associates Pty Ltd, an advisory practice specialising in philanthropy and fundraising leadership.

In a 40-year career, Nigel has held several executive leadership roles in non-profit organisations, most notably Chief Executive Officer of Mater Foundation (Queensland) for 24 years. Under Nigel's leadership, Mater Foundation's annual fundraising revenue grew from \$2m to \$73m, becoming one of Australia's largest health charities and a major funder of medical research and clinical services.

Holding an MBA as well as qualifications in Public Relations and Marketing, Nigel is also a Certified Fundraising Executive (CFRE) and a Graduate of the Australian Institute of Company Directors (GAICD). In 2012 he was recognised as the Arthur Venn Australian Fundraising Professional of the Year and has also been recognised through other non-profit management awards.

Currently Chair of Act for Kids and a director of Leukaemia Foundation Australia, Nigel also serves on the Board of the Institute for Sustainable Philanthropy and the Management Committee of Braille House. He is a Fellow and Past Chair of Fundraising Institute Australia, a Fellow of the Institute of Managers and Leaders and Certified CEO through the CEO Institute. He has been active in community and sporting organisations for over four decades.

In June 2022, Nigel was appointed a Member of the Order of Australia (AM) in recognition of his contribution to the non-profit sector and the broader community.