



How Much Could You Be Raising from Patients?

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Capacity Study Purpose

This study provides the Foundation visibility into the patient market and the intersection between patients and philanthropy. The intended outcome is for the Foundation to increase revenue from annual giving and major giving by implementing market share and zip code into the fundraising strategies. This work should also inform longer-term strategic planning for philanthropy.



Methodology for Capacity Assessment

This analysis attempts to answer the question – “If the Foundations were realizing the same philanthropic market share as its beneficiary hospitals and medical centers realize in patient care, how much would it be raising annually?”

How much is given to health

How much philanthropically gifted by Zip

Market Share for each Zip

Individuals Only

Methodology for Capacity Assessment

Each zip code provided by hospitals was examined in the following manner:

- 1) The total amount of giving (from individuals only) in that zip code for the most recent tax year (IRS)
- 2) The Giving Report, released in June 2023, shows that 10.0% of American giving goes to health.
- 3) Another study further researched how revenue to health was distributed. They found that of the 10% given to health, 71.66% went to hospitals, and the remainder went to advocacy organizations, like American Heart Association. We reduced the amount gifted to health by 28.4%.
- 4) Equipped with the market share for that zip code, we then multiplied the total given to health by the total market share. This is what the foundation could raise from that zip code if it matched its beneficiary hospital(s) in patient market share.

Example for Zip Code 85018

1. \$53,806,000 given to charity

2. \$5,380,600 given to health

3. \$3,855,738 given to hospitals

(Market Share for 85018: 8.9%)

4. \$343,161 projected capacity for 85018

2019 Capacity Assessment Results

\$354,828,081

This is how much Foundations could raise (annually from individuals only) if its philanthropic market matched its patient market share.

2021 Capacity Assessment Results

\$369,848,462

Pacific Northwest, Colorado, Texas, and Arizona saw significant market share increases (patients and philanthropy) while Iowa, MidWest and Southeast saw decreases.

Finding by Division



Division	3-yr Avg Individuals	Sum of Capacity 2021 (individuals only)	% to Capacity
Division 1	\$1,862,414	\$22,101,817	8.43%
Division 2	\$2,524,233	\$11,949,352	21.12%
Division 3	\$861,550	\$47,384,331	1.82%
Division 4	\$7,763,140	\$84,706,231	9.16%
Division 5	\$4,387,775	\$43,115,680	10.18%
Division 6	\$808,162	\$20,402,782	3.96%
Division 7	\$8,451,770	\$45,441,387	18.60%
Division 8	\$8,454,961	\$57,812,590	14.62%
Division 9	\$207,614	\$24,894,066	0.83%
Division 10	\$0	\$12,040,226	0.00%
Grand Total	\$35,321,618	\$369,848,462	9.55%

Investing in Your Foundation

The Capacity Assessment will tell you how much your Foundation could raise, serving all its service areas, when optimally functioning. This is a study in private support from individual donors on an annual basis. An **“optimally functioning”** Foundation is defined as having an appropriate number of trained staff, financial resources, engaged Board, executive leadership team, physicians and hospital leadership, and effective and efficient fundraising programs in place.

Capacity Assessment – Results & Next Steps

- 8 Hospital Systems ranging from 3 Foundations to 80 foundations
- Median fundraising to capacity is 21%

Recipe for Success:

- Implement strategies that tie patients to philanthropy
 - Clinician engagement
 - Wealth screening
 - Targeted outreach by service line
 - Sophisticated portfolios
- Hired Trained Staff
- Focus on Major Gifts
- Programs and projects to rally around
- Foundation has a seat at the C-Suite table

Questions?

<https://www.getdatabasey.com/ahp>



Thank You!