

How to Thrive in Today's Healthcare Fundraising Environment



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DEMAND EXCELLENCE!

"If we merely aim for the industry standard, then our goal is mediocrity. Emulating the average nonprofit, we are destined to live with all the problems the average nonprofit faces. So, we suggest you aim to be exceptional in your approach to fundraising."

- Eddie Thompson

ITEMS WE WILL COVER



The current state of the
healthcare industry



How philanthropy can
increase your organization's
bottom line

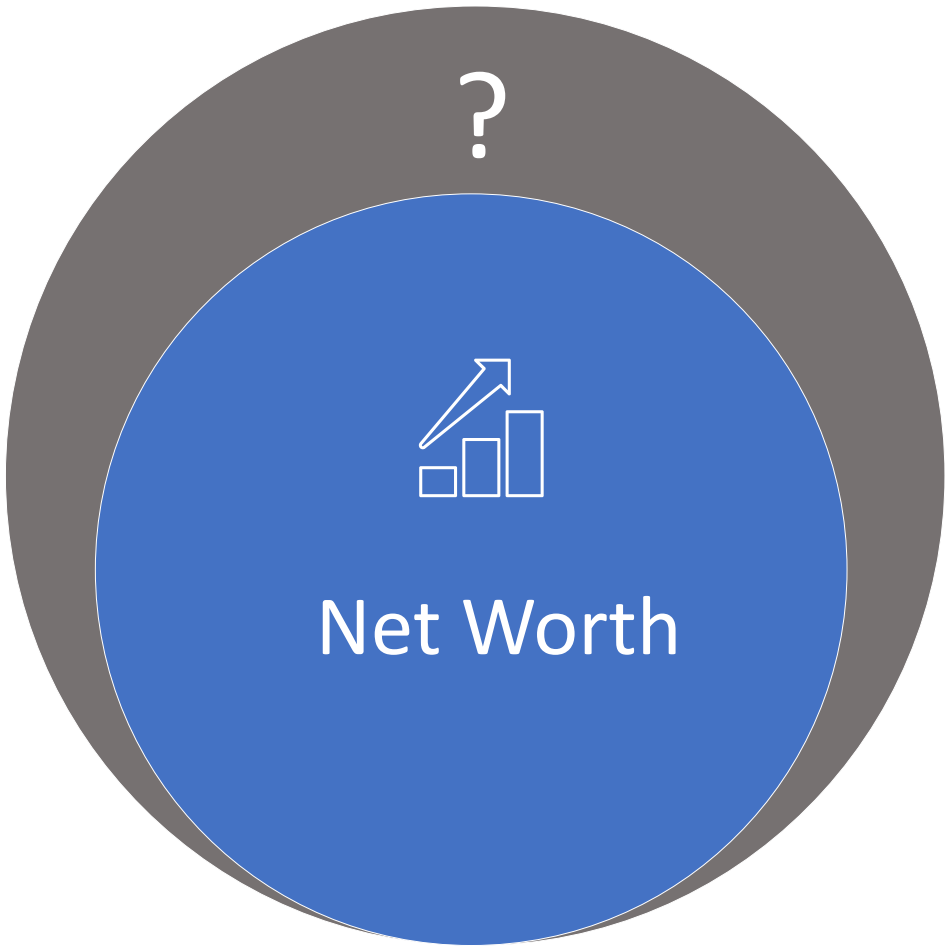
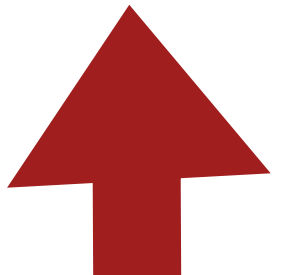
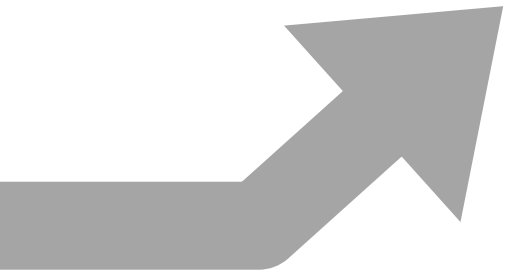
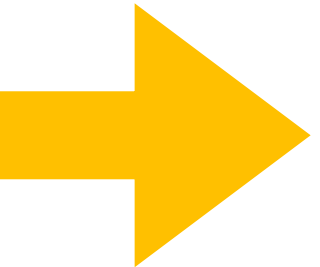


Specific actions to bolster
your fundraising

WHERE ARE NONPROFITS LOOKING FOR GIFTS?

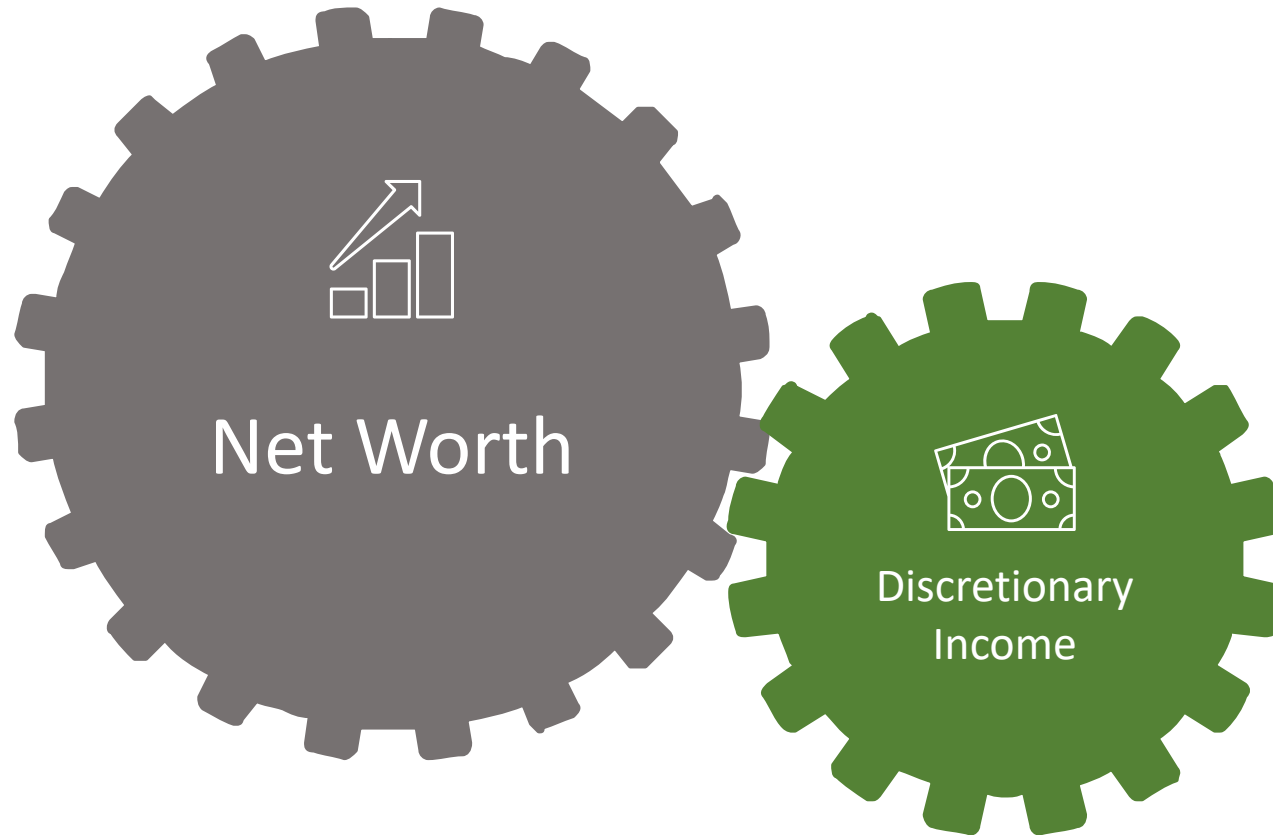
Annual

Planned

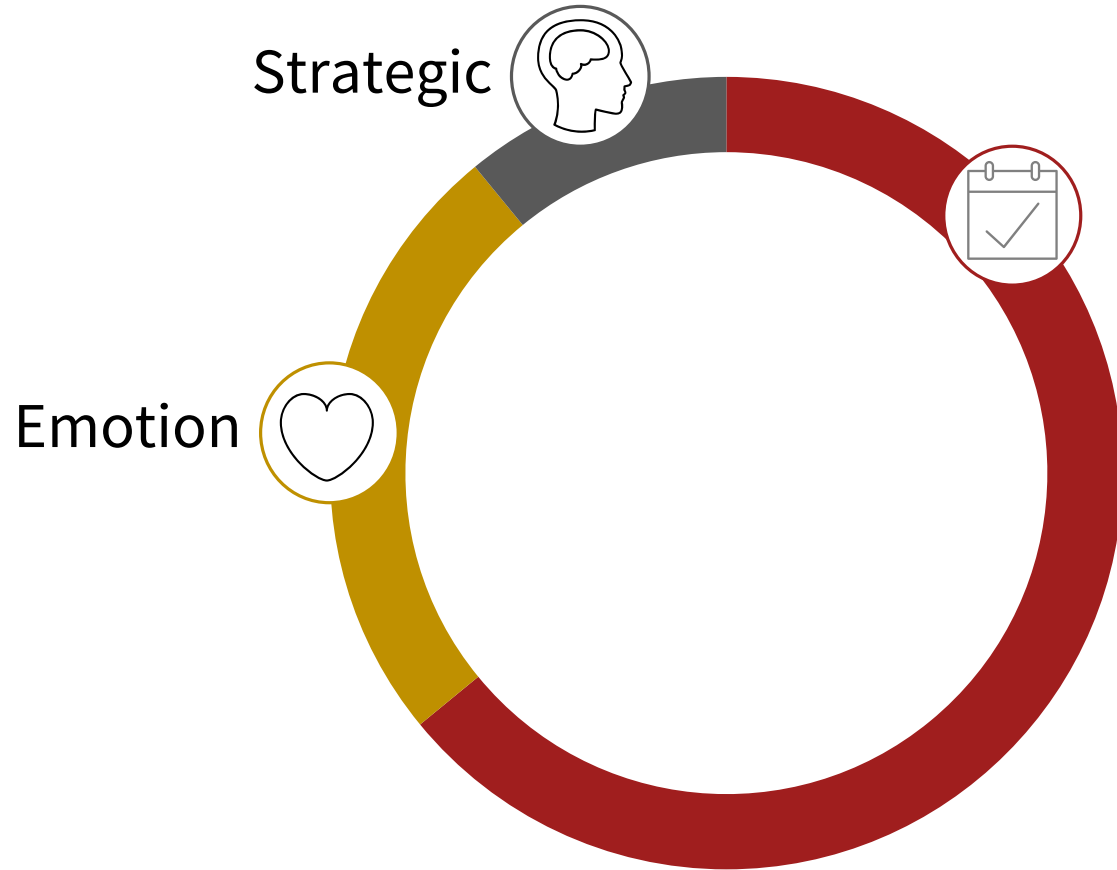


WHERE ARE NONPROFITS LOOKING FOR GIFTS?

What if a donor could choose both?



THREE TYPES OF DONORS



Habit

70%

Give Out of Habit

23%

Give Based on Emotion

7%

Are Strategic Donors

TWO TYPES OF WEALTH ACCUMULATORS



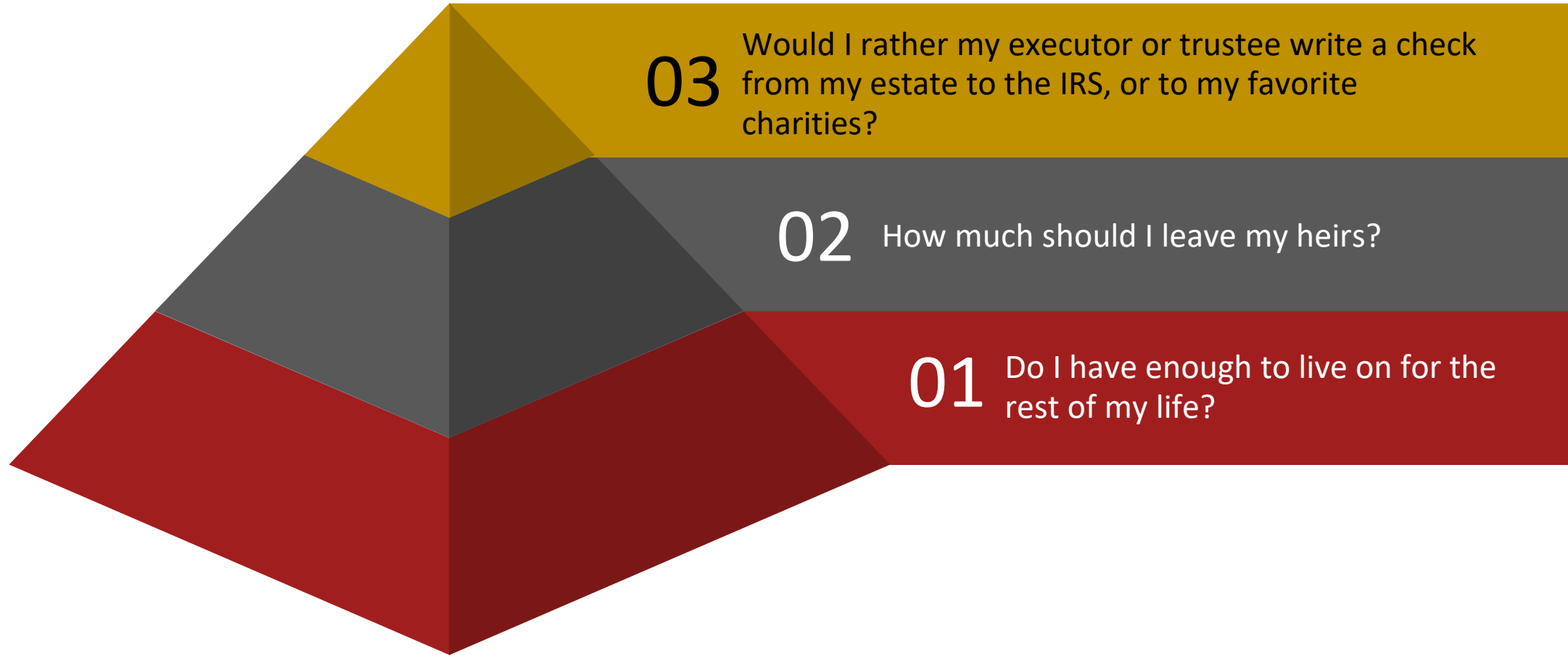
01

Terminal

02

Instrumental

THREE QUESTIONS...



CURRENT STATE OF THE HEALTHCARE INDUSTRY

01

Healthcare organizations are really struggling to improve the bottom-line

02

Asked to do **more** with **less**

03

Employees are worried or frustrated

04

Organizations are caught in transition from one approach to another

FROM A FUNDRAISER'S PERSPECTIVE

Slashed Budgets

Some organizations are cutting fundraising budgets and staff when they should be increasing their fundraising efforts

Too Busy

Wearing too many hats, performing too many duties

Lack of Time

Have too little time with donors to establish deep relationships

Tied to a Desk

Only have time to visit top donors, and not the remaining donor base

Turnover

Suffer from staff turnover

FROM A PHYSICIAN'S PERSPECTIVE

Physician's Weekly

New Survey: Doctors Share State of Healthcare in 2018

April 11, 2018

Over 1,000 physicians answered this 10-question poll, although not all answered every question.

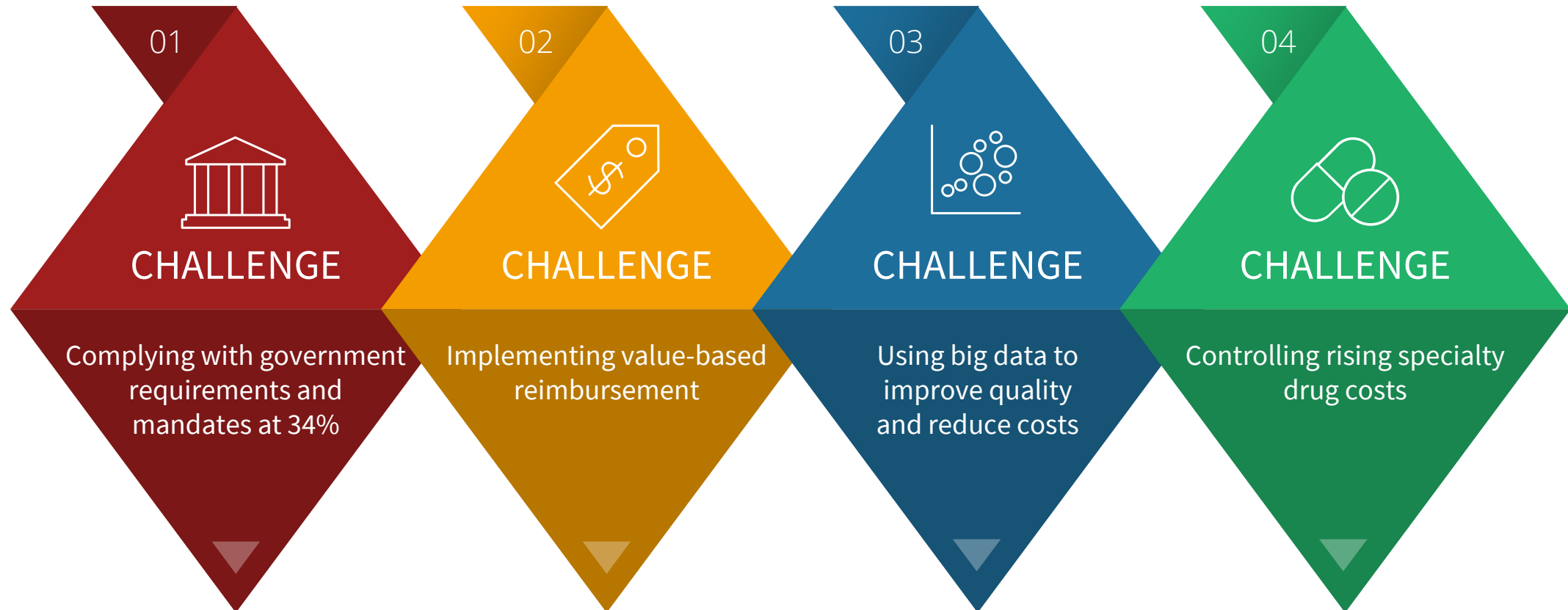
1. Over the past several years, doctors have been voicing their concerns about the growing dysfunction in the US healthcare system.
2. In fact, 78% of doctors answered that they are fearful of our current system, and only 22% felt hopeful.
3. Not only do doctors feel afraid of where our system is headed, but believe their patients are equally frightened.
4. Patients also have been progressively expressing more concern over the current state of the healthcare system.
5. While many advocate for reform, doctors and patients alike are wary of another futile fix.
6. When asked, 63% of doctors believed that patients are concerned/fearful of healthcare reform, while 20% answered that they are not. Another 17% were unsure, and perhaps it is time that someone step up and ask patients as well.

FROM A PHYSICIAN'S PERSPECTIVE

7. Approximately 75% of doctors have no confidence that the healthcare system will support and improve patient care, as well as access to it, in 2018. Only 10% of doctors expressed confidence that this will happen this year.
8. According to doctors, 73% have no faith that any political party will support true patient access to appropriate healthcare.

Duplicate respondents and those who answered from outside the US were eliminated. All respondents were verified MDs or DOs currently practicing in the US. The results were found to be statistically significant at the 95% confidence level with +/-3% range of error.

FROM CEO'S & CFO'S PERSPECTIVE



Bottom-line: We are in a period of transition between two systems, while reimbursements are declining. Healthcare is facing a financial crisis. Costs are rising and reimbursements are declining!




HUGE CHALLENGE

- Most CEO's and CFO's have little experience in the value of a strong fundraising organization
 - They may see it as a cost center



Healthcare is exactly where
higher education was 40 years
ago!

***Changes were needed
to change the future!***



There is an awakening that
philanthropy is one of the answers!

40% of one client's bottom-line came from philanthropy;
30% of that number came from mature planned gifts

**PHILANTHROPY
ROI DESERVES
RECOGNITION
FOR IT'S
CONTRIBUTION
TO THE
BOTTOM-LINE**

What is ROI for the following areas:

- Oncology
- Orthopedics
- Cardiology
- Would they cut or expand their best ROI?

What is your ROI?

- Should leadership cut or expand philanthropy?



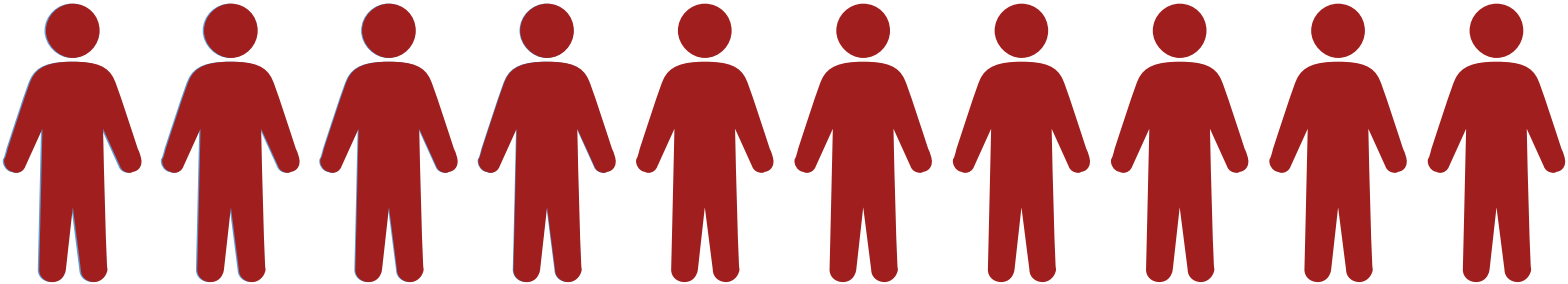
One of the highest ROI
in healthcare is
philanthropy

National average ROI fundraising ranges from \$0.30 to \$0.35 to raise a \$1.00

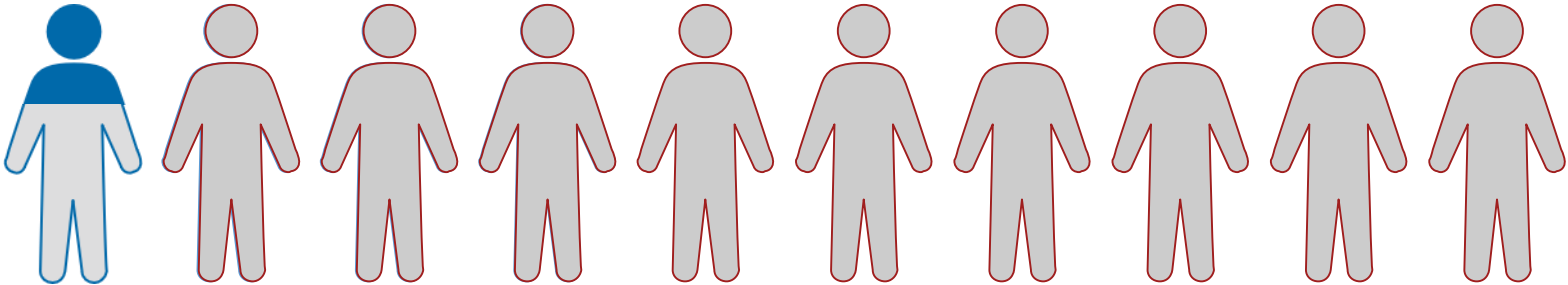
SPECIFIC ACTIONS TO BOLSTER YOUR FUNDRAISING

1. Develop a **fundraising** strategic plan with:
 - a. Systematic approach
 - b. High accountability
2. Right staff your team
 - a. Do you have the right fundraising team?
 - b. Do you have the right size team for future growth?
 - c. Do you have a pro-forma to build your team as you grow net revenue?
 - d. Do you have a daily performance agenda for each officer?
 - e. Do you have visit agendas for each donor over a certain giving level?
3. Define what is a visit?
4. Do you know your donor numbers?

DONOR NUMBERS



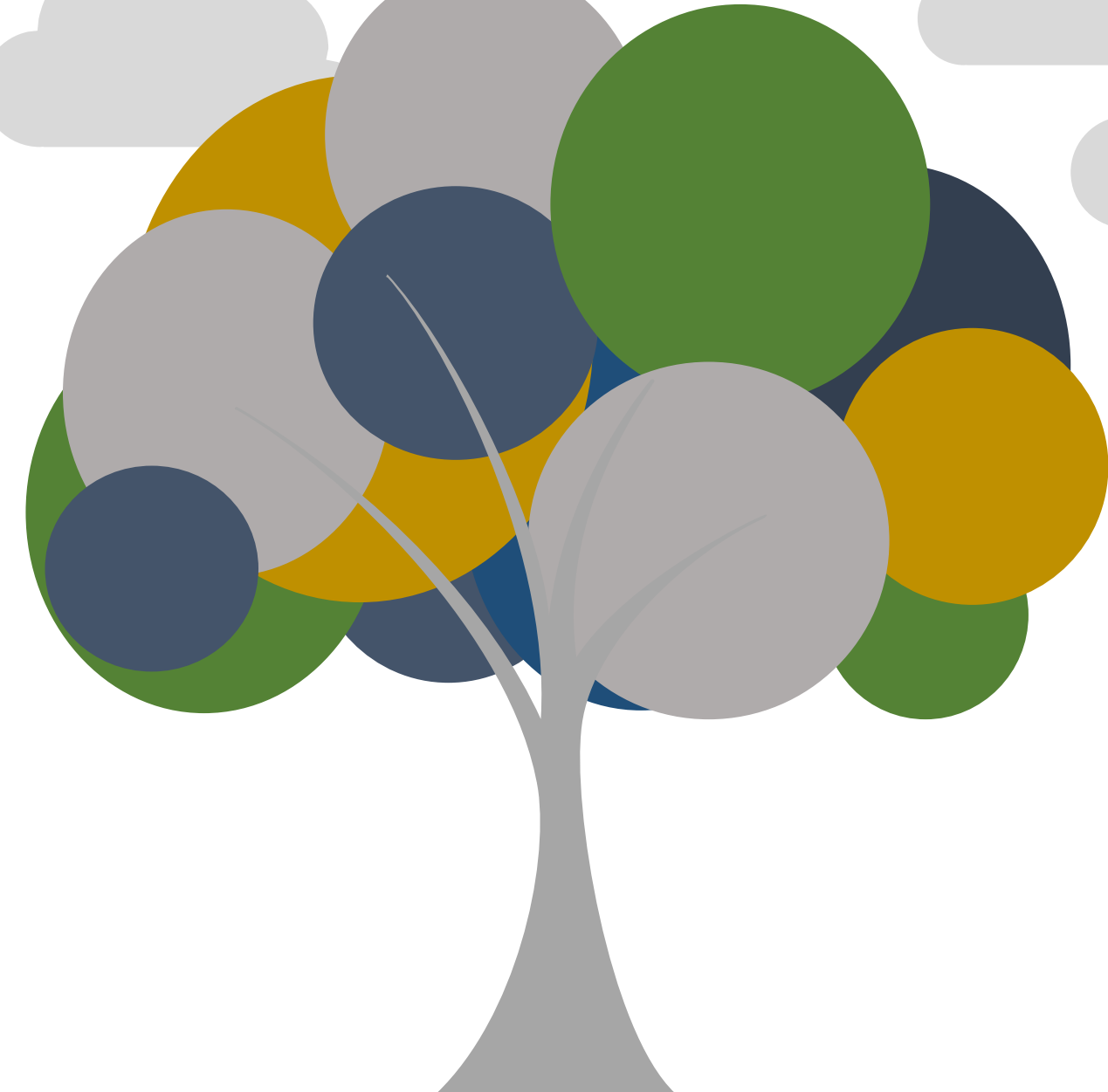
?
Donors gave in 2018



?
Donors
received a visit

?
Donors did not get a visit

WHAT IS YOUR STAFF'S DONOR CAPACITY?



01

How many donors do you have at the annual and major gift level?

02

Do you have enough staff to steward your donors at a proactive level?

THE NEW 80/20 RULE

	80% of total	85%	90%	95%
Study Average	5.6%	8.5%	13.7%	25.5%
Year				
2016	1.9%	3.2%	6.3%	15.0%
2015	1.5%	2.6%	5.4%	13.3%
2014	1.7%	2.8%	5.7%	13.9%
2013	2.0%	3.3%	6.5%	15.3%
2012	2.8%	4.7%	8.4%	17.9%
2011	1.0%	1.7%	3.7%	9.8%
2010	0.4%	0.7%	1.6%	5.4%
2009	0.7%	1.1%	2.2%	6.3%
2008	1.6%	2.4%	4.2%	10.7%
2007	1.6%	2.8%	5.4%	13.0%

**Actual Data*

1. What do your fundraising goals look like if you remove your top 50 donors?
2. What are you doing to engage the other 90-95%?
3. What is your FTE in donor conversations?

GENERAL RECOMMENDATIONS

for healthcare organizations

- Development officers are performing tasks that should be handled by support staff rather than spending time in conversations with donors
- Most fundraising teams are too small to maximize their potential
- An incredibly small number of donors have conversations with fundraisers
- Staff needs training in the art of solicitation
- Lack of a systematic plan and accountability
- You have great potential for success, if you make much-needed changes -- learn from higher education!

STAGING STAFF FOR SUCCESS

Do you have a plan to stage the hiring in order to be successful?



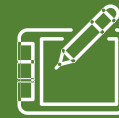
The very best organizations hire the right person at the right time.



They hire when additional staff is needed to move the organization to the next level.



They are proactive rather than reactive.



They plan for growth just as any successful for-profit company would to move forward.

MAJOR GIFT OFFICER

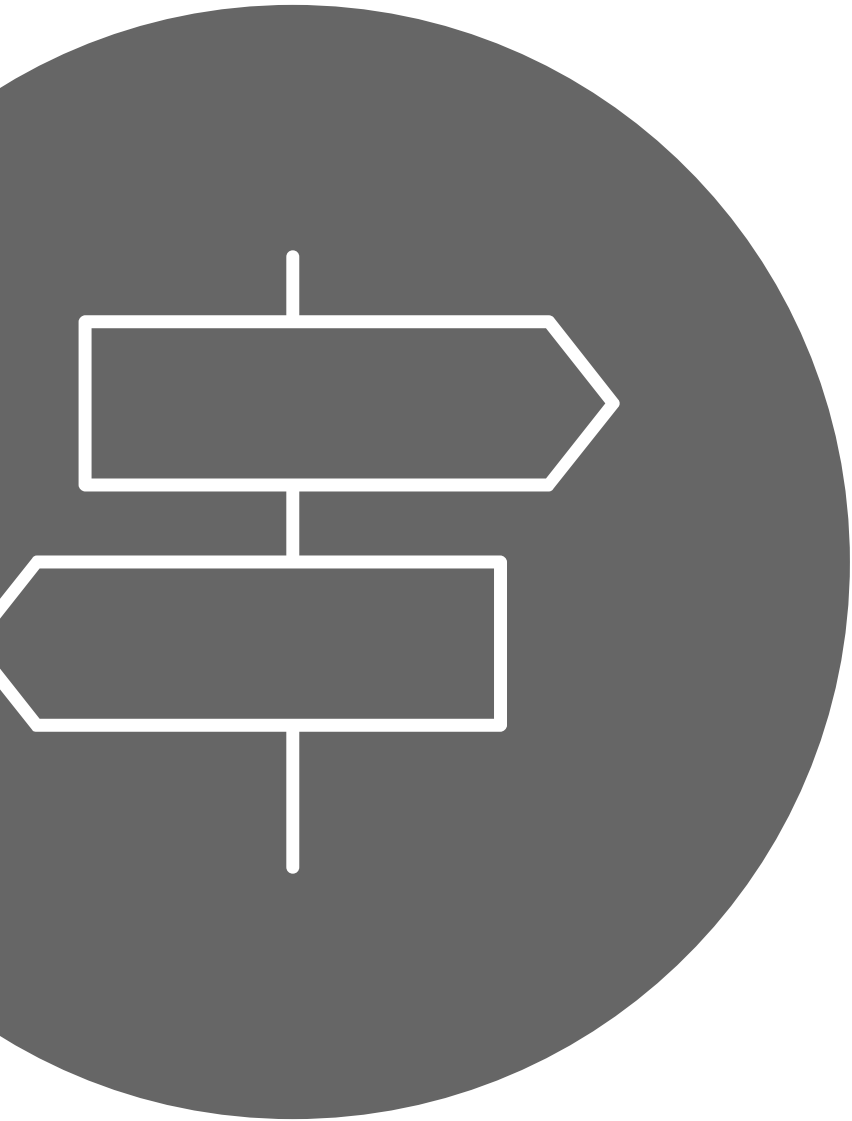
- \$ 95,000 Salary
- \$ 50,000 Related expenses
- \$ 2,500 Minimum annual gift to be considered a Major Gift Donor
- 175 Donor caseload
- \$ 400,000 Dollar goal in first year
- 12% Desired % increase from previous year

Year	\$ Increase	Avg Increase	Annual Goal	MGO Net
2019	-	-	\$ 400,000	\$ 255,000
2020	\$ 48,000	\$ 274.29	\$ 448,000	\$ 303,000
2021	\$ 53,760	\$ 307.20	\$ 501,760	\$ 356,760
2022	\$ 60,211	\$ 344.06	\$ 561,971	\$ 416,971
2023	\$ 67,437	\$ 385.35	\$ 629,408	\$ 484,408
2024	\$ 75,529	\$ 431.59	\$ 704,937	\$ 559,937

 **\$400,000**

REPORT **FIVE** DIFFERENT BUCKETS FOR GIVING:





WHERE TO GO FROM HERE

- You need a strategic plan for each officer
- You need a strategic plan for each donor over a dollar limit
- You need a system for daily guidance

QUESTIONS