



Embracing Grateful Engagement as a Path to Vibrant Philanthropy

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Charitable giving has become a valuable, alternative revenue source for our nation's approximately 3,800 not-for-profit hospitals, and developing diverse and sustainable revenue sources is especially important for independent hospitals that don't have the opportunity to spread financial risk or to share financial resources across a larger system. According to the Association for Healthcare Philanthropy, giving to hospitals reached \$10.4 billion in 2017 and delivered a return on investment of \$4.03 for each dollar invested in development activities.¹ At a time when hospital operating margins are often inadequate to power a healthcare organization's vision of potential, optimizing the efficiency and effectiveness of efforts to increase philanthropic investment can have an outsize impact on funding capital, clinical programs, and community health impact initiatives that are core to an independent hospital's mission.

Grateful Giving

As healthcare organizations seek to raise more money, progressive

¹ Association for Healthcare Philanthropy, [2018 Report on Giving](#) (U.S.), November 2018.

Key Board Takeaways

Hospital boards should consider the following:

- Would it benefit our organization to focus on expanding alternative revenue sources like philanthropy?
- How could we improve charitable giving to our organization by nurturing stronger partnerships with patients and family members?
- How can we support a culture where we graciously accept expressions of gratitude from patients?

organizations note that 79 percent of overall charitable dollars in the U.S. are given by individuals—rather than corporations or foundations.² Further, a study showed that 88 percent of the largest gifts to healthcare organizations are given by patients and family members.³ In many ways, it makes intuitive sense that interest follows experience; however, this simple statistic and examples of leading healthcare organizations effectively engaging patients as donors have created an inflection point for healthcare philanthropy organizations. Now, 76 percent of hospitals indicate having a formal initiative to engage patients as donors; of those remaining, 95

² [Giving USA 2018: The Annual Report on Philanthropy for the Year 2017](#), Giving USA Foundation and the Indiana University Lilly Family School of Philanthropy.

³ Advisory Board, *Connecting Through Care: Best Practices in Grateful Patient Fundraising*, November 29, 2007.

percent plan to build efforts to proactively engage patients and family members as donors.⁴

While patient experience is the linchpin in the desire to give, "gratitude" is the primary motivator. In a 2018 study by NRC Health and Accordant Philanthropy, 34 percent of respondents said a "desire to express gratitude for care" would be their primary motivation for making a charitable gift to a hospital. Further, when asked what influenced their feelings of gratitude, 30 percent indicate it was the compassion, empathy, and kindness of caregivers—all social and emotional dimensions of care. Further, gratitude was most often motivated

⁴ Advisory Board and WealthEngine, Inc., *2016 Snapshot of Grateful Patient Fundraising Programs*.

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by a physician (37 percent) or nurse (31 percent).⁵

Accepting Gratitude and Engaging Patients as Donors

Physicians and nurses often serve two primary roles in grateful patient efforts: referring those who express gratitude to philanthropy staff and providing expert testimony on the clinical impact of proposed funding initiatives. Yet, the work starts with a seemingly pedestrian task of learning to graciously accept gratitude. Clinicians often express feeling awkward when thanked by a patient and tend to deflect expressions of gratitude with remarks such as, “it’s just what we do” or “no problem.” Patients and family members say being dismissed in this manner is hurtful and indicates what was meaningful to them was not important to the clinician. However, graciously accepting gratitude not only gives patients agency and support but also brings a range of valuable halo effects including decreasing physician burnout, increasing patient loyalty, and improving patient perceptions of experience.

Physicians may also express concern about the financial aspects of grateful giving. Most often, it’s because they associate giving with transactional “fundraising” rather than with intrinsically motivated, joyful, and meaningful “philanthropy.” However, there is never a need for a clinician to

discuss money. Instead, clinicians connect those who express gratitude to philanthropy professionals who can assist if the patient or family wishes to express their gratitude through giving. This approach allows the patient or family to achieve the good they have in mind while also providing closure for the care experience. As with all things in the patient care environment, it comes down to a keen and kind commitment to place patient needs first.

Healthcare organizations and clinicians can respectfully, ethically, and legally engage in grateful patient philanthropy. The American Medical Association (AMA) states that “Charitable contributions play an important role in supporting and improving a community’s health, and physicians are encouraged to participate in fundraising and other solicitation activities.”⁶ Further, the AMA Council on Ethical and Judicial Affairs said physician participation in grateful patient philanthropy is permissible so long as “they do not shift the focus of the patient–physician relationship away from the patient’s welfare and are conducted in a manner that respects patient dignity and rights, and benefits the community.”⁷ Further, the *HIPAA/HITECH Omnibus Final Rule* explicitly notes that protected health information (PHI)

6 American Medical Association, [“Soliciting Charitable Contributions from Patients: Code of Medical Ethics Opinion 2.3.5.”](#)

7 Council on Ethical and Judicial Affairs, “Physician Participation in Soliciting Contributions from Patients,” CEJA Report 7-A-04, American Medical Association, 2004.

including the patient name, treating physician name, area of clinical service, and more may be utilized for fund development activities.⁸ The Association for Healthcare Philanthropy also provides guidelines for ethical practice in grateful patient philanthropy in a recent publication that notes, “Both philanthropy and clinical care share ethical commitments to professionalism, beneficence, and responsible stewardship.”⁹ Beyond adherence to ethical and legal rules of engagement, philanthropy officers also understand any giving relationship must be undergirded with respect and trust.

“Gratitude-driven philanthropy would be a natural extension and continuation of the clinical experience,” says world-renown expert on the science of gratitude Robert A. Emmons, Ph.D., of the University of California, Davis. “Cultivating patient gratitude is a way of optimizing health, better performance, wholeness, and wellness. When you give, it is more than giving your time, resources, or even ‘capital’; fundamentally, it’s about giving of your whole self. Gratitude is healing. The joy and happiness created by gratitude also leads to healing and healthier behavior.” Emmons notes many studies from the fields of psychology and neuroscience demonstrate those who express gratitude experience physical, social, and emotional benefits—including enhanced ability to heal, decreased pain, and increased emotional resilience.¹⁰

8 Department of Health and Human Services, [Federal Register, Vol. 78, No. 17, Part 2](#), January 25, 2013.

9 Megan Collins et al., [Ethical Issues and Recommendations in Grateful Patient Fundraising and Philanthropy](#), Association for Healthcare Philanthropy, January 2019.

10 Robert A. Emmons, University of California, Davis, personal correspondence.

5 NRC Health and Accordant Philanthropy national consumer study, May 2018.

There is an opportunity to simultaneously catalyze donor investment in healthcare while steadfastly adhering to the conscience and humanistic values inherent in both healthcare and philanthropy. Grateful patient giving can not only strengthen and sustain the healthcare mission but also provide a purpose-filled way for patients to express gratitude, to fulfill intention, and to become engaged partners. As boards consider valuable solutions to advance the independent hospital, board leaders should consider not only the implications a grateful engagement effort offers for philanthropy but also the halo effects it offers for other board priorities such as improving organizational culture, increasing patient loyalty, decreasing clinician burnout, and more; building a grateful culture could just be the antidote independent hospital boards have been seeking.

The Governance Institute thanks Betsy Chapin Taylor, FAHP, President of the healthcare philanthropy consulting firm Accordant Philanthropy, for contributing this article. She may be reached at betsy@accordantphilanthropy.com.

