

# Charitable Giving during COVID-19

*By Betsy Chapin Taylor, FAHP, CEO, Accordant*

**A**t no time in our collective memory has “health” been at the forefront of our national consciousness like it is today, and COVID-19 has been a powerful reminder that hospitals serve as the ultimate safety net for saving lives in our communities.

At this moment, all the work hospitals have done to anticipate the evolving health needs of communities, to build infrastructure, to craft disaster response plans, and to recruit excellent clinical leaders is an incalculable asset to the community served. However, COVID-19 is placing incredible and unanticipated financial pressure on most hospitals. Not only are there significant new needs for things like personal protective equipment and supplies, but many hospitals will need to create additional bed space or ancillary treatment sites to accommodate patient needs during the anticipated surge. Many hospitals are also trying to support caregivers who need temporary places to live to avoid carrying the virus home to their families or childcare to enable them to continue working at all hours while schools and other resources are closed. At the same time, hospitals are experiencing the financial fallout of necessarily cancelling elective surgeries and other routine care. All this has created a perfect storm for financial vulnerability.

While it appears the federal government will provide financial assistance to address critical needs related to COVID-19, the

## Key Board Takeaways

- **Leverage the credibility and influence of the board.** Governing boards and foundation boards are valuable advocates to connect the healthcare organization’s mission to the community during this crisis. Engage board leaders in accessing their broad networks through email, social media, and phone to share current and hyper-local information. Prepare talking points and stories to share the hospital’s response and commitment as well as information on COVID-19 resources the hospital is curating or sharing.
- **Giving offers a significant opportunity.** While the impact of COVID-19 on the market and on the economy is unclear at this time, charitable giving continues during uncertain times. It’s important to respectfully engage donors and to invite them to be part of providing solutions even in the midst of the current crisis.
- **Share the case for special support.** Communicate the importance and relevance of the healthcare organization’s mission. Identify pressure points and areas where capacity will likely be needed to tell current donors and the community how they can help. Ask donors to consider an unrestricted gift to allow the healthcare organization maximum flexibility in a fluid situation, or create an emergency fund to support needs stemming from the crisis. Discuss the individuals, businesses, and foundations that might be motivated to assist the hospital in responding to this crisis, and identify board members who can invite them to join the hospital in responding.
- **Position to fulfill exceptional needs.** As this situation creates unanticipated financial pressures for the healthcare organization, discuss whether the foundation has funds over which the board has discretion that could be distributed to assist the hospital in the crisis response. Also, discuss whether the purposes or processes for employee emergency funds need to be temporarily adjusted to help hospital staff during this time.
- **Prepare for continuity.** Discuss how the foundation will continue its work as operations are disrupted for an unforeseeable amount of time. Questions to consider:
  - » What critical programs and processes must be addressed?
  - » What must be obtained or done to keep the organization moving?
  - » What will need to be done immediately as normalcy starts to resume?

level of federal assistance needed may not be enough or come fast enough. However, we still have an opportunity to go to our communities for charitable investment both to address the crisis and to build additional capacity

in our healthcare organizations. Philanthropy leaders know a great case for charitable support invites others to enable something that is impactful, meaningful, and urgent—and never before in our lifetime has the relevance, value, and importance

of healthcare organizations been so clear.

Despite the importance of our cause, many organizations express hesitancy about asking people to make charitable gifts at this time.

To frame our consideration, there is value in reflecting on how philanthropy fared during two significant crises over the last 20 years. After the September 11, 2001, terrorist attacks, overall giving stalled, but Americans gave a record-breaking \$2.8 billion to help victims of 9/11. During the 2008 recession, markets collapsed and charitable giving by corporate, foundation, and individual constituents dropped by 3.7 percent in 2008 and another 8.3 percent in 2009—creating a \$37 billion retrenchment in total

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giving.<sup>1</sup> However, once again, giving to social service organizations to assist those who were most vulnerable in the recession markedly increased. Thus, giving did not take a nosedive in either situation, and both situations pushed donors to reconsider their charitable priorities. A shift to supporting hospitals could result from this current health crisis as hospitals are at the epicenter of providing solutions.

Therefore, now is not a time to stop asking. While it is important

to be respectful, compassionate, and sensitive to the ambiguity and fear within the current situation as well as the certainty of economic impact to us all, it's foolhardy to decide donors don't want to help. Many donors feel activated to help enable solutions rather than watching from the digital sidelines. Donors also retain the choice to say "no" or "not now." So, it is inherent upon healthcare organizations to share how donors can give to a trusted and ready resource that is positioned to address the complex issues presented by COVID-19: our hospitals. If healthcare's case for support is not relevant and urgent now...when will it ever be?

<sup>1</sup> *Giving USA 2019: The Annual Report on Philanthropy for the Year 2018*, IUPUI Lilly Family School of Philanthropy (available at <https://givingusa.org>).

*The Governance Institute thanks Betsy Chapin Taylor, FAHP, CEO of the healthcare consulting firm Accordant, for contributing this article. She can be reached at [betsy@accordanthealth.com](mailto:betsy@accordanthealth.com).*

