# Subsidiary Focus

THE GOVERNANCE INSTITUTE

A SERVICE OF

THE ALTH

**July 2020** 

## Utilizing Philanthropy to Elevate Community Well-Being

By Betsy Chapin Taylor, FAHP, President and CEO, Accordant

hile hospitals and health systems have traditionally treated illness and injury, they now face an expanding vision of their role. Healthcare's new measure of mission fulfillment is referred to in several ways: community health impact, population health, addressing social determinants of health, and more. However, the singular focus is to proactively elevate individual wellbeing and community health status. Recent events in the United States, including the COVID-19 pandemic and widespread protests about racial inequity, further illuminate the importance of community health as a foundation of individual and community quality of life. As healthcare organizations seek to advance this emerging vision for impact, strengthening philanthropy and community partnerships are important goals for community boards within health systems.

#### Factors Shaping Health

According to the Centers for Disease Control and Prevention (CDC), a person's health risks and outcomes are largely shaped by social determinants of health. These include economic and social factors

**Key Board Takeaways** 

Healthcare's role is expanding from a sole focus on treating illness and injury to also proactively elevating health status and well-being. To help improve community health efforts, subsidiary and local boards within health systems will need to:

- Ensure their hospitals are collaborating with community organizations (and possibly even competing healthcare organizations) to operationalize and sustain broad solutions to complex health problems. This includes working together to raise money and steward donors, who will most likely be more inclined to give knowing they are investing in projects that involve multiple collaborators and have the potential to drive true transformation.
- Work with management to establish evaluation methods to demonstrate "moving the needle" on community health issues to payers, funders, donors, and other stakeholders.
- Leverage their insights as well as their influence as coalition builders and conveners. Board members often have connections that can help advance needed community partnerships and charitable giving, and the know-how to help create a robust strategy for success.

such as income, educational status, and access to healthcare, as well as consistent and ready access to:

- Fresh, healthy, affordable foods
- Safe, stable, and affordable housing
- Reliable transportation
- Safe places to play

Studies estimate that these factors determine as much as 80 percent of

an individual's health status.<sup>2</sup> Since these issues are often forerunners of illness and injury, taking action is often referred to as "going upstream" to address the conditions that create problems rather than waiting to treat the consequences.

1 CDC, <u>"Social Determinants of Health:</u> Know What Affects Health." 2 Sanne Magnan, <u>"Social Determinants of Health 101 for Health Care: Five Plus Five,"</u> National Academy of Medicine, October 9, 2017.

#### A Collaborative Approach

Today, most communities maintain fractured or siloed approaches to improving community health, and the lack of connectivity between efforts has often undermined meaningful progress. However, healthcare organizations have intellectual capital, infrastructure, scale, business intelligence, and access to key populations that ideally position them to advance creative solutions to complex health problems. Therefore, understanding the issues that influence health at the community level and taking collective action is emerging as a vital, new imperative. Creating whole and sustainable solutions will demand collaboration between hospitals and other community organizations—as well as governments—to enhance access to care, address social determinants of health, and decrease health inequity. Working together is the only way to truly tackle these issues and create real change that transforms communities-and donors will be more likely to support collaborative efforts that have the potential for high impact.

The worthwhile work of community health requires a network of support. Subsidiary and local hospitals must embrace their role as vital community anchor institutions and facilitate broad collaboration to address the continuum of issues that impact health. Healthcare organizations must infuse efforts with cultural competence, careful selection of health pilots, and sensitivity to the history and pressures that make vulnerable communities sensitive to externally imposed solutions. Hospital leaders must also establish evaluation methods to demonstrate "moving the needle" to payers, funders, donors, and other stakeholders. Most hospitals will require charitable investment to provide sustainable financial support.

Embracing the potential of collaboration will not only allow healthcare organizations to deliver upon new promises but also will allow donors to be part of significant work that can accelerate solutions, expand impact, and drive true transformation.

### An Opportunity for Charitable Investment

Collaborative efforts to proactively elevate health status and address health inequity are a natural place for voluntary, charitable support by individuals, corporations, and foundations. Many significant donors to healthcare view themselves as social impact investors who support strategic efforts with specific and measurable outcomes and where return on investment can also be measured in human terms. These savvy donors often prefer to address root causes of problems rather than to abate the consequences. Further, many donors also appreciate the leverage of investing in projects that involve multiple collaborators, since it provides both the capacity and the credibility to pursue bigger solutions. Finally, collaboration to advance a shared vision for change can motivate donors who wish to fund potentially replicable and scalable best practices and to tackle complex issues that require expansive approaches.

Most hospitals have a ready list of opportunities for charitable investment in community health. Many potential initiatives are articulated within the community health needs assessment (CHNA) required every three years of all taxexempt hospitals. Operationalizing these opportunities often requires a financial kickstart to support data collection and analysis to inform the right ambitions as well as to enable program design and development,

infrastructure, implementation, evaluation, and more. Then, many initiatives require ongoing revenue sources to scale and to achieve sustainability.

Inviting philanthropic investment in collaborative community health impact initiatives is a clear pathway to richer results. Therefore, it is incumbent on charitable organizations to set inherent competition aside in order to pursue an expansive vision for change. It will call upon organizations to raise money together and to steward donors together. It will compel funders to think more broadly about how they invest their contributions to the highest and best use. However, embracing the potential of collaboration will not only allow healthcare organizations to deliver upon new promises but also will allow donors to be part of significant work that can accelerate solutions, expand impact, and drive true transformation.

#### A Moment for Leadership

Healthcare governing board and foundation board members can serve as valuable catalysts in advancing community health.

Leaders bring unique and valuable insights and perspectives to help shape a resonate vision for meaningful impact. Board members provide access to a range of personal, business, and civic connections that can ideally position the healthcare organization to forge a network of productive partnerships

and to address a continuum of interrelated issues. Community leaders can assist the healthcare organization in making the case for significant charitable investment to improve health as the foundation of a flourishing society. Ultimately, the engagement of board members as allies enables hospitals not only to create a denser and more robust strategy but also to unleash the power of community charitable giving and partnership.

The Governance Institute thanks Betsy Chapin Taylor, FAHP, President and CEO of Accordant, for contributing this article. She can be reached at <a href="mailto:betsy@accordanthealth.com">betsy@accordanthealth.com</a>.