REIMAGINING PHILANTHROPY LEADERSHIP

JOYCE HENDRICKS
President and Chief Development Officer
Hackensack Meridian *Health* Foundation

May 31, 2024

Hackensack Meridian *Health* Foundation

About Hackensack Meridian *Health* (HMH)

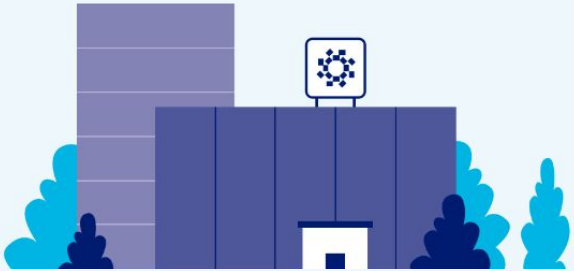
Hackensack Meridian *Health* Foundation

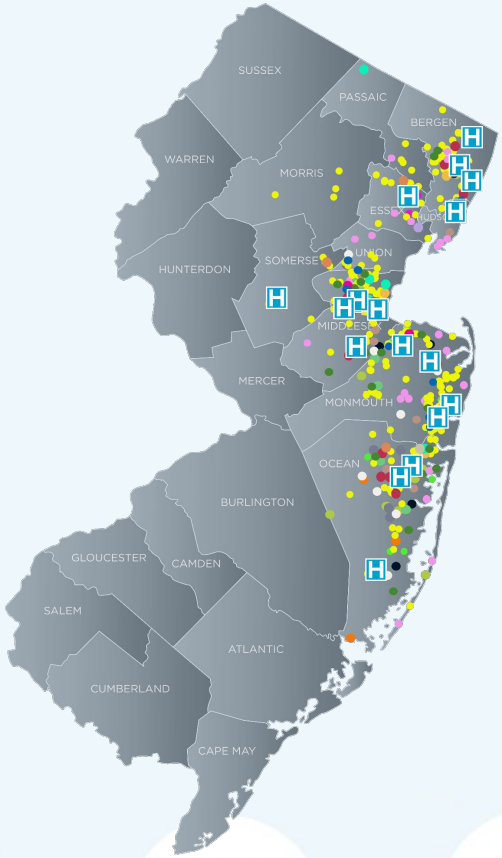
17 hospitals

- **3** Academic Medical Centers
- **1** University Teaching Hospital
- **8** Community Hospitals
- **2** Rehabilitation Hospitals
- **2** Children's Hospitals
- **1** Behavioral Health Hospital

AND

- **1** Center for Discovery & Innovation
- **1** School of Medicine





179,893
patient admissions

585,499
emergency visits

100,359
surgeries
(inpatient and outpatient)

2,025,903
outpatient visits

$7.4B
operating revenue

500+
patient care locations

4,692
licensed beds

7,000+
physicians

35,000+
team members

HACKENSACK MERIDIAN *HEALTH*

MORE *U.S. NEWS & WORLD REPORT*-RANKED HOSPITALS THAN ANY OTHER SYSTEM IN NJ.

Hackensack Meridian *Health* Foundation

Philanthropy's Growing Importance to Healthcare

Hackensack Meridian *Health* Foundation

PHILANTHROPY'S GROWING IMPORTANCE

American Hospital Association™
Advancing Health in America

Hospitals Face Financial Pressures as Costs of Caring Continue to Surge

May 10, 2024 - 10:23 AM

"While some hospital and health system finances have experienced modest stabilization from historic lows in 2022, we are still far from where we need to be to meet the demand for care, invest in new and promising technologies and interventions, and stand ready for the next health care crisis."

KaufmanHall

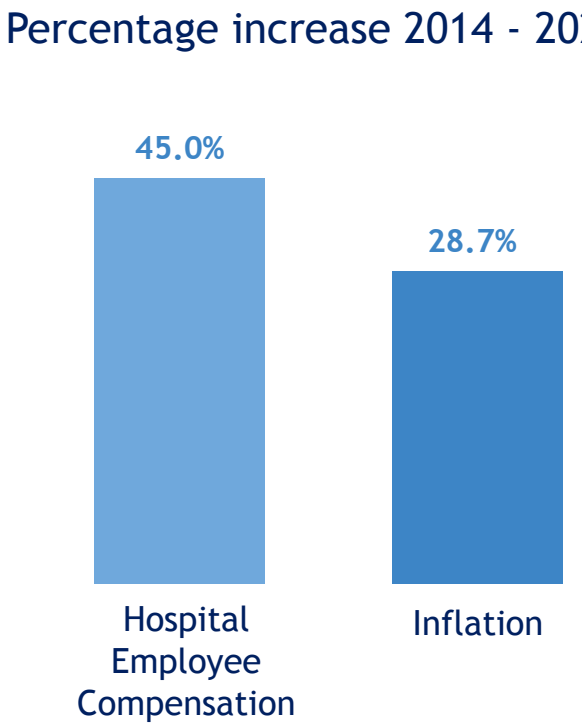
National Hospital Flash Report: April 2024

MAY 2, 2024 | *5 minute read*

"Margins and volumes declined slightly in March, which may signal more challenges ahead."

Hackensack Meridian *Health* Foundation

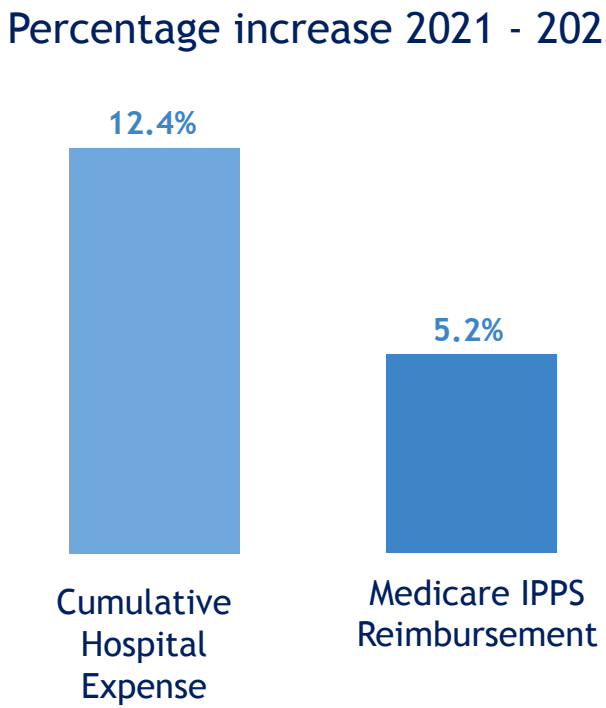
PHILANTHROPY'S GROWING IMPORTANCE



Source: www.aha.org/costsofcaring

Hackensack Meridian *Health* Foundation

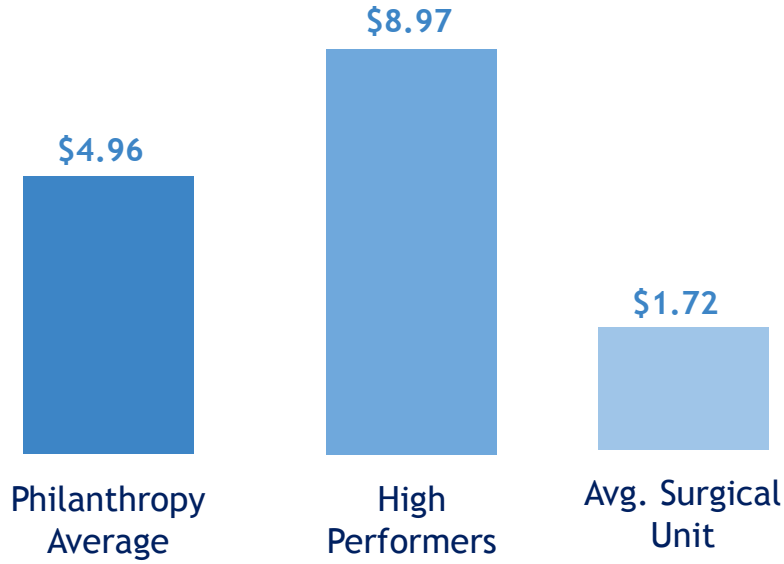
PHILANTHROPY'S GROWING IMPORTANCE



Source: www.aha.org/costsofcaring

Hackensack Meridian *Health* Foundation

THE GOOD NEWS:
PHILANTHROPY'S VALUE PROPOSITION



Return on Investment

Source: 2023 AHP Report on Giving

Hackensack Meridian *Health* Foundation

PHILANTHROPY'S VALUE PROPOSITION

PHILANTHROPY $100,000

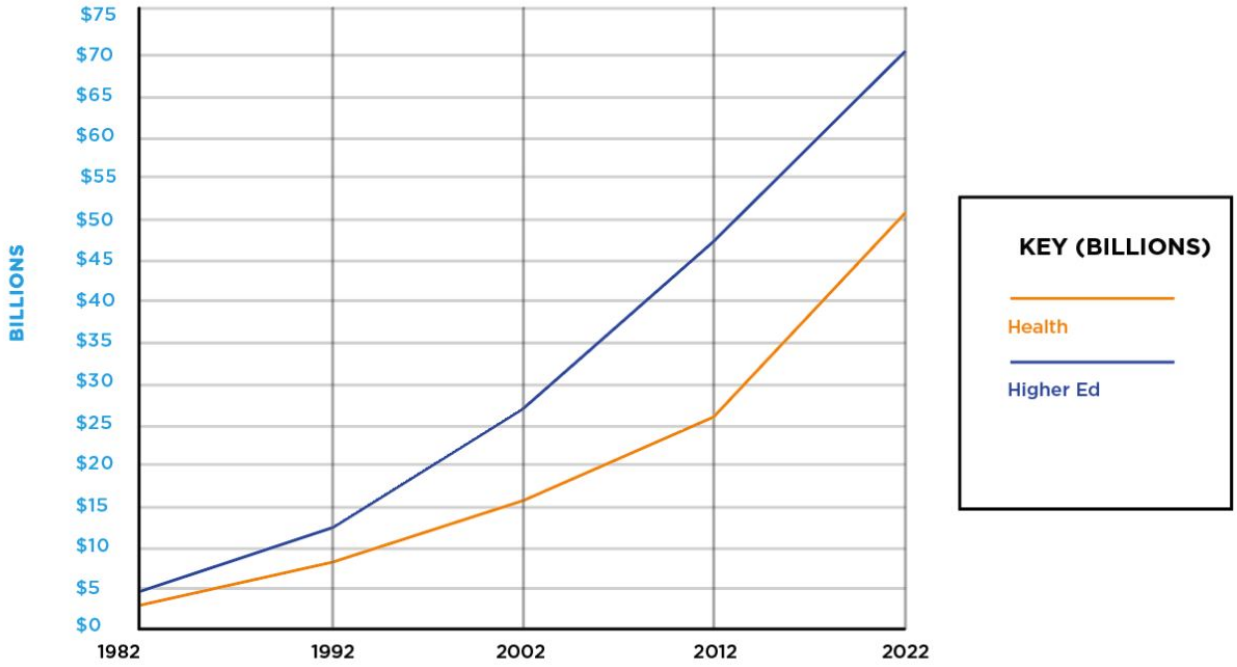
PATIENT SERVICES $750,000

Source: AHP Report on Giving

Hackensack Meridian *Health* Foundation

HEALTH VS. HIGHER ED GIVING TRAJECTORY

Fundraising – 1982 vs 2022



Hackensack Meridian *Health* Foundation

Creating the HMH Foundation

Hackensack Meridian *Health* Foundation

FOUR HEALTH SYSTEMS INTEGRATED INTO ONE NETWORK

Carrier Clinic

JFK

Meridian

Hackensack

Hackensack Meridian *Health* Foundation

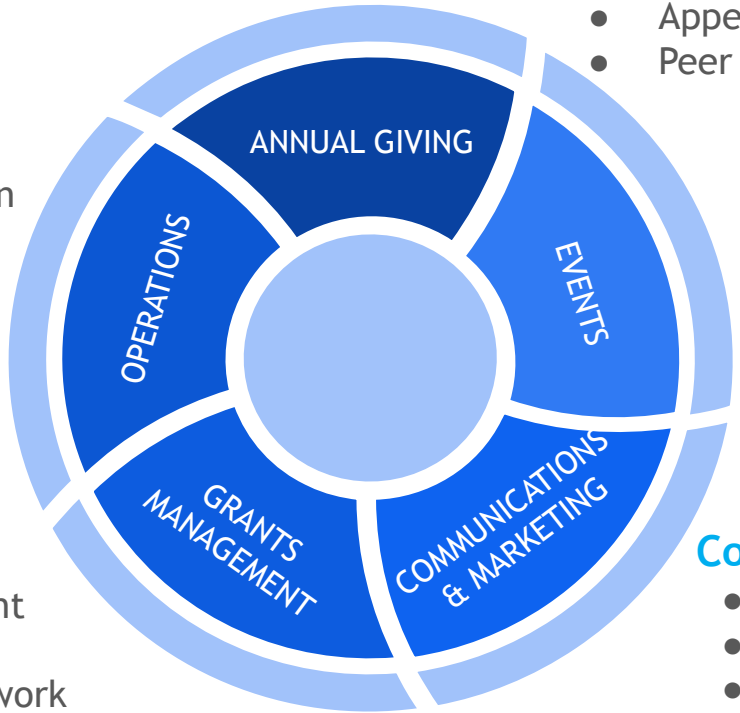
CENTRALIZED SERVICES

Annual Giving

- Leadership Annual Giving
- Appeal Management
- Peer to Peer Fundraising

Operations

- Finance/Accounting
- Database Administration
- Reporting & Analytics
- Donor Relations
- Prospect Development & Research



Events

- Strategically Planned Events
- Network vs. Local Events

Grants Management

- Public and Private Grant Management
- Coordination with Network Government Affairs & Research teams

Communications & Marketing

- Newsletters (Internal/External)
- Press Releases
- Digital Content Management

Hackensack Meridian *Health* Foundation

FOUNDATION OPERATIONS

- Database Integration - One Foundation One Database
- Process & Procedure Alignment
  - Gift Entry & Gift Acknowledgement
  - Portfolio & Pipeline Management
  - Donor Recognitions & Stewardship
- New/Consolidated Policies
  - Gift Acceptance
  - Naming & Recognition
  - Accounting (Fund Management & Releases)
  - Endowments
- Develop Consistent Metrics & Standard Reports
  - Dashboard Development
- Develop Standardized Gift Agreements

Hackensack Meridian *Health* Foundation

PROGRAM STRATEGIES

- Focus on principal gifts: gifts of $1 million or more
- Improve major gift production. Range: $50,000 to $99,999
    - > Invest heavily in grateful patient, physician engagement and nursing programs
- Expand Planned Gift Opportunities - long term plays
- Maintain Public Grants
- BUT Increase Private Foundation and Corporate Giving
- Improve Stewardship experiences
- Use gratitude modeling. Build dashboards. Increase Fundraiser and Operational Transparency and Accountability

Hackensack Meridian *Health* Foundation

Pathway to Philanthropic Growth

Hackensack Meridian *Health* Foundation

HMH FOUNDATION LEADERSHIP FOCUS

- Understand CEO Expectations
- Baseline - know where we are
- Goals - know where we want to go
- Envision opportunity for comprehensive network campaign
- Team assessment - do we know what we need?
- Setting priorities - School of Medicine example

Hackensack Meridian *Health* Foundation

BASELINE ANALYSIS

	2017		2018		2019		2020	
Gift Range	Gifts	Dollars Raised	Gifts	Dollars Raised	Gifts	Gift Size	Gifts	Dollars Raised
$25,000,000		$0		$0	1	$25,000,000		$0
$10,000,000	1	$15,000,000		$0	1	$15,857,544	1	$15,777,263
$5,000,000	1	$5,000,000	1	$5,000,000	1	$5,000,000	2	$10,493,037
$1,000,000	9	$14,570,000	10	$17,330,000	9	$25,727,125	10	$21,600,744
$500,000	10	$5,124,257	4	$2,220,000	5	$3,102,442	5	$3,567,855
$250,000	12	$3,678,650	16	$4,394,725	19	$5,998,111	12	$4,047,723
$100,000	37	$4,708,166	43	$5,920,859	26	$3,665,183	30	$3,891,188
$50,000	99	$5,398,327	42	$2,462,303	37	$2,116,046	84	$4,826,476
$25,000	94	$2,736,445	105	$3,027,759	97	$2,734,753	123	$3,759,368
$10,000	303	$3,839,601	307	$4,033,567	327	$4,115,051	259	$3,271,099
$5,000	555	$3,350,854	473	$2,846,313	575	$3,308,266	439	$2,563,097
$1,000	2,187	$4,160,354	1,850	$3,541,842	2,076	$3,767,152	1,212	$2,144,400
Below $1,000	57,562	$2,659,607	63,181	$2,505,424	45,696	$2,357,638	66,589	$2,183,818
Total Revenue	60,886	$70,226,260	66,036	$53,282,793	48,870	$102,749,311	68,766	$78,126,067

Hackensack Meridian *Health* Foundation

GROWTH MODEL

Giving Capacity Range	Gift Value	High Likelihood of Giving			Mid Likelihood of Giving			Low Likelihood of Giving			Total # of Donors	Projected Revenue
		High	Yield (30%)	Total Projected	Mid	Yield (15%)	Total Projected	Low	Yield (1%)	Total Projected		
$100 Million+	$100,000,000			$0	8	2	$200,000,000	45	1	$100,000,000	3	$300,000,000
$50 Million - $99.9 Million	$50,000,000	5	2	$100,000,000	12	2	$100,000,000	15	1	$50,000,000	5	$250,000,000
$10 Million - $49.9 Million	$10,000,000	19	6	$60,000,000	64	10	$100,000,000	102	2	$20,000,000	18	$180,000,000
$5,000,000 - $9,999,999	$5,000,000	9	3	$15,000,000	50	8	$40,000,000	43	1	$5,000,000	12	$60,000,000
$1,000,000 - $4,999,999	$1,000,000	184	56	$56,000,000	787	119	$119,000,000	1,147	12	$12,000,000	187	$187,000,000
$500,000 - $999,999	$500,000	186	56	$28,000,000	1,428	215	$107,500,000	3,322	34	$17,000,000	305	$152,500,000
$250,000 - $499,999	$250,000	101	31	$7,750,000	1,153	173	$43,250,000	4,967	50	$12,500,000	254	$63,500,000
$100,000 - $249,999	$100,000	130	39	$3,900,000	2,665	400	$40,000,000	37,319	374	$37,400,000	813	$81,300,000
$50,000 - $99,999	$50,000	71	22	$1,100,000	1,061	160	$8,000,000	21,563	216	$10,800,000	398	$19,900,000
$25,000 - $49,999	$25,000	67	21	$525,000	1,658	249	$6,225,000	60,422	605	$15,125,000	875	$21,875,000
$10,000 - $24,999	$10,000	708	213	$532,500	26,213	3,932	$9,830,000	67,305	674	$1,685,000	4,819	$48,190,000
Below $10,000	$50	231,651	69,495	$3,474,758	115,825	11,583	$579,126	46,330	4,633	$231,651	85,711	$4,285,534
		233,131	**69,944**	**276,282,258**	**150,924**	**16,853**	**774,384,126**	**242,580**	**6,603**	**281,741,651**	**93,400**	**$1,368,550,534**

Hackensack Meridian *Health* Foundation

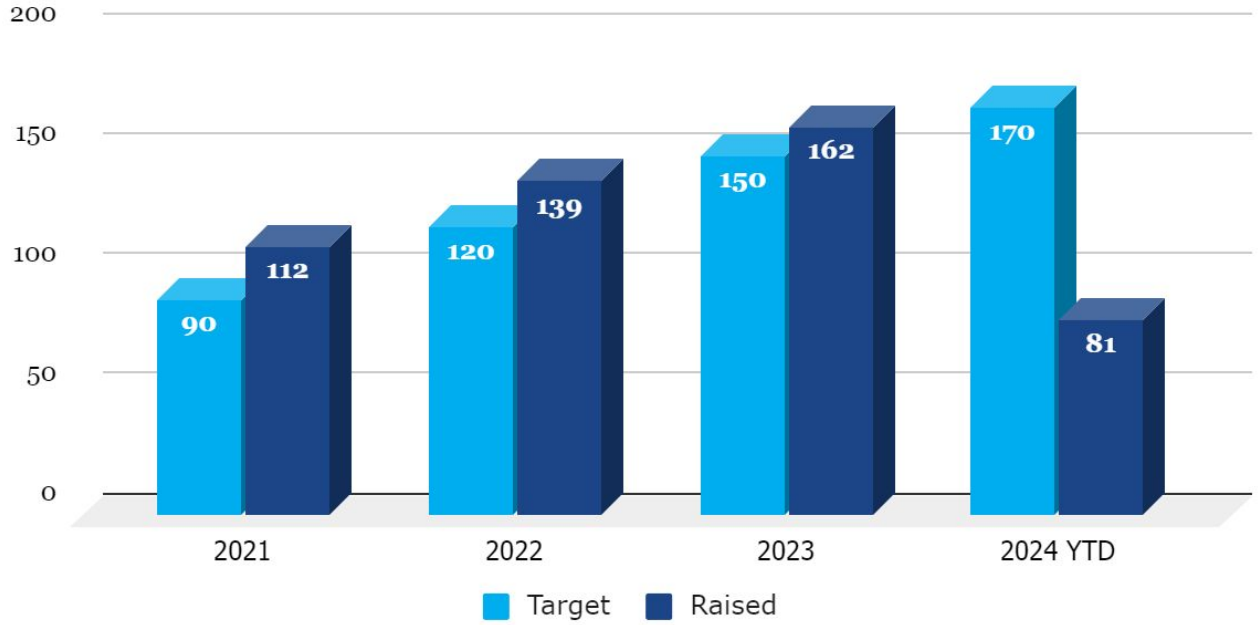
Results to Date

Hackensack Meridian *Health* Foundation

ANNUAL FUNDRAISING 2021-2024

Target and Raised

$M as of May 23, 2024



Hackensack Meridian *Health* Foundation

LEADERSHIP TAKEAWAYS

- Investment in philanthropy is a smart value proposition
- Align philanthropy plan with organizational strategies and priorities
- Donor centric fundraising strategy is imperative
- Centralized resources can create efficiencies and better support the fundraising effort
- Healthcare fundraising is personal and often local.
- Board members and executives should be engaged in the philanthropic effort

Hackensack Meridian *Health* Foundation

Questions

Hackensack Meridian *Health* Foundation