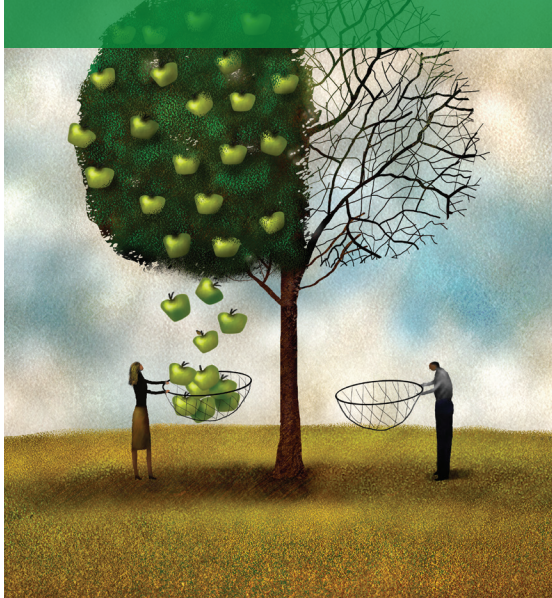


A conceptual illustration of a tree. The left side of the tree is lush and green, covered in numerous glowing green apples. The right side of the tree is completely bare, with only dark, intricate branches reaching out against a light, hazy sky. At the base of the tree, two silhouetted figures stand in a field of golden grass. The figure on the left is a woman holding a wire basket filled with glowing green apples. The figure on the right is a man holding an empty wire basket. A horizontal green band with white text is overlaid on the middle of the image.

WHY IT MATTERS GENEROSITY FUNDS THE FUTURE

If our organization is like most in healthcare, it began because of philanthropy. And for long periods of time generosity may have been the only source of money for growth. Now this is becoming true once again.

GENEROSITY HEALS



Margins are thin. Hospitals eek out a slim two percent profit on average. Some sectors in healthcare operate with even less. At a two percent margin, there's not much left from every hundred million dollars in top line revenue.

One major gift may have the same or more impact on our ability to invest in the future. In many health systems, the amount of money coming into the foundation is greater than what is left from operations. Astonishing. And a trend that will grow in the future.

Healthcare attracts philanthropic investments on an immense scale. Hospitals alone raise around \$9 billion a year, and the total health and human services sector attracts more than \$40 billion.¹ This money doesn't just fund buildings and traditional priorities. Philanthropy is launching new centers, enabling research, driving population health, advancing innovation, transforming experience design, and providing risk capital for new care models. It also enables basic, sometimes unglamorous, essential services that would otherwise be eliminated.

Some of our own patients may have the resources to change healthcare in our community. Gift investments of tens or hundreds of millions of dollars happen every few weeks somewhere in healthcare. And they go not just to the largest and most prestigious institutions. Many flow to smaller organizations. Even critical access hospitals attract enormous gifts. And in the largest health systems, multi-billion dollar campaigns are underway—something we would have had difficulty imagining not long ago.

Philanthropy is no longer nice but non-essential. Now it's core. And it's the difference between a shrinking or expanding world of possibilities.

¹ For the current year, see Giving USA's *Annual Report on Philanthropy*.