

YOUR GOOD HEALTH

Wealth checkup

Nonprofit hospitals' screening of patients for money donations raises concerns

By Phil Galewitz
Kaiser Health News

Nonprofit hospitals across the United States are seeking donations from the people who rely on them most: their patients.

Many hospitals conduct nightly wealth screenings — using software that culls public data such as property records, contributions to political campaigns and other charities — to gauge which patients are most likely to be the source of large donations.

Those who seem promising targets for fundraising may receive a visit from a hospital executive in their rooms, as well as extra amenities like a bathrobe or a nicer waiting area for their families.

Some hospitals train doctors and nurses to identify patients who have expressed gratitude for their care, and then put the patients in touch with staff fundraisers.

These various tactics, part of a strategy known as “grateful patient programs,” make some people uncomfortable. “Wealth screenings strike me as unseemly but not illegal or unethical,” said Arthur Caplan, a bioethicist at the New York University School of Medicine.

Mark Rothstein, a bioethics professor at the University of Louisville, said, “Getting physicians involved in philanthropy is something fraught with danger.” He added that it could make patients worry that their care might be affected by whether they made a donation.

Despite such concerns, these practices are becoming commonplace, particularly among the largest nonprofit hospitals. A 2016 survey of 108 hospitals found that 68 had grateful patient programs, according to the Advisory Board, a consulting firm.

“In the last 10 years we’ve seen a pretty dramatic uptick in strategic attention in the formation of these programs,” said Nicholas Cericola, a senior consultant with the firm.

Large hospitals that say they screen patients’ wealth include those run by MedStar Health in Columbia, Maryland; the Johns Hopkins Hospital

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in Baltimore; Cedars-Sinai in Los Angeles; and NYU Langone Medical Center in New York.

Donations from patients and their families supplement income streams from private and public insurance programs as well as money raised through traditional methods like charity golf tournaments, dinners or gala balls.

“It’s a way to get money to the hospital’s bottom line like nothing else they are doing,” said Bill Tedesco, chief executive officer of DonorSearch, a Maryland company that supplies hospitals with software that helps them conduct wealth screenings.

‘Get-to-know-you opportunity’

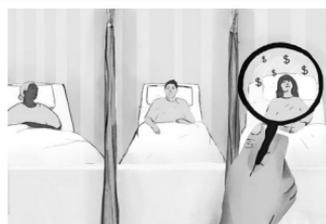
Patients and their families were responsible for two-thirds of the \$34 million donated to the Sharp HealthCare hospital system in San Diego last year, said Bill Littlejohn, chief executive officer of the system’s fundraising foundation.

Wealth screening and the participation of the hospital’s doctors are crucial, Littlejohn said. Sharp screens up to 400 patients each night, he said, and adds about 10 to 20 to its database of potential donors.

When he approaches wealthy patients in the hospital, they are unlikely to know that they were selected with the aid of the wealth screening, according to Littlejohn.

“I’m not asking them for money, but I tell them we appreciate them choosing Sharp and hope they have a wonderful experience,” he said. “I use this as a get-to-know-you opportunity and let them know Sharp is a nonprofit and philanthropic-supported institution.”

Littlejohn estimates that doctors prompted 20 percent of patient donations through conversations with their own patients. The practice has helped Sharp triple its annual fundraising



MARIA FABRIZIO/KHN

totals from a decade ago, he said.

Nationwide, donations to hospitals exceeded \$10.4 billion in 2017, up from \$6 billion in 2004, according to the Association for Healthcare Philanthropy.

“Grateful patients have always been there, but we did not always do as good a job of inviting them to be part of our missions as we are now doing,” Alice Ayres, the trade group’s chief executive officer, said.

Unease among doctors

Many doctors are uneasy about being asked to help raise money from their patients, studies show.

“It makes doctors very uncomfortable for a lot of reasons,” said Dr. Rosalyn Stewart, an internist at Johns Hopkins who has researched physician attitudes at Hopkins toward the practice.

She said she worried that if a wealthy patient made a large donation, doctors would feel obligated to treat them differently, perhaps by returning their calls more quickly.

“I feel like the risk is we are setting up a two-tiered health care system — one for wealthy patients and one for everyone else,” Stewart said.

While wealth screenings have been used for decades for fundraising by universities and other nonprofits, ethicists said they raised different concerns for hospitals.

“Needing health care is different than choosing to go to college or going to the opera,” said Nancy Berlinger, a bioethicist with the Hastings Center, a think tank in Garrison, New York. “When you are sick, you need a trusting relationship to be formed and focused on your health.”

Dr. Frederick Finelli, a surgeon and the vice president of medical affairs at MedStar Health’s Montgomery Medical Center in Maryland, said that while he used to feel uncertain about fundraising, he now saw it as part of the healing process.

“When someone says ‘Thanks’ to me, it feels incomplete for me to just tell them, ‘No problem,’” he said.

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