

Generous donors make a difference

Philanthropy funds premier programs that otherwise wouldn't exist

BY DONNA FARRIS, AVERA MCKENNAN WRITER/EDITOR



patient revenue. This makes every dollar of philanthropy incredibly important," Slunecka said.

Why health care?

Giving is a way of life in South Dakota – the fourth most generous state as a percentage of itemized charitable deductions to adjusted gross income.

Americans contribute some \$20 billion to health organizations per year, compared to nearly \$41 billion to education and \$97 billion to religious organizations, according to the Giving USA Foundation.

With so many charitable causes to support, why does health care receive an ample portion?

"Everyone wants the best health care for their own family and loved ones, and their community.

Yet donors realize that health care needs philanthropy dollars in order to be the best it can be," said Robin Prunty, planned giving officer with the Avera McKennan Foundation.

Patients who have experienced injury or illness themselves want to give back so others can benefit from excellent care. Others want to be part of the life-saving work of Avera McKennan. "They want to be part of something that's life-saving and impacting," said Angie Baszler, director of annual giving.

Research reveals these common motivations for giving to health care: a desire to benefit the community, to respond to a recent personal or family experience, to meet critical needs, to give back to society, to set an example for others or to live out religious beliefs.

"Because Avera is a health ministry rooted in the Gospel, people want to join that mission," Kromminga said. Some might wonder if hospitals and health care organizations don't make enough money through billing for services.

"We do get reimbursed for the clinical aspects of medical treatment. Yet those reimbursements don't always cover the actual cost of providing care," Kromminga said. Plus, Avera strives to care for the whole person, body, mind and spirit. "Healing often happens spiritually. We don't get reimbursed for that, but we need to provide space for it."

An example is the Walsh Family Village, a home away from home for out-of-town patients and their families. "Our Gospel values of compassion, hospitality and stewardship come together in this facility, allowing patients and their families to be near each other so that the healing process can continue." Hospice care, provided both at home and at the new donor-supported

Without generous people who choose to give for the benefit of others, Avera McKennan wouldn't have many of the premier programs that make an extraordinary difference in people's lives.

"Avera McKennan exists today because 100 years ago, a planned gift of \$25,000 was received from the estate of Helen Gale McKennan for the founding of a hospital in Sioux Falls," said Tim Kromminga, president of the Avera McKennan Foundation. "Look how far we've come in 100 years. Those who are giving today are making a huge impact on where this organization will be 100 years from now."

The past year has been a remarkable one for philanthropy at Avera McKennan, with the opening of the Dougherty Hospice House and Walsh Family Village. Both completely funded through donations, these unique projects could not have been covered by the hospital's regular capital budget, said Fred Slunecka, regional president of Avera McKennan.

"We simply would not have facilities that are premier in our region – such as the Dougherty Hospice House or Walsh Family Village – if not for those who were willing to share their vision and resources for the benefit of others," Slunecka said. National experts agree that a bottom line return of 4 percent is important for hospitals in order to allow for replacement of facilities and equipment.

"Every dollar of philanthropy is like generating \$25 in patient activities. On the larger scale, we would need to generate \$25 million in revenues to achieve the same result as \$1 million in gifts. If we raise \$3 million per year, that's like \$75 million in

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Dougherty Hospice House, is a service which costs more to provide than what is covered by reimbursements, Kromminga said. Yet it is very much a needed service for families and patients at end of life.

In addition, foundation giving helps patients in need cover out-of-pocket expenses such as fuel or lodging not covered by insurance.

Three tiers of giving

Giving takes place on three levels of a pyramid. The base of the pyramid is annual giving. The next tier is major giving, with the top tier being planned giving.

Annual giving involves the largest number of donors, usually with relatively small gifts. Yet these relatively small gifts add up to big numbers. One avenue of annual giving is special events. In May 2008, the 20th annual Avera Race Against Breast Cancer attracted 4,600 participants, and raised over \$282,000 for cancer programs. The Big Grape in 2008 involved over 1,000 people and raised \$148,468 to benefit Avera Children's Hospital & Clinics.

"Annual giving introduces donors to the joy of giving," Baszler said. It is hoped that people who begin as annual givers may someday make a major gift to a project that inspires them, and include a planned gift to Avera McKennan in their will, she added.

Grateful patients also contribute to annual giving, via "Guardian Angel" gifts. Patients and family members are invited to honor a caregiver at Avera McKennan with a gift to the foundation. "These may be nurses, physicians, technicians or housekeepers – anyone who made a difference in their experience at Avera McKennan. This is a great way of giving back for patients who know first-hand how important health care is," Baszler said.

Major gifts comprise the second largest number of donors. Typical standards for a major gift range from \$25,000 and up. "Major gifts vary for each donor, and all gifts given to the Avera McKennan Foundation are important," said Helen Henkin, major gifts officer with the

Projects that inspire!

WHEN A PROJECT PROVIDES FOR URGENT NEEDS AND IMPACTS THE LIVES OF OTHERS, IT INSPIRES GIVING.

A home away from home



The Walsh Family Village, which opened Aug. 11, 2008, is a home-away-from-home for out-of-town patients and their families on the southwest corner of the Avera McKennan campus. The Casa de Carlitos Welcome Center, Nano Nagle Inn and Ronald McDonald House together offer a total of 18 guest rooms.

If they are able, guests are asked to pay a low fee of \$20 per night, but can stay at the village regardless of their ability to pay.

The \$3 million project was funded entirely by donations, most notably a \$1.5 million contribution from Tom and Kathy Walsh and the Los Cabos Children's Foundation. Many other individuals and corporations gave major gifts to make the dream of a hospitality village into reality.

Walsh, owner of local Burger King restaurants, is president and founder of the Los Cabos Children's Foundation which provides medical treatment for children of the Los Cabos area both in Mexico and the United States. Walsh says the gift honors the relationship between Avera and the Los Cabos Children's Foundation which began in 2002. The Casa de Carlitos Welcome Center, named for the first Los Cabos child cared for at Avera Children's Hospital, includes two rooms specially designated for children and families traveling from Los Cabos for life-saving medical care.

"All children's lives are sacred," Walsh said. "Whatever we do to help one child helps all children. The Walsh Family Village will provide support, hope and a better future for all involved."

The Walsh Family Village makes a difference in the lives of people like Sherry Bryant of Madison, Minn., and her husband, Richard Zahnow. After a bone marrow transplant to treat leukemia, Sherry needed to be near the hospital campus for almost daily appointments with her physician. Yet the added expense of lodging in Sioux Falls would have been a heavy financial burden. The couple were among the first families to stay in the Nano Nagle Inn, with the regular \$20 nightly fee waived to help ease out-of-pocket expense.

"It helped tremendously," Richard said. "The staff were very kind and supportive people. They really seemed to care about us, and that was priceless."

Spiritual care was also an important aspect of Sherry's recovery, Richard said. "Throughout our stay at the Walsh Family Village, we felt the presence of God – it was like He is continually opening doors and showing us a path."



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Avera McKennan Foundation. The need and potential impact of a project are what inspire these donors to give, Henkin said. Many have a family history or experience so they know the need first hand.

Each gift is valued

“Giving is for the giver, and we value each gift. Ten thousand dollars might not be as generous a gift as \$1,000 may be to someone else, depending on their assets and income,” Prunty said.

Planned giving represents the top tier of the pyramid, for those people who want to remember Avera McKennan in their will,

through a trust or as beneficiary of a life-insurance policy or gift annuity.

Even if people have children they wish to will their estate to, they can include Avera McKennan to receive a portion as an extra beneficiary. “In doing so, you’re teaching your children the big picture in life – how important it is to give and take care of your neighbors,” Prunty said.

“Helen Gale McKennan’s legacy is the perfect planned giving story,” Prunty said. She willed \$25,000 as seed money for a hospital in Sioux Falls. Group after group turned down requests for assistance in starting the hospital, until the

Presentation Sisters of Aberdeen stepped forward. The sisters assumed a substantial loan of \$90,000, while Dr. T.J. Billion chaired the first fund-raising campaign to purchase land. In today’s dollars, Mrs. McKennan’s gift would amount to about \$550,000, Prunty said. “These were people of vision – risk takers who saw the greater good.”



Compassionate end-of-life care

The Dougherty Hospice House, located on the grounds of Avera Prince of Peace Retirement Community, offers state-of-the-art care with comfort and dignity at the end of life. Opened in December 2007, the house marks a new age in Hospice care, providing 24-hour residential and inpatient acute care in a homelike, family-centered environment.

The 25,000-square-foot, 16-bed facility is the largest Hospice residence in the state of South Dakota, and the only service of its kind in the Sioux Falls area. The building’s design celebrates life, with an emphasis on daylight and scenic views. Throughout the house are more than 100 pieces of original art, conveying messages of hope, dignity, joy, spirituality, comfort and concern.

In 2005, a \$1 million gift by Michael E. Dougherty was the financial catalyst for building the new Hospice residence. Several others gave major gifts of \$25,000 on up to \$500,000. Dougherty says he and his wife, Kathy, made the gift in honor of their family and their close ties to Avera McKennan.

Michael is the youngest of four children, all born at Avera McKennan. When he was just 6 years old, Michael’s mother passed away due to breast cancer. When he was 14 years old, his father died of a heart attack. Michael’s older brother Bill and sister-in-law Billie took him in and cared for him as a son.

When Billie passed away suddenly in July 2004, Michael sought to honor his family and show gratitude to the physicians, nurses and care providers of Avera McKennan.

“We want families to have an environment where they can continue to receive fabulous care as their life on earth ends,” Dougherty said. “Also through our gift, we hoped to acknowledge the skilled and compassionate care that Hospice staff provide each and every day. The level of caring and kindness they display is simply stunning. They are the heart and soul of Hospice work, carried out here or elsewhere. We hope this facility will help them to continue their magnificent work – and provide even better care if that’s possible – so that a broader number of people can benefit.

“Having a place where people can make life’s great transition in dignity and peace with the comfort of family near, while being cared for by the dedicated staff of Avera McKennan Hospice, is why my family and I wanted to get involved with this project.”



Groundbreaking research

Innovative research at Avera has the potential to change many lives by limiting the suffering caused by mental health conditions. The science of genetics is combined with a family-based approach to prevent mental health conditions and treat such illnesses more effectively.

A current pilot study is the Avera Family Based Wellness Program, in partnership with the Sioux Falls Public Schools. It targets preschool children and their families. Children enrolled in early childhood programs at selected schools are placed in control and intervention groups on a completely voluntary basis. Families in the intervention group take part in child development wellness activities and family wellness coaching. Research indicates that music, movement and drama can positively impact brain development to enhance learning, as well as emotional and social growth. So children are involved in violin lessons; mind and body activities; and expressive therapies such as art, primary movement and drama.

In an exciting genetics component, the Avera Institute for Human Behavioral Genetics will conduct research to learn how genes and environment affect childhood behavioral disorders. "Our hope is to gain the ability through genetics to keep well children well and identify at-risk children in order to put protective factors in place to reduce their risk of developing mental health conditions," said Ryan Hansen, administrative director of the Avera Institute for Human Behavioral Genetics.

Specialized NICU care

While their own son, Charlie, was cared for in the Neonatal Intensive Care Unit at Avera Children's Hospital for only a short time with relatively minor issues, Carl and Michelle Carlson of Sioux Falls felt especially touched as they saw first-hand the number of critically ill infants whose survival depended on specialized care.

This inspired them to donate a tangible, life-saving gift – a Giraffe® OmniBed to the Avera Children's Hospital Level III NICU. "The care here is extraordinary and we truly believe in Avera's mission," Mrs. Carlson said. "Our experience in the NICU opened our eyes to the big needs that are there when a baby is born early."

"We've been very blessed by God," Carl Carlson said. "This is a way we felt we could directly save lives."

Creating a specialized healing environment for neonates, these beds cost in the range of \$35,000.

Lori Popkes, assistant vice president of Women's and Children's Services at Avera McKennan, said specialized equipment like the Giraffe® OmniBed leads to improved clinical outcomes in terms of development and growth. "This truly has an impact on the lives of our tiniest patients."

Giving provides additional benefits like these:

- General foundation monies help patients and families overcome financial obligations with out-of-pocket expenses such as travel, lodging and medication.
- Avera Race Against Breast Cancer proceeds provide access for all women to regular screening mammograms – including women who cannot afford them, better detection to improve the outcomes of breast cancer diagnosis, and programs to enhance the quality of life for people with cancer and their families.
- The Big Grape proceeds benefit Avera Children's Hospital & Clinics by funding specialized technology, programs and equipment, such as car seats designed for babies weighing less than 5 pounds.

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Family's heart is with Avera



Illness and recovery; welcoming new life and facing life's end. Important life events like these tie families to health organizations like Avera.

For Mary Pat Sweetman and her family, all of the above are true. "We have very strong ties to McKennan."

These ties culminated in a \$500,000 gift to Avera McKennan's Dougherty Hospice House in the name of her father, Tom Reardon, a gift given by her mother, Mary Jane Reardon, herself and four siblings.

Mary Pat's father and her husband Jerry Sweetman's mother were both Avera McKennan Hospice patients, and five adult children on each side of the family witnessed first-hand the quality of care and compassion. "Avera McKennan Hospice is legendary in its care of dying patients and their families, and all 10 of us and our spouses experienced that wonderful care."

As a result of that experience, the family wanted to give in a way that would be meaningful and make a long-term difference in the quality of hospice care. Their gift is an endowment to help with ongoing operations. "It's the kind of giving that goes on and on," Sweetman said.

Life events, such a serious illness or death of a loved one, tend to pull heartstrings, Sweetman said. "It makes me want to participate in the good that Avera McKennan does. I have learned to really appreciate the mission-driven sense that pervades Avera McKennan, and so I'm very happy that my heart is here."

Sweetman recently finished eight years of service on the Avera McKennan Board of Trustees, including two years as chairwoman, and realizes the importance of philanthropy.

"Health care institutions cannot survive without philanthropy. Due to high costs and lowered reimbursements, the wonderful things that take place within these facilities cannot be funded internally. So it's terribly important that Avera McKennan reach out to people who can be instrumental in helping to continue to provide first-rate medical care, which is what Avera McKennan has always done and is continuing to do."

As former board chairman, Sweetman said she knows that Avera McKennan operates a "tight ship" financially. "Reimbursements come nowhere near covering costs. All medical institutions are finding this to be the case."

Sweetman appreciates Avera McKennan's commitment to staying on the cutting edge technologically and clinically, as well a patient-centered focus that makes a difference in people's lives.

"Avera is putting its resources into this community and this region. This organization cares deeply about patient care, and in the end, that's what will distinguish us."

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