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**The Mercurial Global Economy**

- Inflation is at the highest level in four decades: from a steady 2% to 4-5%
- International Monetary Fund projects "weak growth" for 2023
- Interest rate increases are and will continue to effect consumer behavior

Harvard Business Review, What Will the Global Economy Look Like in 2023?, December 16, 2022

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**Forbes**

**The Top 5 Healthcare Trends In 2023**

**Covid's Long Tail**

Endemic COVID-19 could result in costs of \$200 billion annually in the U.S. for prevention and treatment of COVID-19 and long COVID.\*

\* The range is \$137 billion to \$378 billion, based on a scenario analysis from McKinsey's COVID-19 Epidemiological Scenarios Planning Tool. The analysis includes a range of 110 million to 220 million annual cases, of which 10 to 15 percent require outpatient treatment; 4,100 to 6,100 per day require a non-intensive care unit (ICU) hospital admission; and 400 to 900 per day require an ICU admission.

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2022 Hospital & Health System Transactions

<b>Total Announced Transactions</b> .....	<b>53</b>
<b>Number of Announced Transactions in Q4 2022</b> .....	<b>17</b>
<b>Not-for-Profit/For-Profit Deals</b>	
•Not-for-Profit Acquiring Not-for-Profit.....	<b>66%</b>
•Not-for-Profit Acquiring For-Profit.....	<b>19%</b>
•For-Profit Acquiring Not-for-Profit.....	<b>6%</b>

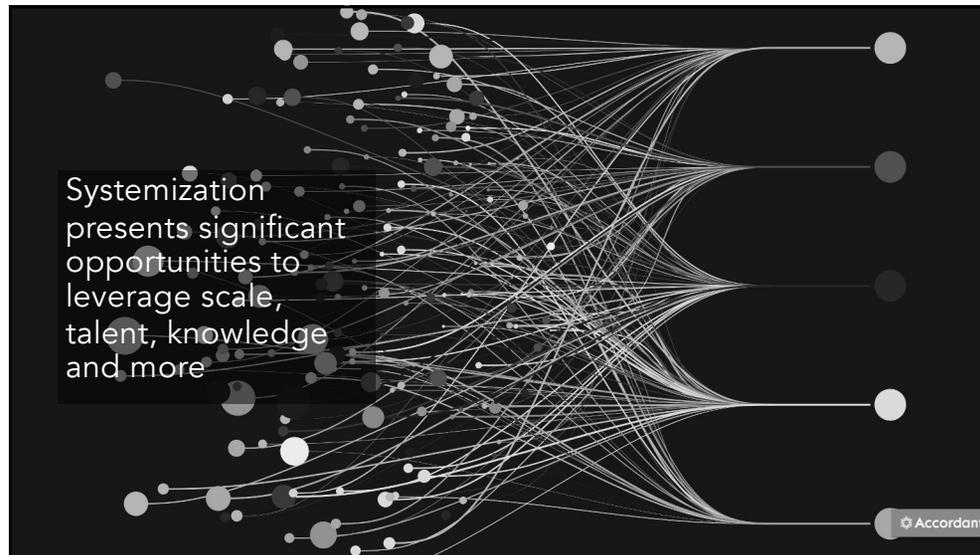
Source: Kaufman, Hall & Associates, LLC

Figure 3: Number of Announced Transactions, 2012 - 2022

Year	Number of Announced Transactions
2012	91
2013	98
2014	102
2015	112
2016	102
2017	117
2018	90
2019	92
2020	79
2021	49
2022	18

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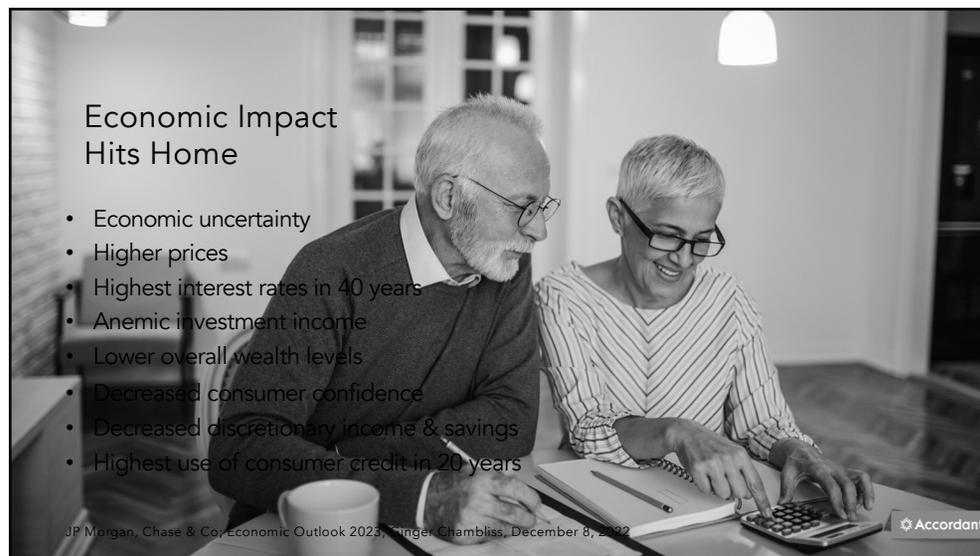
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Systemization presents significant opportunities to leverage scale, talent, knowledge and more

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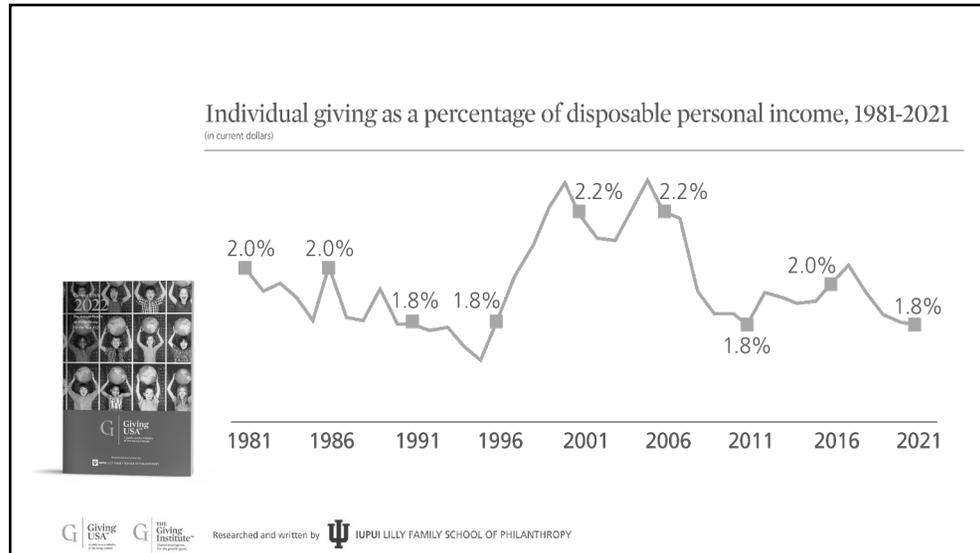
### Economic Impact Hits Home

- Economic uncertainty
- Higher prices
- Highest interest rates in 40 years
- Anemic investment income
- Lower overall wealth levels
- Decreased consumer confidence
- Decreased discretionary income & savings
- Highest use of consumer credit in 20 years

JP Morgan, Chase & Co, Economic Outlook 2023, Singer Chambliss, December 8, 2022

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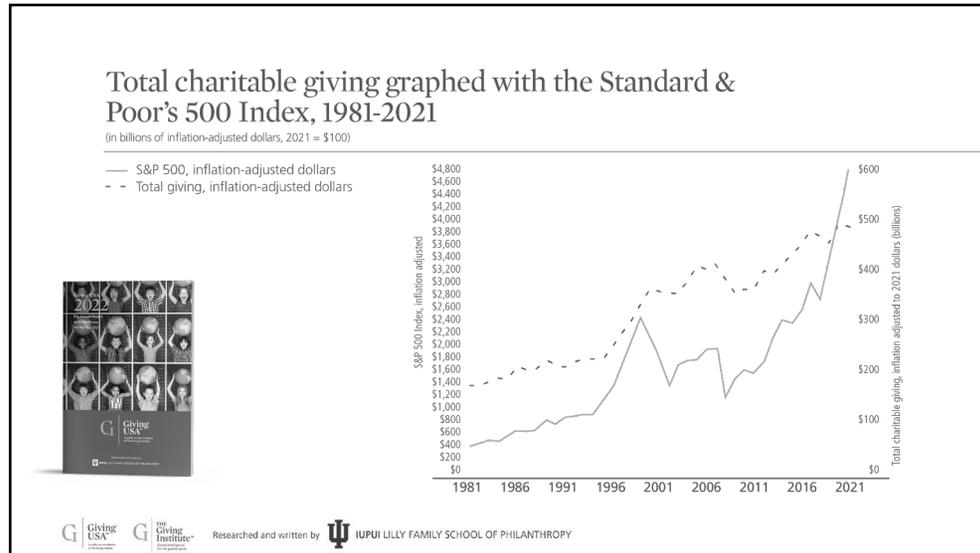
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Keep Your Eye on Assets

“At some point, equity markets will stabilize and start to increase once uncertainty peaks. If this happens in 2023 — likely it will — equity prices will become increasingly appreciated...”

**Kiplinger**

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### Diversify Funding Streams

- Reduce overreliance on a donor, donor segment or development strategy
- Indulge in scenario planning to contemplate risk of losing a key funding source

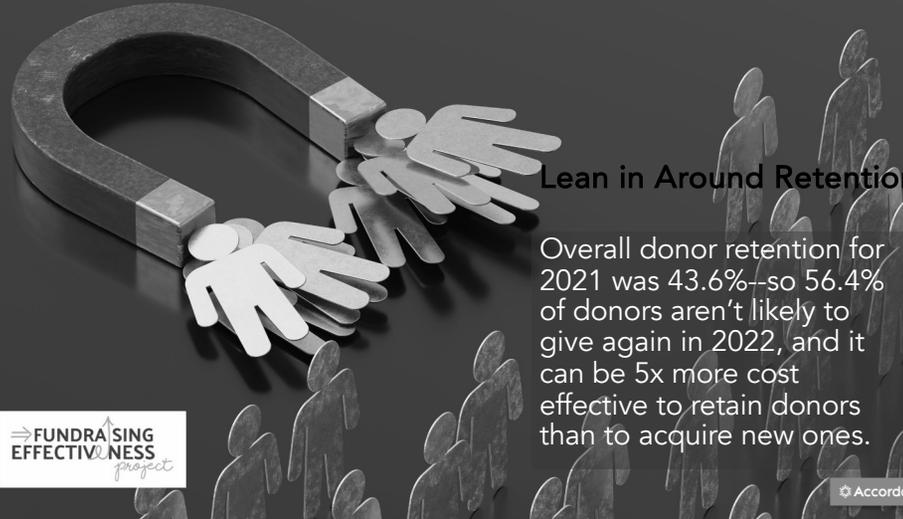


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### Lean in Around Retention

Overall donor retention for 2021 was 43.6%—so 56.4% of donors aren't likely to give again in 2022, and it can be 5x more cost effective to retain donors than to acquire new ones.



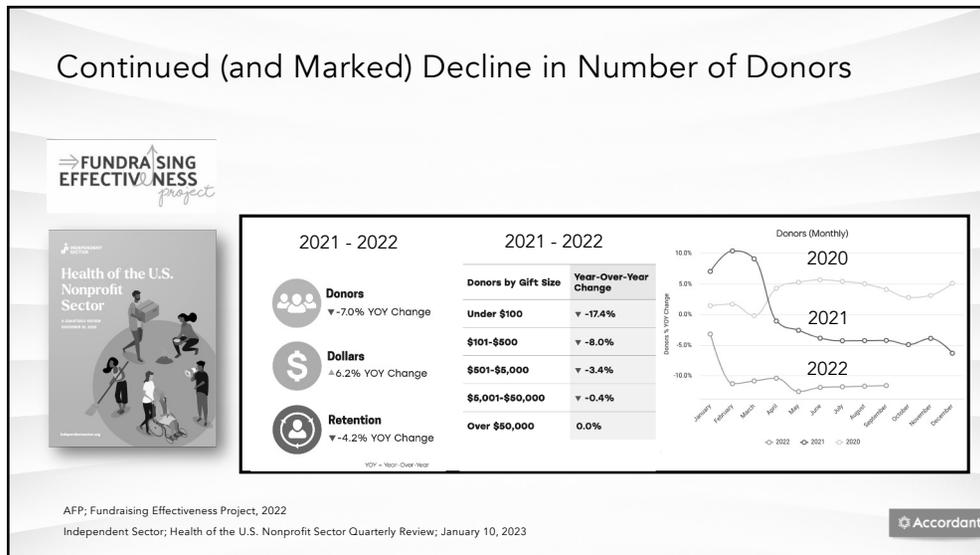
FUNDRAISING EFFECTIVENESS project

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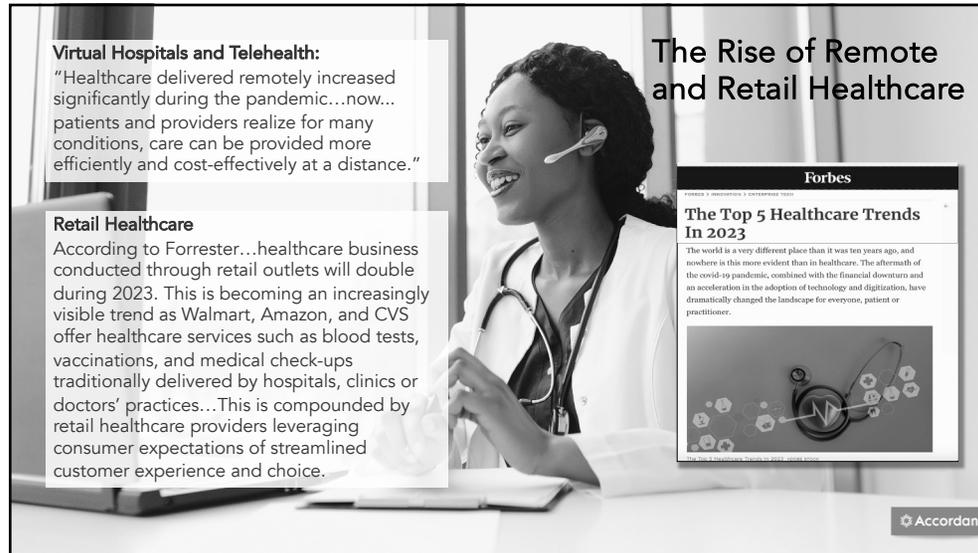
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**Virtual Hospitals and Telehealth:**  
 "Healthcare delivered remotely increased significantly during the pandemic...now... patients and providers realize for many conditions, care can be provided more efficiently and cost-effectively at a distance."

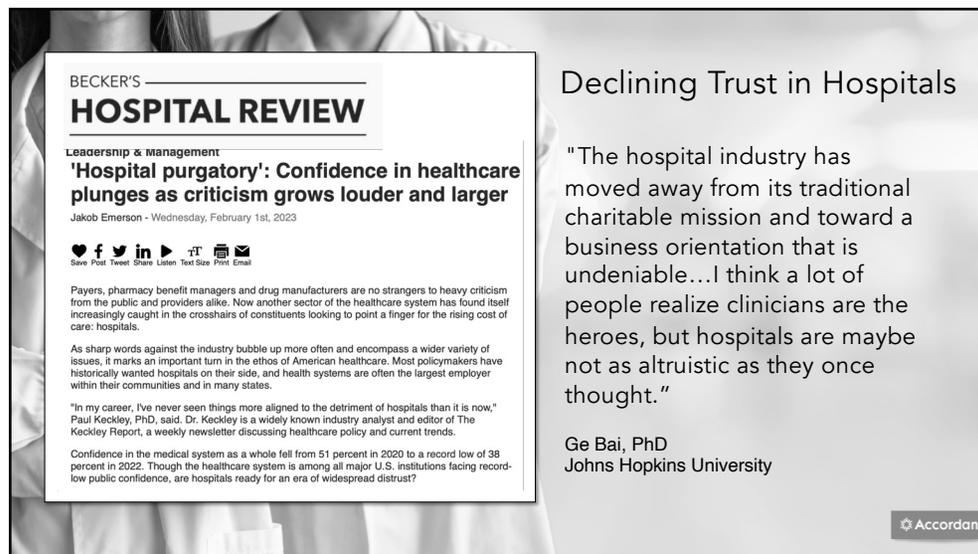
**Retail Healthcare**  
 According to Forrester...healthcare business conducted through retail outlets will double during 2023. This is becoming an increasingly visible trend as Walmart, Amazon, and CVS offer healthcare services such as blood tests, vaccinations, and medical check-ups traditionally delivered by hospitals, clinics or doctors' practices...This is compounded by retail healthcare providers leveraging consumer expectations of streamlined customer experience and choice.

## The Rise of Remote and Retail Healthcare

The world is a very different place than it was ten years ago, and nowhere is this more evident than in healthcare. The aftermath of the covid-19 pandemic, combined with the financial downturn and an acceleration in the adoption of technology and digitization, have dramatically changed the landscape for everyone, patient or practitioner.

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BECKER'S  
**HOSPITAL REVIEW**

Leadership & Management  
**"Hospital purgatory": Confidence in healthcare plunges as criticism grows louder and larger**  
 Jakob Emerson - Wednesday, February 1st, 2023

Save Post Tweet Share Listen Text Size Print Email

Payers, pharmacy benefit managers and drug manufacturers are no strangers to heavy criticism from the public and providers alike. Now another sector of the healthcare system has found itself increasingly caught in the crosshairs of constituents looking to point a finger for the rising cost of care: hospitals.

As sharp words against the industry bubble up more often and encompass a wider variety of issues, it marks an important turn in the ethos of American healthcare. Most policymakers have historically wanted hospitals on their side, and health systems are often the largest employer within their communities and in many states.

"In my career, I've never seen things more aligned to the detriment of hospitals than it is now," Paul Keckley, PhD, said. Dr. Keckley is a widely known industry analyst and editor of The Keckley Report, a weekly newsletter discussing healthcare policy and current trends.

Confidence in the medical system as a whole fell from 51 percent in 2020 to a record low of 38 percent in 2022. Though the healthcare system is among all major U.S. institutions facing record-low public confidence, are hospitals ready for an era of widespread distrust?

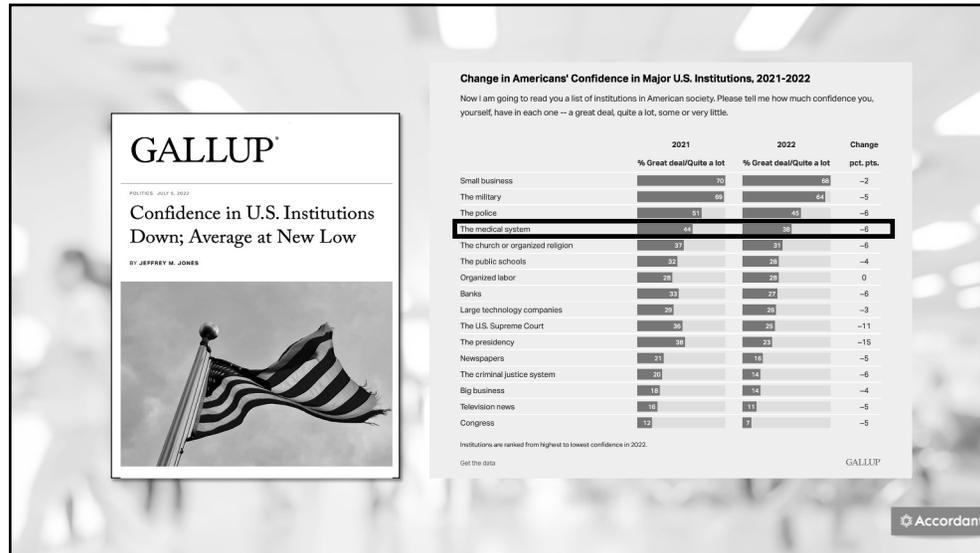
## Declining Trust in Hospitals

"The hospital industry has moved away from its traditional charitable mission and toward a business orientation that is undeniable...I think a lot of people realize clinicians are the heroes, but hospitals are maybe not as altruistic as they once thought."

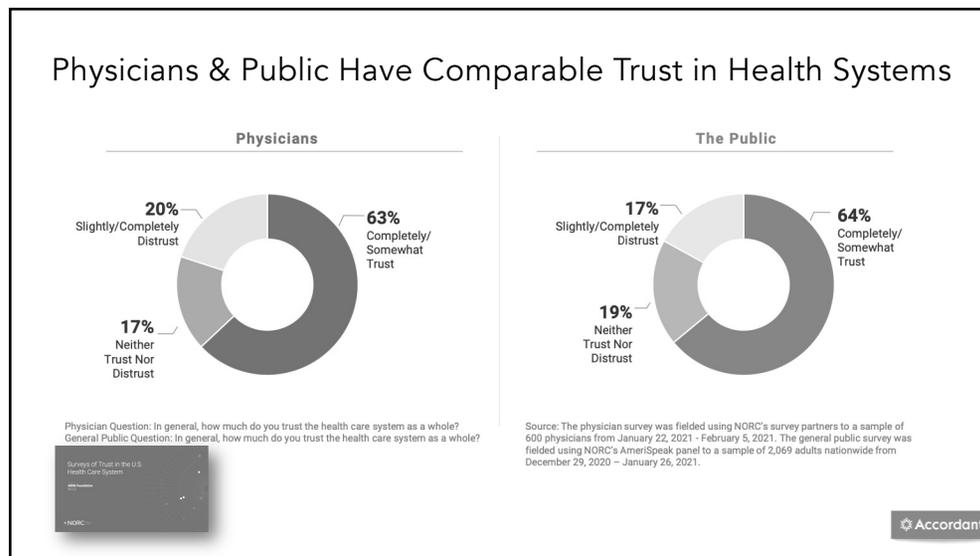
Ge Bai, PhD  
 Johns Hopkins University

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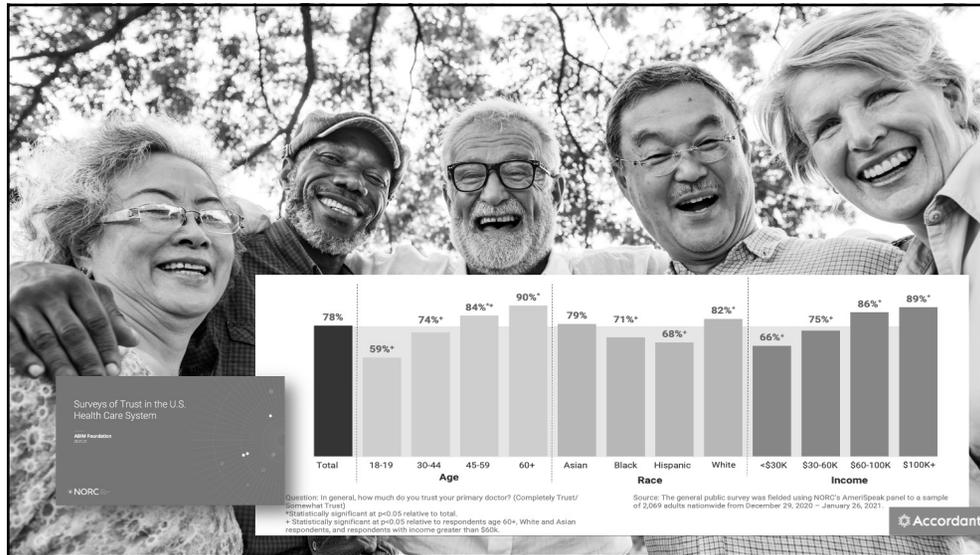
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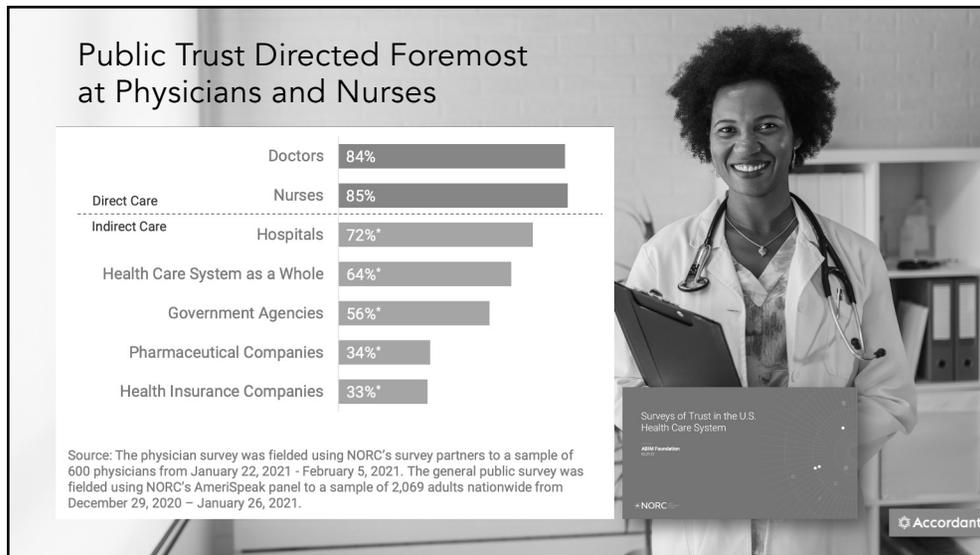
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### Clinicians Over Institutions



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### Want Trust Before Giving...But Not Feeling It



**79.6%** of \$5,000+ donors say trust is "essential."

**63.9%** of all donors say trust is "essential."

**20.4%** highly trust charities.

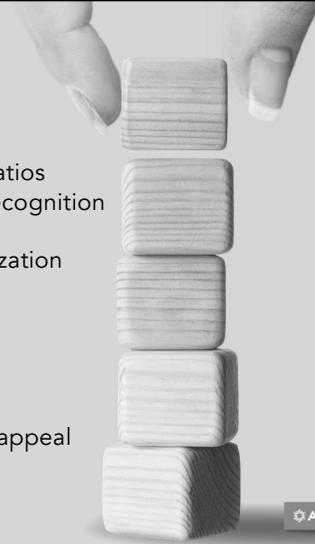
**21%** highly trust health organizations



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## Building Blocks of Donor Trust



- Charity finances / financial ratios
- Charity reputation / name recognition
- Impact / accomplishments
- Relationship with the organization
- Social influence
- Cause loyalty
- Honesty and transparency
- Research and credentials
- Third-party evaluation
- Passion and sincerity of the appeal

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## Trust-Based Giving Goes Mainstream

- Philanthropist MacKenzie Scott catalyzed tremendous awareness and buy-in for “trust-based philanthropy” with her unrestricted gifts to thousands of nonprofits now totaling more than \$14B.

“Trust-based giving is about...trusting of nonprofit executives to execute with excellence and transparency. Oversimplifying, it means major donors giving to charities with less strings attached.”

**Kiplinger**



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## An Opportunity to Make the Case for Fungible Funding



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**GIVEN**  
Attributes or conditions that we have no control over, given at birth

**CHOSEN**  
Characteristics we choose to describe our status, traits and skills

**CORE**  
Traits, behaviors and attitudes that make us unique

**Increasing Importance of Identity**

- Race / Ethnicity / Age / Gender
- Socio-Economic Status
- Values / Beliefs
- Experiences
- Interests
- Central to definition of self
- Make someone "who she is"
- Distinguish us from others

Standard Organization of Psychology, Personal Identity, <https://www.apa.org/education/identity>

Study.com, Factors Affecting Personal Identity, <https://www.study.com/academy/course/factors-affecting-personal-identity.html>

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**THE CHRONICLE OF PHILANTHROPY**  
**How to Unlock More Gifts: New Research Says Enhancing Psychological Well-Being Is Key**  
 By Alex Daniels | JANUARY 18, 2023

COURTESY OF THE INSTITUTE FOR SUSTAINABLE PHILANTHROPY  
 Jen Shang, co-director of the Institute for Sustainable Philanthropy, says fundraisers will bring in bigger contributions if they're aware of how giving can contribute to a donor's sense of self.

...and larger...  
 ...follow...  
 ...has become...  
 ...want about...  
 ...different ways...  
 ...they can...  
 ...at's sense...  
 ...are and...  
 ...inclusiveness...  
 ...science in...  
 ...lives...  
 ...giving."

Jen Shang

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### Ideology Becomes Identity

I buy or advocate for brands based on my beliefs and values.

**63%**

If a person strongly disagreed with my point of view, I'd help if they were in need.

**30%**

Edelman Trust Barometer 2022 Global Report

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### Psychographics Beat Demographics

- Deeper and more authentic connection is "in"
- More important to understand outlook and aspirations than characteristics
- Shared intentions and identity

A collection of approximately ten small dice scattered on a grey surface. Some dice are white with a black speech bubble icon, while others are black with a white speech bubble icon. The dice are arranged in a loose, circular pattern. In the bottom right corner of the image, there is a small logo for 'Accordant'.

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### ACHE: Top Issues Confronting Hospitals (Note: 2022 Report)

94% cite concerns about nursing

“This is the first time since 2004 financial challenges has moved from the most significant challenge to the second position. Both long- and short-term solutions are needed to address shortages in critical front-line staff...to ensure hospitals have workforces that can meet the demands for safe, high-quality care today and in the future.”

Deborah J. Bowen, FACHE, CAE  
President/ CEO, ACHE

Issue	2021	2019	2018
Personnel shortages (all types, including physicians)	1.6	4.6	5.2
Financial challenges	4.1	2.7	2.8
Patient safety and quality	5.0	5.3	5.1
Behavioral health/addiction issues	5.4	5.0	5.3
Governmental mandates	5.4	5.2	5.1
Access to care	5.7	5.9	6.2
Patient satisfaction	6.1	6.3	6.1
Physician-hospital relations	7.8	7.1	6.6
Technology	8.1	7.7	7.7
Population health management	8.4	8.1	8.1
Reorganization (e.g., mergers, acquisitions, restructuring, partnerships)	9.4	8.7	8.3

ACHE: Survey: Personnel Shortages Cited Above Financial Challenges by CEOs as Top Issue Confronting Hospitals in 2021  
CHICAGO, February 4, 2022



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“More nurses left the profession in 2021 than in any previous year, according to the U.S. Bureau of Labor Statistics, and physician burnout and aging out in many specialties are well documented.”

- Opportunities:
  - Develop proactive nursing workforce pipeline
  - Create agile, tech-enabled, AI-driven, automated, digital-led workplaces
  - Reduce onsite clinical resources by enabling some staff to work from home

Next in Health 2023  
Leading disruption through the downturn  
pwc  
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There will be a shortage of up to 3.2 million health care workers by 2026.

Strengthening the Health Care Workforce

**The Issue**

A skilled, qualified, engaged and diverse workforce is at the heart of tomorrow's health care system. However, the aging and health care workers are facing many challenges and their unique skills and experiences are in high demand. The U.S. Bureau of Labor Statistics projects that by 2026, there will be a shortage of up to 3.2 million health care workers.

The COVID-19 pandemic has taken a heavy toll on health care workers who have been on the front lines of the pandemic, with many leaving their careers, burning out, or retiring. The U.S. Bureau of Labor Statistics (BLS) estimates that the health care workforce will be 10% smaller by 2026, with a shortage of up to 3.2 million health care workers.

The BLS also projects that the health care workforce will be 10% smaller by 2026, with a shortage of up to 3.2 million health care workers. This is due to a combination of factors, including the aging workforce, the impact of the COVID-19 pandemic, and the need for more health care workers in many specialties.

**At Risk**

The AHA, U.S. Congress and the State Administration to provide funding that supports the health care workforce needs of the nation in the wake of the COVID-19 pandemic and the future. The U.S. Congress to pass the legislative priorities referenced below in any legislation enacted this year.

**What?**

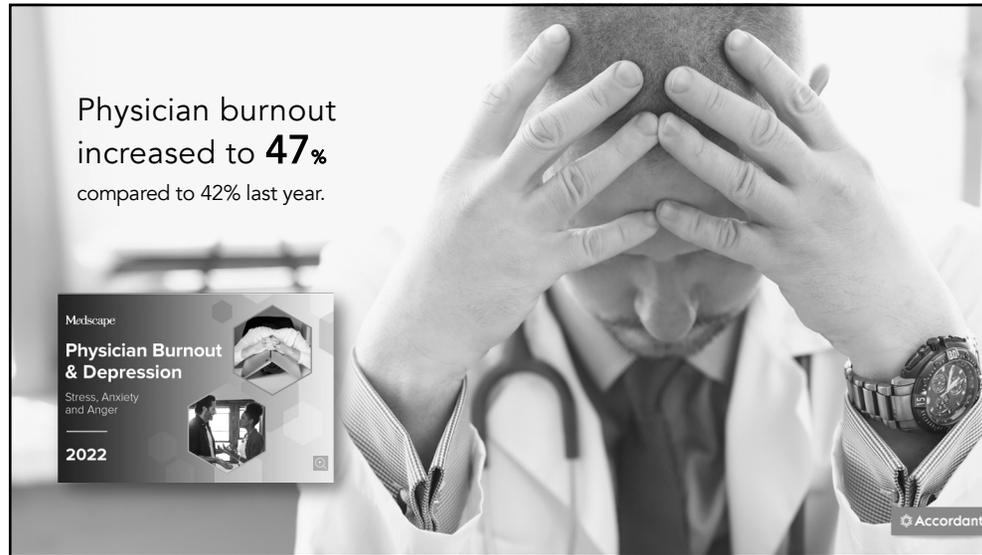
The health care workforce supports essential jobs, serves American communities and drives America's economic activity. Today, health and health care systems are engaged more than 20 million health care workers in a variety of settings, including hospitals, ambulatory care centers, long-term care facilities, and other health care settings. The health care workforce is the backbone of the U.S. economy and the U.S. health care system.

**Physician shortages are growing, exacerbated by gaps in the number of Medicare-funded residency spots.** The Association of American Medical Colleges (AAMC) reports that the number of residency spots for physicians is declining, and the number of physicians is aging. This is due to a combination of factors, including the aging workforce, the impact of the COVID-19 pandemic, and the need for more health care workers in many specialties.

Page 1 of 2 | www.aha.org | November 2021

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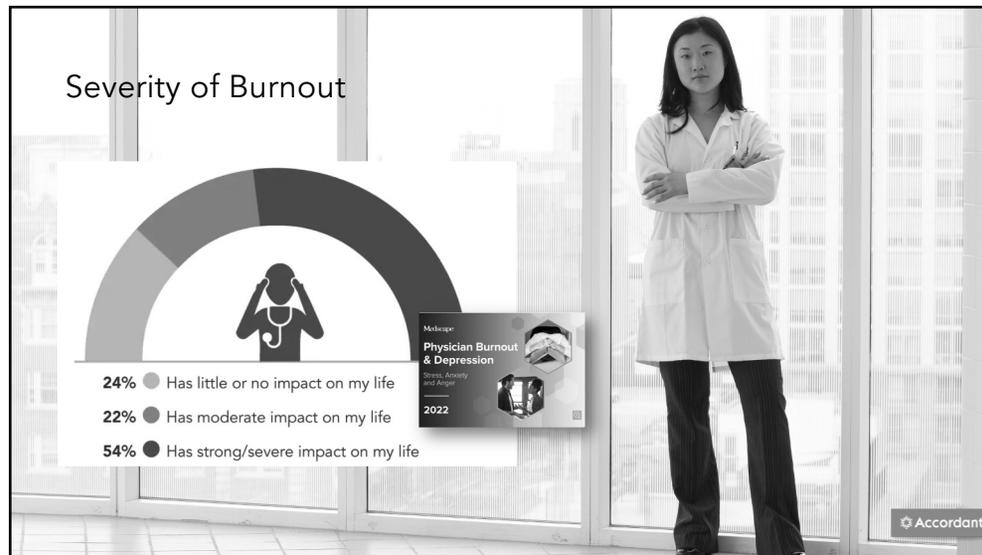


Physician burnout increased to **47%** compared to 42% last year.

Medscape  
**Physician Burnout & Depression**  
Stress, Anxiety and Anger  
2022

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Severity of Burnout



24% ● Has little or no impact on my life  
22% ● Has moderate impact on my life  
54% ● Has strong/severe impact on my life

Medscape  
**Physician Burnout & Depression**  
Stress, Anxiety and Anger  
2022

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**Strengthening the Health Care Workforce**  
STRATEGIES FOR NOW, NEAR AND FAR

Now	Near	Far
<b>Culture of healing</b> <ul style="list-style-type: none"> <li>Well-being</li> <li>Safety/violence prevention</li> <li>Retention and sustainability</li> <li>Recruitment</li> </ul> <b>Creative staffing</b> <b>Technology solutions</b> <b>Data needs</b> <ul style="list-style-type: none"> <li>Current staffing needs</li> <li>Voice of the workforce</li> </ul>	<b>Care model design updates</b> <ul style="list-style-type: none"> <li>Micro (i.e. inpatient staffing complements)</li> <li>Macro (i.e. integration of physical and behavioral health)</li> </ul> <b>Technology integration</b> <b>Leadership training/development</b>	<b>Educational pathway structure</b> <b>Health care career interest</b> <b>Educational models/curriculum</b> <b>Workforce analytics</b> <b>Workforce strategic planning</b>

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Grateful engagement addresses workforce well-being, engagement and purpose

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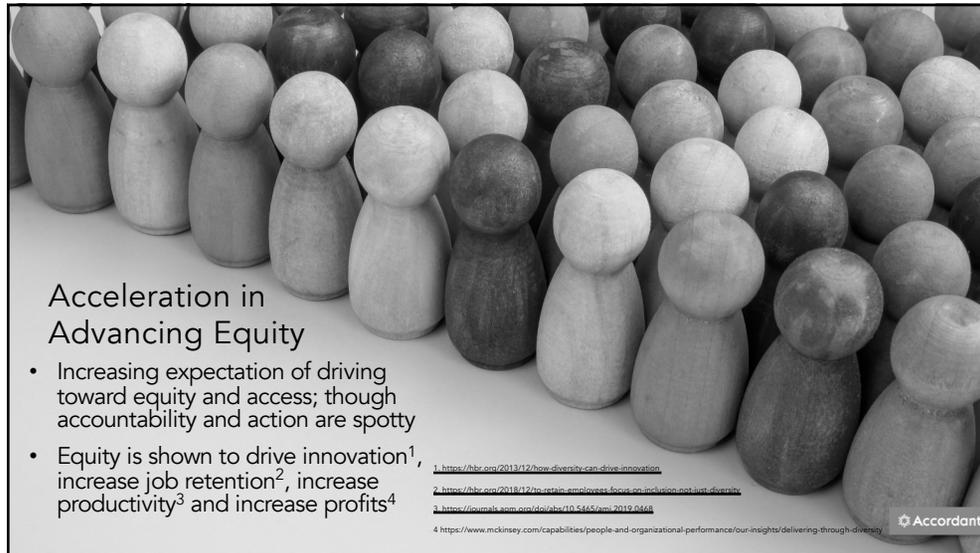
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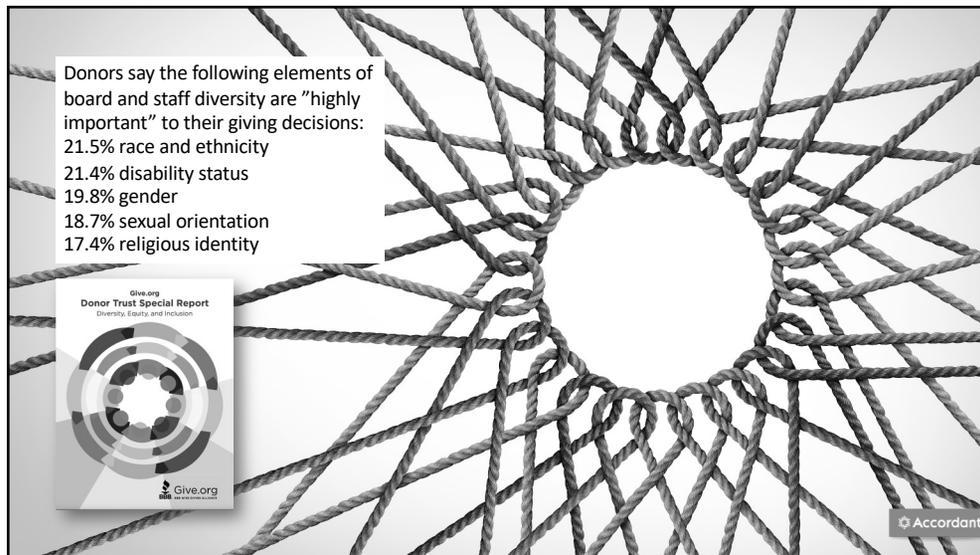
### Acceleration in Advancing Equity

- Increasing expectation of driving toward equity and access; though accountability and action are spotty
- Equity is shown to drive innovation<sup>1</sup>, increase job retention<sup>2</sup>, increase productivity<sup>3</sup> and increase profits<sup>4</sup>

1. <https://hbr.org/2013/12/how-diversity-can-drive-innovation>  
2. <https://hbr.org/2018/12/top-retain-employees-focus-on-inclusion-not-just-diversity>  
3. <https://journals.sagepub.com/doi/abs/10.5465/ams.2019.0466>  
4. <https://www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/delivering-through-diversity>

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Donors say the following elements of board and staff diversity are "highly important" to their giving decisions:

- 21.5% race and ethnicity
- 21.4% disability status
- 19.8% gender
- 18.7% sexual orientation
- 17.4% religious identity



Give.org  
Donor Trust Special Report  
Diversity, Equity, and Inclusion

Give.org

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### ESG Continues to Get Hotter

- Organizations demonstrating corporate responsibility through environmental, social and corporate governance (ESG) initiatives
- ESG will increase focus on sustainability and accountability of charitable investments
- Hook is primarily around social commitments



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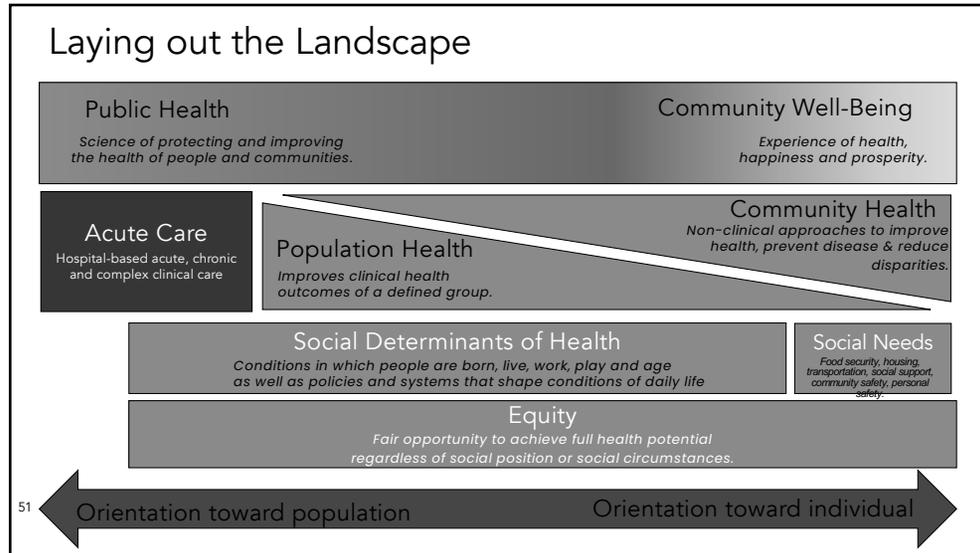
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Financial Challenges Test  
Commitment to Community

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PwC research shows we're in the middle of a five-year, \$1 trillion revenue shift away from traditional healthcare payers and providers. By 2030, we expect the sector to move into a new health ecosystem. We believe the greatest potential lies in embracing new roles as orchestrators, integrators, and platform and solutions players in the health ecosystem.

**Next in Health 2023**  
*Leading disruption through the downturn*  
pwc

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Betsy Chapin Taylor, FAHP  
Chief Executive Officer

✉ Besty@AccordantHealth.com  
in @betsychapintaylor  
☎ 855-877-4332

AccordantHealth.com

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Digital Transformation

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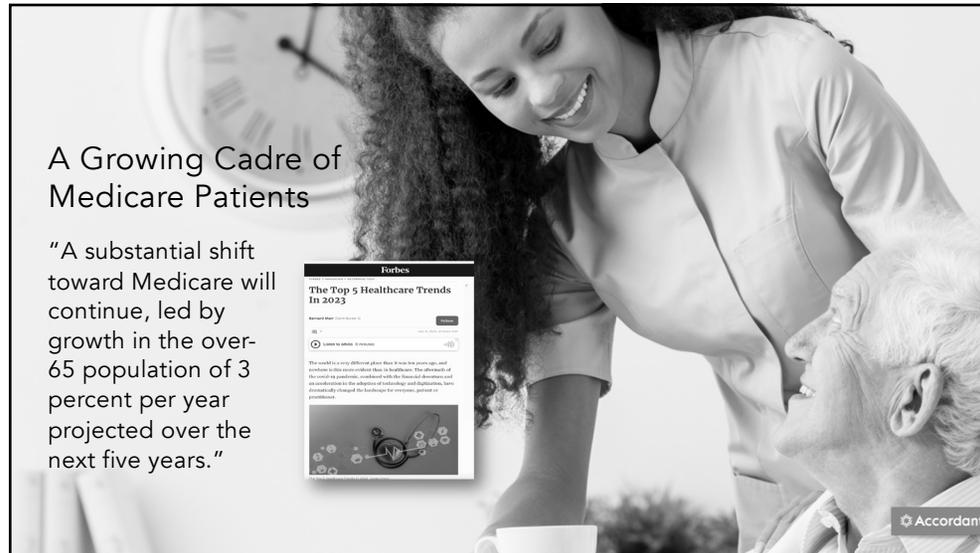
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Slides I  
am not  
using

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## A Growing Cadre of Medicare Patients

“A substantial shift toward Medicare will continue, led by growth in the over-65 population of 3 percent per year projected over the next five years.”



**Forbes**  
The Top 5 Healthcare Trends In 2023

The world is a very different place than it once was, and healthcare has never been the same. The demand for care is growing, and the industry is being challenged by the arrival of the next generation of technology and digitalization, but it's also being shaped by the knowledge for improved patient experiences.

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## ACHE: Top Issues Confronting Hospitals (Note: 2022 Report)

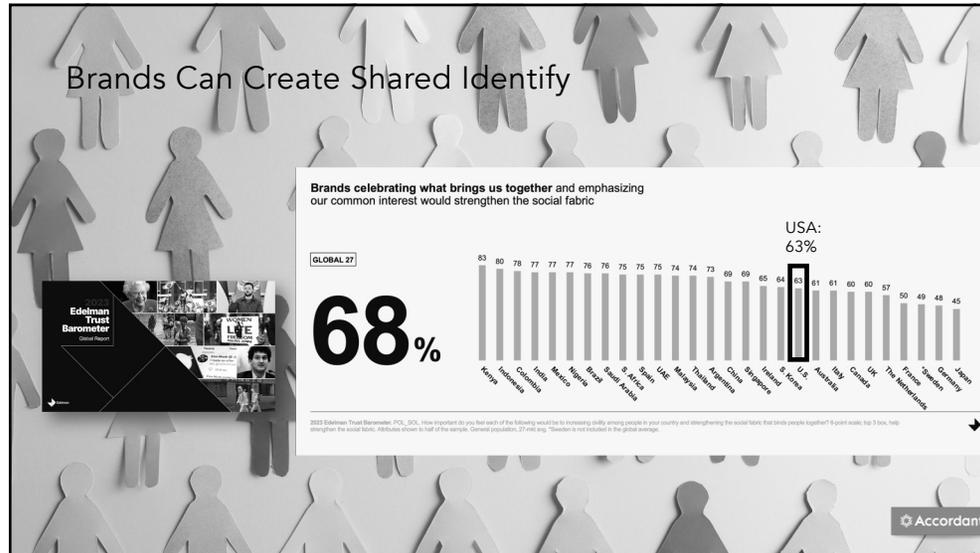
Opportunities to fund programs & capital

Financial Challenges (n=310)	
Increasing costs for staff, supplies, etc.	87%
Reducing operating costs	53%
Medicaid reimbursement (including adequacy and timeliness of payment, etc.)	52%
Managed care and other commercial insurance payments	44%
Bad debt (including uncollectable Emergency Department and other charges)	39%
Competition from other providers (of any type—inpatient, outpatient, ambulatory care, diagnostic, retail, etc.)	39%
Government funding cuts (other than reduced reimbursement for Medicaid or Medicare)	39%
Medicare reimbursement (including adequacy and timeliness of payment, etc.)	39%
Transition from volume to value	39%
Inadequate funding for capital improvements	35%
Revenue cycle management (converting charges to cash)	32%
Pricing and price transparency	27%
Emergency Department overuse	26%
Moving away from fee-for-service	25%
Other	N = 11

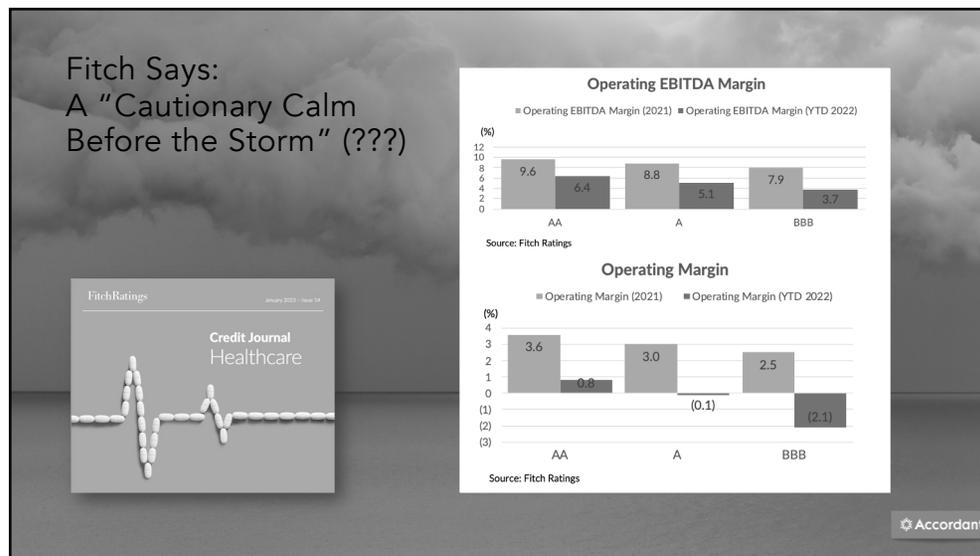
ACHE: Survey: Personnel Shortages Cited Above Financial Challenges by CEOs as Top Issue Confronting Hospitals in 2021  
CHICAGO, February 4, 2022

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## Overcoming Quiet Quitting & The Great Reshuffle

- 11 million job vacancies and 5.9 million unemployed people
- Increased focus on professional development and team building
- Increased flexibility and hybrid work



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## Hybrid Work is Sticking Around



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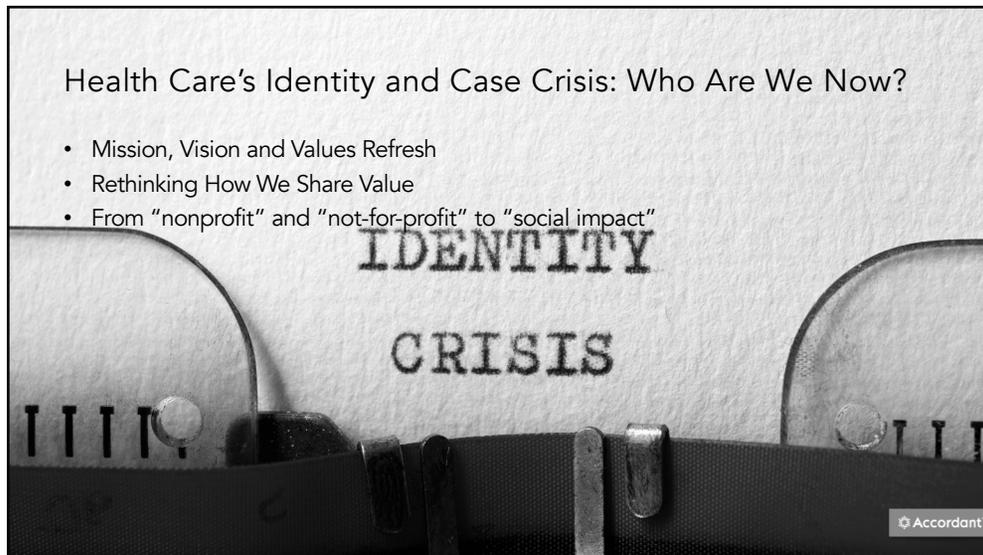


## Increased Application of Medical Innovation

- Genome sequencing becomes commercially viable
- Sequencing a human genome is cheaper today than it has ever been (~170,000x cheaper today than two decades ago).<sup>1</sup> More affordable genetic insights will increase drug development efforts.
- <https://www.blackrock.com/us/financial-professionals/insights/megatrends-themes>

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## Health Care's Identity and Case Crisis: Who Are We Now?

- Mission, Vision and Values Refresh
- Rethinking How We Share Value
- From "nonprofit" and "not-for-profit" to "social impact"

IDENTITY  
CRISIS

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A majority of the physicians (98%) say their patients' trust them, to a lesser extent (83%) the general public says their doctors trust what they say

- There are mutual sentiments of honesty between physicians (90%) and the general public (90%)
- Similarly, both groups felt they respected one another (physicians-96%, the public-90%)

Category	Physicians	The Public
Patients trust you	98%*	-
Patients treat you with respect	96%	90%
Patients are honest with you	90%	90%
Doctor treats you with respect	-	90%
Doctor is honest with you	-	90%
Doctor trusts what you say	-	83%

Source: The physician survey was fielded using NORC's survey partners to a sample of 600 physicians from January 22, 2021 - February 5, 2021. The general public survey was fielded using NORC's AmeriSpeak panel to a sample of 2,069 adults nationwide from December 29, 2020 - January 26, 2021.

Physician Question: To what extent would you say most of your patients...? (To a great extent/ To a moderate extent)  
 General Public Question: To what extent would you say your doctor...? (Extremely/Moderately)

\* Statistically significant at p<0.05 relative to total.

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*Nurse Managers,*  
**We see you.**  
**We hear you.**  
*We Thank You.*

*Beyond Gratitude*  
We are going *Beyond Gratitude* to support the emotional health & well-being of nurse managers, starting with recognition for the complex roles they play.  
Visit [NurseManager.org](https://NurseManager.org) to learn more.

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