

A PROFILE
OF NEW
HEALTH
FOUNDATIONS

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Preface

Since 1996, Grantmakers In Health (GIH) has tracked and reported on the emergence and activities of health foundations formed from transactions involving hospitals, health plans, or health systems. This report reflects the latest in GIH's series of surveys. It provides an updated profile of those new health foundations which typically originated through the transfer of assets from a nonprofit health organization to another type of health organization through sales, mergers, joint ventures, or corporate restructuring activities. Often referred to as conversions, many of these transactions result in the establishment of a new foundation or the revitalization of an existing foundation; either endpoint is designed to maintain the level of public benefit presumed to have been provided by the nonprofit organization before the conversion took place. This trend is supported by the *cy pres* doctrine, which supports an application of the assets to a mission as close as possible to that of the original nonprofit organization.

This report, *A Profile of New Health Foundations*, represents a team effort at GIH. Jennifer Fountain, project director of the Support Center for Health Foundations, took the lead on this project; Malcolm Williams, Saba Brelvi, and Leslie Whitlinger all provided helpful comments and guidance. Cheryl Gardner provided valuable administrative support, and Anne Schwartz and Lauren LeRoy were involved in every phase of the project. We extend our thanks to the many staff and trustees of the new health foundations who provided insights and information. Without them, this report would not have been possible.

GIH

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Introduction

The emergence of new health foundations has sparked interest throughout health philanthropy, as well as among policymakers, consumer advocates, community-based organizations, and others in the health sector. Who are these new entrants? What resources do they wield? What mark will they make on the health of the communities in which they are located?

As part of its broader interest in tracking the field of health philanthropy, Grantmakers In Health (GIH) has been monitoring the development of new health foundations and reporting on their activities over the past several years. Its first survey of this group of health grantmakers, *Health Care Conversion Foundations: 1997 Status Report*, highlighted 81 new health foundations whose combined assets accounted for more than \$9 billion. Subsequent surveys in 1998 and 1999 extended knowledge on the latest entrants to the field, by exploring issues such as funding focus, board governance, community involvement, and tax-exempt status.

In addition to updating data on the formation and activities of foundations surveyed over the last five years, this report includes data on additional foundations, either newly formed or that were not in a position to respond to earlier surveys. It provides the most complete snapshot yet of the characteristics and priorities of this group of health foundations.

Survey Methods

For this report, GIH surveyed 138 foundations regarding their formation, organizational characteristics, and grantmaking activities.¹ Included in this group are 120 foundations previously profiled by GIH, plus nine newly formed foundations. Of those profiled, 112 had responded to our 1999 survey and were asked only to provide updated information on assets, tax status, and grantmaking areas. Newly established foundations and those that had not completed the earlier survey were asked to respond to a more extensive set of questions concerning the conversion process, community involvement in mission development, focus of grantmaking programs, staff and board composition, and finances. Data are reported, however, for only a subset of these questions: assets, date of formation, type of entity converted, tax-exempt status, location, and grantmaking areas.

Responses were collected via mail, fax, and telephone from 125 of the 138 foundations identified. Data from four foundations that did not respond to the 2000 survey reflect information published last year. Nine additional foundations did not respond, some because they are too new to the field to comprehensively answer the survey questions. The information presented in this report reflects data from a total of 129 foundations.

¹These were identified from several sources including regional associations of grantmakers, the Council on Foundations, the Foundation Center, consumer advocacy organizations, newspapers, the trade press, and conversations with GIH Funding Partners.

Results

Current Assets. The total current assets of surveyed foundations exceeds \$16.3 billion, up from \$15 billion in 1999.² The assets range from \$2 million to \$3.4 billion with median assets of \$69.3 million.

Date of Formation. Most new health foundations were established in the mid-1980s or mid- to late-1990s. Over the last six years, the ranks have swelled most rapidly: of foundations responding, 73.6 percent were formed between 1994 and 2000. In 1996 alone, at least 24 new foundations were created.

Type of Entity Converted. Most new health foundations have developed as the result of a sale of a nonprofit hospital, health system, or health plan. Conversions of hospitals account for 73 percent of the foundations; conversions from health plans and health systems comprise another 24 percent. A select few were formed as a result of the transfer of assets from other types of health organizations including rehabilitation centers, nursing homes, and blood banks.

Tax-Exempt Status. Among the 129 foundations in the 2000 survey, the most common tax status represented was public charity (45.7 percent), followed by private foundation (41.9 percent).³ The report identified six new health foundations that are classified as social welfare organizations.

Location. New health foundations operate in 32 states and the District of Columbia. Fifty-seven percent of these foundations, however, are located in just eight states: California, Florida, Illinois, Missouri, Ohio, Pennsylvania, South Carolina, and Virginia. The two states with the greatest number of these foundations are California and Ohio, each with 17.

Grantmaking Areas. Most new health foundations dedicate some or all of their grantmaking to health, human services, or other health-related areas. These foundations fund a wide variety of health activities in their communities with many focusing on disease prevention, health promotion, and health education; access to care; and delivery of services.

Since the 1999 survey, there have been some noteworthy changes. One foundation included in previous surveys no longer exists as an active grantmaking institution (Arlington Health Foundation); another foundation formerly serving separate geographic regions has since reorganized to form three freestanding foundations (Sisters of Charity Foundations of Canton, Cleveland, and South Carolina); and two other foundations previously operating as individual foundations have merged into one organization (Welborn Baptist Foundation and Welborn Foundation).

²Most foundations reported assets from their most recent financial audit; for those that did not respond with updated data, assets are reported from the last GIH survey. These exceptions are noted.

³The report includes an endowment formed from the conversion of a municipal hospital to nonprofit status. This endowment is not a foundation because it is a separate fund administered by the city. It does, however, have a board, a grantmaking agenda, a mission and program focus, and otherwise behaves similarly to the private foundations and public charities responding to the survey.

A Profile of New Health Foundations

NAME, LOCATION, AND WEB ADDRESS	YEAR OF CONVERSION	2000 ASSETS	IRS TAX-EXEMPT STATUS	TYPE OF ENTITY CONVERTED	GRANTMAKING AREAS
Alleghany Foundation <i>Covington, VA</i>	1995	\$51,601,941	Private Foundation	Hospital	Quality of life, nurses, school and dental services, education
Alliance Healthcare Foundation <i>San Diego, CA</i> www.alliancehf.org	1994	\$126,423,623	Private Foundation	Health Plan	Care for medically underserved, substance abuse, communicable diseases, violence, mental health, environmental and community health, public education
Andalusia Health Services, Inc. <i>Andalusia, AL</i>	1981	\$2,315,653	Private Foundation	Hospital	Medical scholarships
The Anthem Foundation of Ohio <i>Cincinnati, OH</i> www.greatercincinnati.fdn.org	1995	\$29,400,000	Public Charity§	Health Plan	Preventive oral health care and family violence prevention programs for indigent populations
Archstone Foundation <i>Long Beach, CA</i> www.archstone.org	1985	\$143,001,109	Private Foundation	Health Plan	Aging, end-of-life care, caregivers for elderly
The Assisi Foundation of Memphis, Inc. <i>Memphis, TN</i>	1994	\$201,000,000	Private Foundation	Hospital	Health, education, literacy, religion, community enhancement, other related activities
Austin-Bailey Health & Wellness Foundation <i>Canton, OH</i> fdncenter.org/grantmaker/ austinbailey	1996	\$11,000,000	Private Foundation	Hospital	Programs that promote the physical and mental well-being of the uninsured, underinsured, poor, and aging
Baptist Community Ministries <i>New Orleans, LA</i> www.bcm.org	1995	\$265,000,000	Private Foundation	Health System	Health, education, public safety, governmental oversight, church nursing, chaplaincy training
Barberton Community Foundation <i>Barberton, OH</i> www.bcfcharity.org	1996	\$101,054,651	Public Charity§	Hospital	Health, education, human services, economic and community development
Bedford Community Health Foundation, Inc. <i>Bedford, VA</i> www.bchf.org	1984	\$4,614,994	Public Charity*	Hospital	Medical and health-related services, nursing education, preventive medicine, wellness, public health
Bernardine Franciscan Sisters Foundation, Inc. <i>Newport News, VA</i> www.bfranfound.org	1996	\$15,884,452	Public Charity§	Hospital	General health improvements, care for the sick and injured, educational activities related to health care
Berwick Health & Wellness Foundation <i>Berwick, PA</i>	1999	\$27,000,000	Public Charity*	Hospital	Mental health, dental health, physical fitness
Birmingham Foundation <i>Pittsburgh, PA</i> www.birminghamfoundation.org	1996	\$21,703,800	Private Foundation	Hospital	Health-related and human service needs of children and teens, elderly and working poor, health access and awareness, community supports and capacity building

NAME, LOCATION, AND WEB ADDRESS	YEAR OF CONVERSION	2000 ASSETS	IRS TAX-EXEMPT STATUS	TYPE OF ENTITY CONVERTED	GRANTMAKING AREAS
Mary Black Foundation, Inc. <i>Spartanburg, SC</i> www.maryblackfoundation.org	1996	\$90,611,000	Public Charity*	Hospital	Community health and wellness including prevention, children, housing, literacy, healthy families, adolescent pregnancy, nutrition, cardiovascular disease
The Blowitz-Ridgeway Foundation <i>Northfield, IL</i> fdncenter.org/grantmaker/blowitz	1984	\$26,692,592	Private Foundation	Hospital	Health care, social services, medical research, early childhood development, education
Brentwood Foundation <i>Medina, OH</i>	1994	\$28,542,701	Private Foundation	Hospital	Medical education, research, patient care, public education in the area of osteopathic medicine
Drs. Bruce and Lee Foundation <i>Florence, SC</i>	1995	\$141,890,000	Private Foundation	Hospital	Health, human services, youth, education, cultural, historical, environmental preservation
Byerly Foundation <i>Hartsville, SC</i>	1995	\$30,065,081	Private Foundation	Hospital	Education, human services, economic and community development
The California Endowment <i>Woodland Hills, CA</i> www.calendow.org	1994	\$3,400,000,000	Private Foundation	Health Plan	Multicultural health, access to health care, health and well-being
California HealthCare Foundation <i>Oakland, CA</i> www.chcf.org	1996	\$779,000,000	Social Welfare Organization	Health Plan	Access to health care, California's uninsured, health policy, quality of care, e-health, health care delivery systems
The California Wellness Foundation <i>Woodland Hills, CA</i> www.tcdf.org	1992	\$1,075,000,000	Private Foundation	Health Plan	Diversity in the health professions, women's health, environmental health, mental health, work and health, healthy aging, teen pregnancy prevention, violence prevention
Cape Fear Memorial Foundation <i>Wilmington, NC</i>	1996	\$65,000,000	Private Foundation	Hospital	Health sciences
Caring for Colorado Foundation <i>Denver, CO</i>	1998	\$158,000,000	Social Welfare Organization	Health Plan	Health care
Christy-Houston Foundation <i>Murfreesboro, TN</i>	1986	\$93,915,877	Private Foundation	Hospital	Health care, education, charitable activities, nursing homes, nursing education
Colorado Springs Osteopathic Foundation <i>Colorado Springs, CO</i> www.csof.org	1984	\$16,000,000	Public Charity*	Hospital	Family planning, residency training programs, clinic for underserved populations, public education on osteopathic medicine and good health
The Colorado Trust <i>Denver, CO</i> www.coloradotruf.org	1985	\$399,233,986	Private Foundation	Hospital	Accessible and affordable health care programs, strengthening of families
Columbus Medical Association Foundation <i>Columbus, OH</i> www.cmaf-ohio.org	1992	\$79,330,893	Public Charity§	Health Plan	Access to health care, health promotion, health education
Community Care Foundation, Inc. <i>Springdale, AR</i> www.ccfound.org	1998	\$160,000,000	Public Charity§	Health System	Health, human services, education in Northwest Arkansas only

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Community Health Corporation <i>Riverside, CA</i> www.rchf.org	1997	\$47,624,865	Public Charity*	Hospital	Children and families, inpatient and outpatient health care, health education
Community Health Endowment of Lincoln <i>Lincoln, NE</i> www.chelincn.org	1997	\$43,262,272	Other ^a	Hospital	Health
Community Health Foundation <i>Massillon, OH</i> www.chfoundation.org	1999	\$8,500,000	Private Foundation	Hospital and Health System	Health and wellness in all areas including emotional, physical, mental
Community Memorial Foundation <i>Hinsdale, IL</i> www.cmfdn.org	1995	\$95,000,000	Private Foundation	Hospital	Youth, older adults, strengthening family, creating community cohesiveness, access to health care
Moses Cone-Wesley Long Community Health Foundation <i>Greensboro, NC</i> www.mosescone.com	1997	\$120,248,785	Public Charity§	Hospital	Wellness, health care access for underinsured populations, community capacity building
The Connecticut Health Foundation, Inc. <i>Farmington, CT</i>	1999	\$130,000,000 ^b	Social Welfare Organization	Health Plan	Oral health, children's mental health, reducing racial and ethnic health disparities
Consumer Health Foundation <i>Washington, DC</i> www.consumerhealthfdn.org	1994	\$33,700,000	Private Foundation	Health Plan	Public health, improving access to care, consumer education and empowerment
Dakota Medical Foundation <i>Fargo, ND</i> www.dakmedfdn.org	1994	\$114,000,000	Public Charity†	Hospital	Community health, clinical research, community and patient education, medical education
Daughters of Charity Healthcare Foundation of St. Louis <i>St. Louis, MO</i> www.daughtersofcharityfdn.org	1995	\$28,400,000	Public Charity§	Hospital	Primary and preventive medical services, health and wellness education, social services
Daughters of Charity West Central Region Foundation <i>St. Louis, MO</i> www.daughtersofcharityfdn.org	1996	\$251,400,000	Public Charity§	Hospital	Health and wellness education, primary and preventive medical services, social services
Deaconess Community Foundation <i>Cleveland, OH</i>	1994	\$50,000,000	Public Charity§	Hospital	Aging, mental health, child immunization, housing, education, charitable health and welfare, community social services
Deaconess Foundation <i>St. Louis, MO</i> www.deaconess.org	1997	\$76,500,000	Public Charity§	Health System	Public health, children at risk, faith and health
Desert HealthCare Foundation <i>Palm Springs, CA</i> www.dhfonline.org	1997	\$6,400,000	Public Charity*	Hospital	Dedicated to enhancing community health and wellness by providing innovative programs and services to residents and visitors in Palm Springs
FISA Foundation <i>Pittsburgh, PA</i>	1996	\$45,464,710	Public Charity†	Rehabilitation Center	Health and human service needs of women and girls, quality of life issues of adults and children with disabilities

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Foundation for Seacoast Health <i>Portsmouth, NH</i> www.fsh.org	1985	\$75,256,442	Private Foundation	Hospital	Health promotion and disease prevention for children and youth, women, the underinsured and indigent
Franklin Benevolent Corporation <i>San Francisco, CA</i> www.frankben.org	1998	\$38,387,000	Public Charity*	Hospital	Health education and research
Georgia Osteopathic Institute <i>Tucker, GA</i> www.goi.org	1986	\$6,000,000	Public Charity*	Hospital	Statewide training program for third- and fourth-year medical students working in underserved areas
Good Samaritan Foundation, Inc. <i>Lexington, KY</i> www.gsfsky.org	1995	\$24,142,360	Public Charity*	Hospital	Access for low-income and underinsured populations, health education in underserved areas, training of health care professionals
Greater St. Louis Health Foundation <i>St. Louis, MO</i>	1985	\$5,400,000	Private Foundation	Health Plan	Health care providers, health promotion and illness prevention, seed money for new projects
Grotta Foundation <i>South Orange, NJ</i>	1993	\$11,500,000	Private Foundation	Nursing Home	Aging, mental and physical health of elderly, family caregivers of the elderly
Gulf Coast Medical Foundation <i>Wharton, TX</i>	1983	\$18,500,000	Private Foundation	Hospital	Local emergency medical services and primary care
The Health Foundation of Central Massachusetts, Inc. <i>Worcester, MA</i> www.hfcm.org	1995	\$58,628,000	Social Welfare Organization	Health Plan	Disparities in health status and access to care with particular attention given to caregivers, the working poor, underserved children, youth, and elders
The Health Foundation of Greater Cincinnati <i>Cincinnati, OH</i> www.healthfoundation.org	1996	\$260,000,000	Social Welfare Organization	Health Plan	Primary care to the poor, school-based child health, substance abuse, severe mental illness
The Health Foundation of Greater Indianapolis, Inc. <i>Indianapolis, IN</i>	1989	\$46,985,000	Private Foundation	Health Plan	Adolescent programs, HIV/AIDS, general community health
Health Foundation of South Florida <i>Miami, FL</i> www.hfsf.org	1993	\$72,700,000	Public Charity*	Hospital	Indigent care, research, social services, nursing scholarships, homeless health care, school-based health clinics
Health Future Foundation <i>Omaha, NE</i>	1984	\$70,000,000 ^c	Public Charity*	Hospital	Indigent care, research, health-related projects at Creighton University
The Health Trust <i>San Jose, CA</i> www.healthtrust.org	1996	\$142,560,000	Public Charity†	Health System	Children, frail elderly, vulnerable adults, medically indigent, health services research and education
The Healthcare Foundation of New Jersey <i>Roseland, NJ</i> www.hfnj.org	1996	\$183,000,000	Private Foundation	Hospital	Health care for the vulnerable in Newark and in the Jewish community, promoting humanism in medicine
The HealthCare Foundation for Orange County <i>Santa Ana, CA</i> www.hfoc.org	1996	\$21,037,665	Private Foundation	Hospital	Health education, prevention, and access to health care for low-income families in central Orange County

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Healthcare Georgia, Inc. <i>Atlanta, GA</i>	1999	\$80,000,000 ^d	Private Foundation	Health Plan	Guidelines not available
HealthONE Alliance <i>Denver, CO</i> www.health1.org	1995	\$178,482,000	Public Charity*	Health System	Community health and professional education
Hill Crest Foundation, Inc. <i>Bessemer, AL</i>	1984	\$28,000,000 ^c	Private Foundation	Hospital	Mental health, arts, education
Hilton Head Island Foundation, Inc. <i>Hilton Head Island, SC</i> www.hhif.org	1994	\$37,363,074	Public Charity*	Hospital	Arts and culture, community development, education, environment, health, human services
The Horizon Foundation <i>Columbia, MD</i> www.thehorizonfoundation.org	1998	\$74,000,000	Public Charity*	Hospital	Promoting and enhancing the health and wellness of the Howard County community
Incarnate Word Foundation <i>St. Louis, MO</i> www.incarnatewordfund.com	1997	\$33,869,699	Public Charity§	Hospital	Community health and wellness including social, spiritual, mental
Irvine Health Foundation <i>Irvine, CA</i> www.ihf.org	1985	\$32,900,000	Private Foundation	Hospital	Health services, research, education, prevention for Orange County only
The Jackson Foundation, Inc. <i>Dickson, TN</i> www.jacksonfoundation.org	1995	\$80,000,000 ^c	Private Foundation	Hospital	Education, arts, technology training
Jenkins Foundation <i>Richmond, VA</i> www.tcfichmond.org	1995	\$44,500,000	Public Charity§	Hospital	Increased access to primary care and early intervention for the medically underserved, violence prevention, substance abuse prevention, teen pregnancy prevention
The Jewish Foundation of Cincinnati <i>Cincinnati, OH</i>	1996	\$97,691,343	Private Foundation	Hospital	Capital improvement and health projects that enhance the functioning of the Jewish community
Jewish Healthcare Foundation <i>Pittsburgh, PA</i> www.jhf.org	1990	\$140,000,000	Public Charity*	Hospital	Advancing health: information technology and biomedical research; financing health: ensuring quality; integrating health: physical, behavioral, environmental, public health
Kansas Health Foundation <i>Wichita, KS</i> www.khf.org	1985	\$488,300,000	Private Foundation	Hospital	Public health, children's health, leadership
Lancaster Osteopathic Health Foundation <i>Lancaster, PA</i>	1999	\$11,900,000	Public Charity*	Hospital	Community wellness, children's health, early childhood development
Lutheran Charities Foundation of St. Louis <i>St. Louis, MO</i>	1987	\$97,232,317	Public Charity§	Hospital	Physical and developmental disability, children, elderly, substance abuse, parish nursing, church service in community
Dr. John T. Macdonald Foundation, Inc. <i>Coral Gables, FL</i> www.jfmacdonaldfdn.org	1992	\$32,000,000	Private Foundation	Hospital	Health education, prevention and early detection of diseases; children and the economically disadvantaged; medical rehabilitation; direct medical and dental care; education

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MacNeal Health Foundation <i>Berwyn, IL</i>	2000	\$100,000,000	Private Foundation	Hospital	Guidelines not available
The Memorial Foundation, Inc. <i>Goodlettsville, TN</i>	1994	\$149,139,856	Public Charity*	Hospital	Youth and children, human services, substance abuse, senior citizens, health and rehabilitation, education, social agencies
Methodist Healthcare Ministries of South Texas, Inc. <i>San Antonio, TX</i> www.mhm.org	1995	\$212,385,261	Public Charity§	Hospital	Operation of community health clinics providing medical, dental, and support services to uninsured, indigent clients; church nursing programs providing holistic health and wellness services; parenting programs for teen parents and growing families; rural health initiatives
MetroWest Community Health Care Foundation <i>Framingham, MA</i> www.mchcf.org	1996	\$46,600,000	Private Foundation	Health System	Indigent, elderly, children, adolescents
Mid-Iowa Health Foundation <i>Des Moines, IA</i>	1984	\$16,702,248	Private Foundation	Hospital	Adolescent health, parent and early childhood health, access to health services, preventive health services
The Mt. Sinai Health Care Foundation <i>Cleveland, OH</i> www.mtsinaifoundation.org	1994	\$150,000,000	Public Charity§	Health System	Child development, elderly, organizational capacity building, community programs, scholars program at Case Western Reserve University School of Medicine
North Dade Medical Foundation, Inc. <i>North Miami, FL</i>	1997	\$37,961,000	Public Charity†	Hospital	Health, education, general welfare
Northwest Health Foundation <i>Portland, OR</i> www.nwhf.org	1997	\$80,000,000	Social Welfare Organization	Health Plan	Health for Oregon and southwest Washington only
Northwest Osteopathic Medical Foundation <i>Portland, OR</i> www.nwosteo.org	1984	\$9,500,000	Public Charity*	Hospital	Families and children, scholarships to osteopathic medical students, training clinics for osteopathic residency programs
Osteopathic Founders Foundation <i>Tulsa, OK</i>	1996	\$18,908,900	Public Charity*	Hospital	Osteopathic medical education, community health
Osteopathic Heritage Foundations <i>Columbus, OH</i> www.osteopathicheritage.org	unknown	\$230,000,000	Public Charity§	unknown	Community health initiatives, osteopathic medical education and research
Pajaro Valley Community Health Trust <i>Watsonville, CA</i> www.pvhealthtrust.org	1998	\$9,800,000	Public Charity†	Hospital	Direct service to medically underserved populations, teen pregnancy prevention, substance abuse prevention, domestic violence prevention
Paso del Norte Health Foundation <i>El Paso, TX</i> www.pdnhf.org	1995	\$219,000,000	Private Foundation	Hospital	Health education and disease prevention

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Phoenixville Community Health Foundation <i>Phoenixville, PA</i> www.dvg.org/phoenixville	1996	\$34,500,000	Public Charity*	Hospital	Community health, emphasizing access to medical, dental, and mental health care; projects dealing with public safety and environmental health; programs affecting the economic, social, and civic health of the community
Portsmouth General Hospital Foundation <i>Portsmouth, VA</i>	1988	\$18,708,407	Private Foundation	Hospital	Pregnancy prevention, health and the family, indigent care, substance abuse prevention, health education, preventive health programs
Presbyterian Health Foundation <i>Oklahoma City, OK</i>	1985	\$142,000,000 ^c	Private Foundation	Hospital	Medical research, scholarships, clinical pastoral education, community health-related programs primarily through the University of Oklahoma
Quad City Osteopathic Foundation <i>Bettendorf, IA</i>	1984	\$5,394,926	Private Foundation	Hospital	Grants, loans, and scholarships to advance quality and availability of osteopathic health care professionals
Quantum Foundation, Inc. <i>West Palm Beach, FL</i> www.quantumfoundation.com	1995	\$163,813,000	Private Foundation	Hospital	Health and education, children's health, children's behavioral health, independent living, school nurses, various school reform initiatives
QueensCare <i>Los Angeles, CA</i> www.queenscare.org	1998	\$400,000,000	Public Charity [§]	Hospital	Direct health care, education and outreach, preventive care, research, policy, ethics, law
John Randolph Foundation <i>Hopewell, VA</i>	1995	\$36,430,000	Public Charity*	Hospital	Teen pregnancy prevention, violence prevention, mental health, substance abuse treatment and prevention, access to care, prevention and health promotion, quality of life, health issues of seniors and children
The Rapides Foundation <i>Alexandria, LA</i> www.rapidesfoundation.org	1994	\$209,529,195	Public Charity*	Hospital	Adolescent risk and pregnancy reduction, early childhood development, functional status of older adults, health care access, community development, education, arts and humanities, workforce development
Michael Reese Health Trust <i>Chicago, IL</i> fdncenter.org/grantmaker/health	1991	\$99,365,000	Private Foundation	Hospital	Health care, health education, health research, strengthening community-based efforts to provide health services to the vulnerable and underserved in metropolitan Chicago
John Rex Endowment <i>Raleigh, NC</i>	1999	\$75,000,000	Private Foundation	Hospital	Guidelines not available
Roanoke-Chowan Foundation, Inc. <i>Ahoskie, NC</i>	1998	\$18,000,000	Private Foundation	Hospital	Health and wellness in Bertie, Gates, Hertford, and Northampton counties of eastern North Carolina
Rose Community Foundation <i>Denver, CO</i> www.rcfdenver.org	1995	\$321,418,000	Public Charity*	Hospital	Aging, child and family development, education, health, Jewish life
Saint Ann Foundation <i>Cleveland, OH</i> www.csahealthsystem.org/foundations.asp	1973	\$41,000,000	Public Charity [§]	Hospital	Quality of life for women, children, and youth; religious communities' ministries

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St. David's Foundation <i>Austin, TX</i> www.sdsys.org	1996	\$95,731,000	Public Charity*	Hospital	Access and prevention programs, behavioral health, parenting, life skills, violence prevention, teen pregnancy prevention, medical education, research
The St. Joseph Community Health Foundation <i>Fort Wayne, IN</i>	1998	\$29,044,400	Public Charity§	Hospital	Health and wellness, access for poor and underserved in Allen County
St. Joseph's Community Health Foundation <i>Minot, ND</i>	1998	\$2,000,000	Public Charity*	Hospital	Improvement, availability, and provision of charitable health care
St. Luke's Foundation <i>Bellingham, WA</i> www.stlukesfoundation.org	1983	\$10,500,000	Public Charity†	Hospital	Health care
Saint Luke's Foundation of Cleveland, Ohio <i>Cleveland, OH</i> www.stlukesfoundcleveland.org	1997	\$87,000,000	Public Charity§	Hospital	Enhance community involvement and ownership in promotion of healthy behaviors, increase and improve health care, educate health care professionals serving the needs of inner-city residents
St. Luke's Health Initiatives <i>Phoenix, AZ</i> www.slhs.org	1995	\$118,349,443	Public Charity§	Health System	Health prevention programs for children, youth, and families; access and delivery of health services to the underserved; behavioral health
San Angelo Health Foundation <i>San Angelo, TX</i> www.sahfoundation.org	1995	\$73,992,874	Private Foundation	Hospital	Community health and well-being
San Luis Obispo Community Health Foundation <i>San Luis Obispo, CA</i>	1998	\$2,600,000	Public Charity*	Blood Bank	Blood-related programs, services, research, education
SHARE Foundation <i>El Dorado, AR</i>	1996	\$65,400,000	Public Charity*	Hospital	Health education, humanities, disease prevention, hospice, medical clinic, drug prevention, chaplaincy, scholarships
Sierra Health Foundation <i>Sacramento, CA</i> www.sierrahealth.org	1984	\$168,643,990	Private Foundation	Health Plan	Children's health and other health-related projects
J. Marion Sims Foundation <i>Lancaster, SC</i> www.jmsims.org	1994	\$81,000,000	Private Foundation	Hospital	Health, human services, economic and community development
Sisters of Charity Foundation of Canton <i>Canton, OH</i> www.csahealthsystem.org/foundations.asp	1995	\$99,051,232	Public Charity§	Health System	Health, human services, and education focused on addressing the needs of the underserved; specific areas include health care access and coverage, indigent and low-income care for ages 0–18, child care, affordable housing, father absence, substance abuse, behavioral disorders, job training
Sisters of Charity Foundation of Cleveland <i>Cleveland, OH</i> www.csahealthsystem.org/foundations.asp	1995	\$56,000,000	Public Charity§	Health System	Health, human services, and education focused on addressing the needs of the underserved; specific areas include health care access, affordable housing, job training, early childhood education

NAME, LOCATION, AND WEB ADDRESS	YEAR OF CONVERSION	2000 ASSETS	IRS TAX-EXEMPT STATUS	TYPE OF ENTITY CONVERTED	GRANTMAKING AREAS
Sisters of Charity Foundation of South Carolina <i>Columbia, SC</i> www.sistersofcharitysc.com	1995	\$111,000,000	Public Charity§	Health System	Health, human services, and education focused on addressing the needs of the underserved; specific areas include health care access and coverage, indigent and low-income care for ages 0–18, child care, affordable housing, father absence, substance abuse, behavioral disorders, job training
Sisters of Mercy of North Carolina Foundation, Inc. <i>Charlotte, NC</i>	1995	\$257,354,000	Public Charity§	Health System	Disadvantaged populations, women's and children's services, health care, education, social services
The Sisters of St. Joseph Charitable Fund <i>Parkersburg, WV</i> home.wirefire.com/ssjcf	1996	\$23,319,843	Public Charity§	Hospital	Health of the community, senior citizens, families
South Lake County Foundation <i>Clermont, FL</i>	1995	\$13,665,000	Public Charity*	Hospital	Youth and family services, health and wellness, arts and culture, education, community economic development
Spalding Health Care Trust <i>Griffin, GA</i>	1984	\$28,271,546	Public Charity§	Hospital	Free health care clinics, emergency equipment for fire departments, capital projects, education, social and human services
Truman Heartland Community Foundation <i>Independence, MO</i>	1994	\$18,305,386	Public Charity§	Hospital	Nutrition, public health programs, dental health, economic and community development, education, arts and humanities
Tucson Osteopathic Medical Foundation <i>Tucson, AZ</i> www.tomf.org	1996	\$13,544,252	Private Foundation	Hospital	Osteopathic medical education for students, education, arts and humanities, community service, health care
Tuscora Park Health & Wellness Foundation <i>Barberton, OH</i>	1996	\$5,118,123	Private Foundation	Hospital	Primary care for the underinsured and underserved, health education, safety
UniHealth Foundation <i>Woodland Hills, CA</i> www.unihealthfoundation.org	1998	\$370,000,000	Private Foundation	Hospital and Ancillary Businesses	Health related, mostly nonprofit hospitals in Los Angeles and Orange counties
Union Labor Health Foundation <i>Eureka, CA</i>	1997	\$6,000,000	Public Charity§	Hospital	Enhancing the physical, mental, and moral well-being of people within Humboldt County
United Methodist Health Ministry Fund <i>Hutchinson, KS</i> www.healthfund.org	1984	\$69,298,000	Public Charity§	Hospital	Capacity building clinics, oral health, health insurance purchasing cooperatives, children and youth, health ethics, health ministries in religious settings
The Venice Foundation <i>Venice, FL</i> www.tvf.org	1995	\$169,867,040	Public Charity*	Hospital	Health and human services, education, arts and culture, civic affairs
Washington Square Health Foundation, Inc. <i>Chicago, IL</i> www.wshf.org	1986	\$31,533,710	Private Foundation	Hospital	Direct health care services, medical equipment, medical and nursing scholarships, clinical research

NAME, LOCATION, AND WEB ADDRESS	YEAR OF CONVERSION	2000 ASSETS	IRS TAX-EXEMPT STATUS	TYPE OF ENTITY CONVERTED	GRANTMAKING AREAS
Welborn Foundations <i>Evansville, IN</i> www.welbornfdn.org	1999	\$90,000,000	Private Foundation	Hospital	Health and quality of life
Westlake Health Foundation <i>Oakbrook Terrace, IL</i>	1998	\$90,000,000	Private Foundation	Health System	Health projects in the Proviso Township area
Williamsburg Community Health Foundation <i>Williamsburg, VA</i> www.williamsburgcommunity.com	1996	\$86,400,000	Public Charity [§]	Hospital	Disease prevention, increasing primary health services for poor and uninsured children and families, improvement of health for elderly people, support of community health initiatives
Winter Park Health Foundation <i>Winter Park, FL</i> www.wphf.org	1994	\$120,000,000	Private Foundation	Hospital	Older adults, children and families, wellness and disease prevention, mental health, substance abuse
Woodruff Foundation <i>Cleveland, OH</i>	1987	\$13,096,681	Private Foundation	Hospital	Mental health, mental illness, chemical dependency

^aEndowment created as a result of the conversion of a municipal hospital to nonprofit status. This endowment makes grants for health and human services but is not a foundation in the traditional sense, as its assets are controlled by the city government.

^bExpected assets as of April 1, 2001.

^cAssets from fiscal year ending December 31, 1996.

^dAssets from fiscal year ending December 31, 1998.

*Foundation is classified under the Internal Revenue Code as a public charity with the designation 509(a)(1) traditional.

†Foundation is classified under the Internal Revenue Code as a public charity with the designation 509(a)(2) gross receipts.

§Foundation is classified under the Internal Revenue Code as a public charity with the designation 509(a)(3) supporting organization.

Understanding the Tax Status of New Health Foundations

Foundations that receive assets from the conversion of nonprofit health care organizations can operate under several different tax status categories. The type of tax status they obtain will affect their operations, both directly and indirectly, because it carries with it certain regulatory requirements and operational expectations that have implications for the foundation's structure, including board size, staffing structure, and lobbying activities. Choice of tax status is revocable, and foundations do find reasons for changing their tax status after they have gained some experience in philanthropy. Below are definitions of the types of tax status new health foundations may obtain from the Internal Revenue Service (IRS).

501(c)(3) Tax-Exempt Organization

This is an IRS designation that entitles entities organized exclusively for charitable, educational, or scientific purposes to be exempt from most federal taxes. Many states honor the 501(c)(3) designation and confer similar exemptions for state and local taxes. Several different types of foundations fall under the 501(c)(3) tax category.

Private Foundation. A grantmaking foundation with an endowment from a single source such as an individual, family, or corporation. Private foundations generally do not engage in direct charitable activities but instead make grants to other nonprofit organizations. They do not raise funds from the public and must allocate assets each year to equal about 5 percent of their endowments. The funds available for grants and administrative expenses generally come from their endowment income. Private foundations also pay a 1 percent or 2 percent excise tax to the federal government as determined by an IRS formula. Subsets of private foundations include: independent foundations, with a board selected independently of the donor(s); family foundations, in which the donor or the donor's family controls the board; and corporate foundations, in which the donor corporation has selected the board.

Public Charity. A tax-exempt religious, educational, or social service organization that receives regular contributions from several sources such as individuals, corporations, private foundations, government, and sometimes fees for services. These organizations may both operate programs and make grants.

All public charities are recognized as 501(c)(3) organizations under the Internal Revenue Code (IRC). Within the 501(c)(3) category, there are subdivisions for further classifying different types of public charities including:

- **509(a)(1) traditional.** A public charity that receives funds from public donations and/or government. It generally must meet an IRS public support test requiring that, over the most recent four-year period, its support from public sources equaled or exceeded one-third of its total support. Community foundations – which are organized to develop, receive, and administer endowment funds from private sources and manage them under community control for charitable purposes – are typically acknowledged as 509(a)(1) entities in the IRC.
- **509(a)(2) gross receipts.** A public charity that must raise more than one-third of its total support from any combination of gifts, grants, contributions, or membership fees and gross receipts from admissions, merchandise sales, or services provided in relation to its tax-exempt function.
- **509(a)(3) supporting organization.** A nonprofit corporation with an established relationship to an existing public charity, often a community foundation or a religious order. Supporting organizations do not have to meet a public support test, and they generally receive grantmaking, investment, and administrative assistance from the nonprofit with which they are affiliated.

501(c)(4) Social Welfare Organization

This section of the IRC identifies a tax-exempt organization, known as a social welfare organization, that is allowed to lobby. These organizations include political or lobbying groups such as Common Cause or the American Association of Retired Persons. They are not obligated to spend any portion of their income or endowment on charitable activities and are not required to report the same detailed information as private foundations. A few new health foundations have obtained this status if they resulted from the sale of a 501(c)(4) medical association, insurance company, or other type of organization that had the 501(c)(4) status.

About GIH

Grantmakers In Health (GIH) is a nonprofit, educational organization dedicated to helping foundations and corporate giving programs improve the nation's health. Its mission is to foster communication and collaboration among grantmakers and others, and to help strengthen the grantmaking community's knowledge, skills, and effectiveness. Formally launched in 1982, GIH is known today as the professional home for health grantmakers, and a resource for grantmakers and others seeking expertise and information on the field of health philanthropy.

GIH generates and disseminates information about health issues and grantmaking strategies that work in health by offering issue-focused forums, workshops, and large annual meetings; publications; continuing education and training; technical assistance; consultation on programmatic and operational issues; and by conducting studies of health philanthropy. Additionally, the organization brokers professional relationships and connects health grantmakers with each other as well as with others whose work has important implications for health. It also develops targeted programs and activities, and provides customized services on request to individual funders. Core programs include:

- **Resource Center on Health Philanthropy.** The Resource Center monitors the activities of health grantmakers and synthesizes lessons learned from their work. At its heart are staff with backgrounds in philanthropy and health whose expertise can help grantmakers get the information they need and an electronic database that assists them in this effort.
- **The Support Center for Health Foundations.** Established in 1997 to respond to the needs of the growing number of foundations formed from conversions of nonprofit hospitals and health plans, the Support Center now provides hands-on training, strategic guidance, and customized programs on foundation operations to organizations at any stage of development.
- **Building Bridges with Policymakers.** GIH helps grantmakers understand the importance of policy to their work and the roles they can play in informing and shaping public policy. It also works to enhance policymakers' understanding of health philanthropy and identifies opportunities for collaboration between philanthropy and government.

GIH is a 501(c)(3) organization, receiving core and program support from more than 175 funders annually.



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