



In December 2018, The IU Health Board authorized IU Health to proceed with the development of a \$100M Board Designated Fund (“Fund”) within the IU Health Foundation to focus on high impact community investing intended to address social determinants of health in communities IU Health serves. This Charter is designed to guide the community impact investment strategy as well as the process by which funding recommendations will be made.

VISION – Improve the Health of our Communities

The vision of Indiana University Health (IU Health) is to make Indiana one of the healthiest states.

As IU Health continues to live out its vision of improving the health of our state, we must look beyond the walls of our hospitals and medical offices and address those social, economic, and environmental conditions that contribute to poor health outcomes, shortened lives, and higher health care costs. We must also engage other *community partners* who share our commitment to addressing the social determinants of health of our state to join us in this effort.

PURPOSE – Better the Long-Term Welfare of our Communities

A commitment to consciously apply the long-term, place-based economic power of IU Health and its partners to better the health of Hoosiers, including in the communities where we are anchored.

IU Health, along with its partners, are deeply invested in the health of Hoosiers. Using a collaborative process with key stakeholders and other community leaders, we will strategically and intentionally address the social, economic, and environmental factors that impact the health of the communities of which we are a part.

OBJECTIVE – Create an Environment of Healthy Living

By any measure, IU Health and its partners have a significant stake in the health of Indiana residents. Given the scale and scope of our operations, IU Health is well-positioned to lead a statewide effort to foster a change toward healthy living



Our health system often serves as the civic and economic “anchors” for the communities that surround them. By focusing on improving the health of these communities, our health system can achieve the following: (1) alignment with the health system’s mission and vision, (2) positive economic returns to both the community and institution, (3) satisfaction of our community benefit requirements, and (4) live up to the obligation of its tax exempt status.

Figure 1.

What Makes Us Healthy



This intersection between our institutional interests and that of the communities we serve represents our shared value. It is this shared value that should guide and inform our investments strategies made through IU Health’s Community Impact Investment Fund.

We know from research and scientific evidence that people’s health is determined to a far greater degree by their physical and social environments than by the medical care they receive from physicians and hospitals. Factors such as housing, education, employment, and access to clean air and water, as well as the personal decisions we make about what to eat and whether to smoke or use drugs, are the biggest drivers of what makes us healthy. (See Figure 1.)

By increasing access to specific place-based initiatives that encourage a healthy lifestyle and healthy choices, as well as community-focused health programming, IU Health has the opportunity to significantly impact the health of local residents, including our own employees, patients, and their families. To meet our objective of creating a health living environment, IU Health and its partners will recommend community investments in the following strategic areas: *Place-Based, Workforce Development, Educational Attainment and Healthy Living.*

Place-Based Strategies: While not historically a focus of the healthcare sector, the industry is now beginning to recognize that one’s physical environment is a critical component to addressing social determinants of health. More and more health systems are exploring the availability of quality housing choices, from subsidized and affordable

housing to greater workforce housing options, as a means to address local socio-economic challenges in their communities.



We also know that improved living conditions and housing choices make the neighborhoods surrounding IU Health institutions more attractive to our employees, our patients and their families, and commercial/retail investment - which benefits the larger community as a whole. Moreover, the by-product of such investment has been shown to interrupt the concentration of poverty in low-resource neighborhoods, provide the low-income with enhanced educational and workforce opportunities, and can lead to improved health.

Another element of place-based strategy is to improve access to local services that make for attractive, dynamic, and healthy neighborhoods. The ability of community residents, patients, and employees to access local restaurants, stores, childcare, schools, and recreational opportunities, is essential to such a strategy.

PLACE-BASED FUNDING FOCUS AREAS – Funding opportunities will target proposals providing for maximum impact in the following area(s):

- Alleviating Concentrated Poverty – Housing, Food Resources, Healthy Food Access
- Improving Healthy Living Neighborhoods –Parks & Trails, Public Safety, Roads and Transportation, arts and cultural activities

GOAL(S): Priority will be given to initiatives & programming that feature the following expected outcomes:

- Increase the diversity of housing choices to make surrounding neighborhoods safer and more attractive.
- Create opportunities for IU Health employees to live closer to work.
- Create better access to trails and critical connections – embracing diversity and culture – that tie destinations together to give people a reason to walk, or bike or otherwise be ambulatory.
- Encourage a more active lifestyle by creating new ways for residents, employees, and visitors to access fitness.
- Encourage healthy eating habits by increasing access to healthy food choices and eliminating food deserts.
- Increase access to the arts and cultural amenities to encourage a greater sense of place for local communities.



Workforce Development Strategies: Many employers across Indiana are facing acute talent shortages and are struggling to fill skilled technical, trade, and clinical positions. Moreover, an alarming number of young people reportedly enter the job market ill-prepared to fill the needs of Indiana employers. By hiring locally to the greatest extent possible, our health system can satisfy their workforce needs and provide stable employment opportunities for residents, especially those in low-income urban or rural neighborhoods. Successful workforce development programs increase employability and can change the economic trajectory of low-income or less-educated workers and their families. This improved earning power also contributes to increased consumer purchasing power.

WORKFORCE DEVELOPMENT FUNDING FOCUS AREAS – Funding opportunities will target proposals providing for maximum impact in the following area(s):

- Workforce Development – Health Science/Tech Certification, Skills Training, Workforce Educational Resources in local schools, Retraining of displaced workers, programs that support adult education and training (transportation, childcare, etc.)
- Career Track & Leadership Succession – Career Pathways, Workforce Pipeline

GOAL(S): Priority will be given to initiatives & programming that feature the following expected outcomes:

- Increase the number of adult learners in underrepresented communities eligible for healthcare related and other employment opportunities.
- Develop employment/career tracks for underrepresented communities.
- Increase the number of high school students eligible for entry-level jobs that ultimately lead to meaningful career opportunities.

Education Attainment Strategies: Indiana currently graduates fewer than sixty percent of the students enrolled as high school freshmen. Failure to obtain a high-quality education can have dire implications for the economic prospects of today's youth. Our economic growth and standard of living depend on the skills of these future workers. Furthermore, research shows that those with more education live longer, healthier lives than those with fewer years of schooling. Those with more education often have higher-



paying jobs and can more easily purchase healthy foods, have time to exercise regularly, and pay for health services and transportation. Conversely, the job insecurity, low wages, and lack of assets associated with less education can make individuals and families more vulnerable during hard times—which can lead to poor nutrition, unstable housing, and unmet medical needs.

EDUCATIONAL ATTAINMENT FUNDING FOCUS AREAS – Funding opportunities will target proposals providing for maximum impact in the following area(s):

- Alleviating the Achievement Gap – Early Childhood Education, Pre-K, 3rd Grade Reading Proficiency
- Improving Academic & Social Supports – Tutoring, After-School Programming, Extra-Curricular Activity

GOAL(S): Priority will be given to initiatives & programming that feature the following expected outcomes:

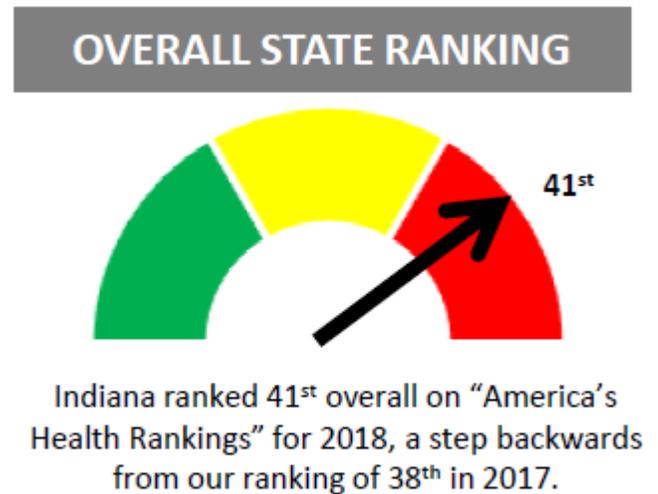
- Create better access to quality early childhood educational opportunities.
- Increase the number of students engaged in after-school extra-curricular activity.
- Create access to emerging technologies & innovation.
- Develop strategic partnerships in support of eliminating the achievement gaps that exist at our public educational institutions.



Healthy Living Strategies: Currently, our state ranks 41st in overall health. This is the statistical cost of high rates of smoking, obesity, infant mortality and the lack of access to behavioral health services. But the greater cost is in our quality of life, not just to those directly affected by chronic illnesses, but for all Hoosiers.

IU Health and its partners are committed to reversing these alarming public health statistics. In doing so, we have specifically identified the public health issues of smoking, infant mortality, behavioral health, and obesity as areas where we as providers can meaningfully contribute to improvement of our poor health rankings.

Figure 2.



HEALTHY LIVING FUNDING FOCUS AREAS – Funding opportunities will target proposals providing for maximum impact in the following area(s):

- Infant Mortality
- Obesity
- Smoking Use
- Behavioral Health Access
- Substance Disorders

GOAL(S): Priority will be given to initiatives & programming that feature the following expected outcomes:

- Reduce Infant Mortality by 15% by 2022
- Reduce Incidence of Obesity by 15% by 2022
- Reduce Smoking by 15% by 2022
- Reduce Opioid Deaths by 15% by 2022
- Enhance Access to Behavioral Health Services

Collective Impact

To ensure sustained success of its community impact investments, as described above, it will be essential to leverage the expertise of the public, private, and philanthropic sectors. Consequently, where appropriate, IU Health must build and sustain partnerships



among a diverse group of community collaborators to address these community challenges.

Funding Investment Principles

To the greatest extent possible, funding initiatives must be combined with those from other partners, including private, public, and/or philanthropic sources. Investments will be a defined mix of competitive, capital and/or programmatic funding initiatives. Requests for investment must also be able to demonstrate sustainability beyond any initial funding award. Geography will be statewide and not limited to a single market IU Health serves. Investments can include pilot projects that can later be adopted in other communities.

Evaluators of funding opportunities will make every effort to consider the findings from the IU Health Community Needs Assessments (CHNA), along with any data and input from IU Health Population Health and Community Outreach and Engagement teams when making funding investments.

Governance

A Community Impact Investing Work Group (“Work Group”) shall be responsible for evaluating all funding proposals, including the solicitation of opportunities, to ensure that such proposals or opportunities meet the Community Impact Investment objectives as outlined in this charter. In so doing, IU Health representatives will consult periodically with the IU Health Grants Collaborative to avoid duplication of and/or maximize existing granting efforts. The Work Group shall, among other duties described below, have the responsibility of evaluating and recommending funding proposals to the IU Health Executive Leadership Team (“ELT”). The ELT must approve the Work Group’s funding recommendations prior to submission to the 4-Member IU Health Board Committee (“4-Member Committee”). The 4-Member Committee shall review the Work Group recommendations and submit a final slate of recommendations to the IU Health Board. The IU Health Board shall review the slate and recommend final approval to the IU Health Foundation. Fund oversight shall be carried out in accordance with the gift agreement executed between IU Health and the IU Health Foundation.

In addition to evaluating proposals and making funding recommendations, the Work Group shall also be responsible for:

- Charter refinement
- Prospecting for investment submissions
- Engagement of external/internal stakeholders
- Post-award oversight and periodic reporting to the ELT and 4-Member Committee

Membership

The membership of the 4-Member Committee and the Work Group shall be determined by the ELT. However, the 4-Member Committee must include at least one member from



the IU Health Foundation Board of Directors. When constituting the work group, the ELT will make every effort to include representation from the following:

- Community Health
- Community Outreach & Engagement
- Finance
- Government Affairs
- IU Health Senior Leadership Team
- Pastoral Service
- Philanthropy
- Population Health
- Riley Children’s Health
- No more than three (3) non-IU Health representatives as recommended by IU Health Philanthropy and approved by the ELT.