

Report #4, Minnesota Medical Association Foundation (MMAF)

TO: Minnesota Medical Association House of Delegates
Convening September 17, 2008

The Minnesota Medical Association Foundation (MMAF) is the charitable arm of the Minnesota Medical Association. The mission of the MMAF is to support the MMA by promoting excellence in health care, ensuring a healthy practice environment, and preserving the professionalism of medicine. The MMAF has assets of about \$2 million.

During the last year, the MMAF has moved forward in implementing its strategic plan, developed new programs and partnerships, secured financial support, and welcomed new members to its board of directors.

In late 2006, the MMAF hired Dennis Kelly, CFRE, as its first full-time employee. Dennis brings extensive experience in both fundraising and nonprofit management. His charge is to build a fundraising program that will enable the foundation to carry out its mission and expand its programs through the years.

Dennis has moved quickly to reach out to foundation and MMA leaders, many of whom have already made significant financial commitments to the foundation. The idea is that if MMA Board members and other MMA leaders support the foundation, so too will the broader MMA membership as well as the business community and other potential donors.. Building the fundraising program is a three-year commitment. The business plan calls for significant investments in staffing, in activities to increase awareness of the foundation, in programs, and in the infrastructure needed to support the foundation and its work. Significant first-year costs are associated with this project. The MMA expects the ratio of fundraising dollars to expenses to be very high in the first years. That investment is starting to pay off. In 2006, the MMAF raised a total \$10,538. During this past year, \$74,843 was raised. The goal for 2008 is \$125,000.

Medical Student Financial Assistance Program

In 2006, the MMAF Board reassessed the longstanding medical student loan program. In response to the increasing debt burden of medical students, the foundation created a scholarship program and committed to it \$40,000 per year for four years. Nine four-year scholarships have been awarded to students at Mayo and the University of Minnesota medical schools. As more loan repayments are made, the MMAF Board will consider expanding the scholarship program.

Underserved/Rural Health Care Initiative

The MMAF's initial project, the Underserved Health Initiative Program, is designed to bring together local and state resources to find, place, and retain physicians in underserved areas, initially in rural Minnesota. Research has identified loan forgiveness as an effective strategy for encouraging physicians to practice in underserved areas.

In 2007, MMAF staff and board members interviewed thought leaders from medicine, education and government; reviewed literature on Minnesota programs as well as others around the country; examined the efficacy of the various initiatives for bringing physicians to underserved areas; and assessed the effect the MMAF could have in increasing the desired results of existing programs. Our study confirmed the efficacy of loan repayment for rural physicians and led MMAF to work more closely with the Minnesota Department of Health's Office of Rural Health and Primary Care which operates such a program in Minnesota.

In 2008, the MMAF committed to providing three-to-four years of support for loan forgiveness to a practicing physician in rural Minnesota. The first candidate for loan forgiveness has been identified.

MMAF Financial Statement

Olson, Thielen and Company undertook a review of the MMAF financials, which is attached to this report as Exhibit B.

Board Membership

I would like to thank the current members of the MMAF Board for their leadership and dedication as well as the considerable time and effort they have invested in building, and now carrying out, the new strategic direction for the organization. The MMAF Board continues to evolve and its members have led the way in supporting the strategic direction of the foundation not only with their time and expertise, but also with their personal financial commitments.

Current MMAF Board members are Michael Ainslie, M.D.; Beth Baker, M.D.; Anthony Jaspers, M.D.; Kim Kruger, M.D.; Carolyn McKay, M.D.; Robert Meiches, M.D.; James Monge, M.D.; Audrey Nelson, M.D.; Molly Ness, medical student; Del Ohrt, M.D.; and Nicholas Reuter, M.D.

Michael Ainslie, M.D.
Chair, MMAF

**Minnesota Medical Association
Foundation Contributors
January 1, 2007 – June 30, 2008**

We wish to acknowledge those whose generous contributions make the work of the MMAF possible. Throughout the year, foundation donors will be acknowledged on the MMAF website, in the foundation's annual report, and in other MMAF and MMA publications. Names are listed according to the donor's preference.

Paul Abraham, M.D.
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Carol Grabowski, M.D. and
 Joel Greenwald, M.D.
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Pat Linskey
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MasterCard Matching Gift Program
Carolyn McKay, M.D.
Susan and Robert Meiches
H. Berit Midelfort, M.D.
Midwest Medical Insurance Company
Tim Miley, M.D. and Mary Z. Miley, M.D.
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James Turner and Kristin Von Seggern
John and Linda Van Etta
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Robert Wasson, M.D.
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Ann and Kent S. Wilson, M.D.
Patrick Zook, M.D.
Zumbro Valley Medical Society

Named Funds of the MMAF

Dr. Lowell Barr Fund
Dr. Lloyd Bartholomew Fund
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Litman Fund
Mediclinics Fund
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Student Financial Assistance Fund
Dr. Nicholas and Bernice Reuter Fund

Legacy Society

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Dr. Thomas G. and Joan A. Briggs
Dr. Robert D. and Nancy E. Christensen
Dr. Hugh & Joyce Edmondson
Frank J. Indihar, M.D.

Exhibit B

MMAF Review Report December 31, 2007