

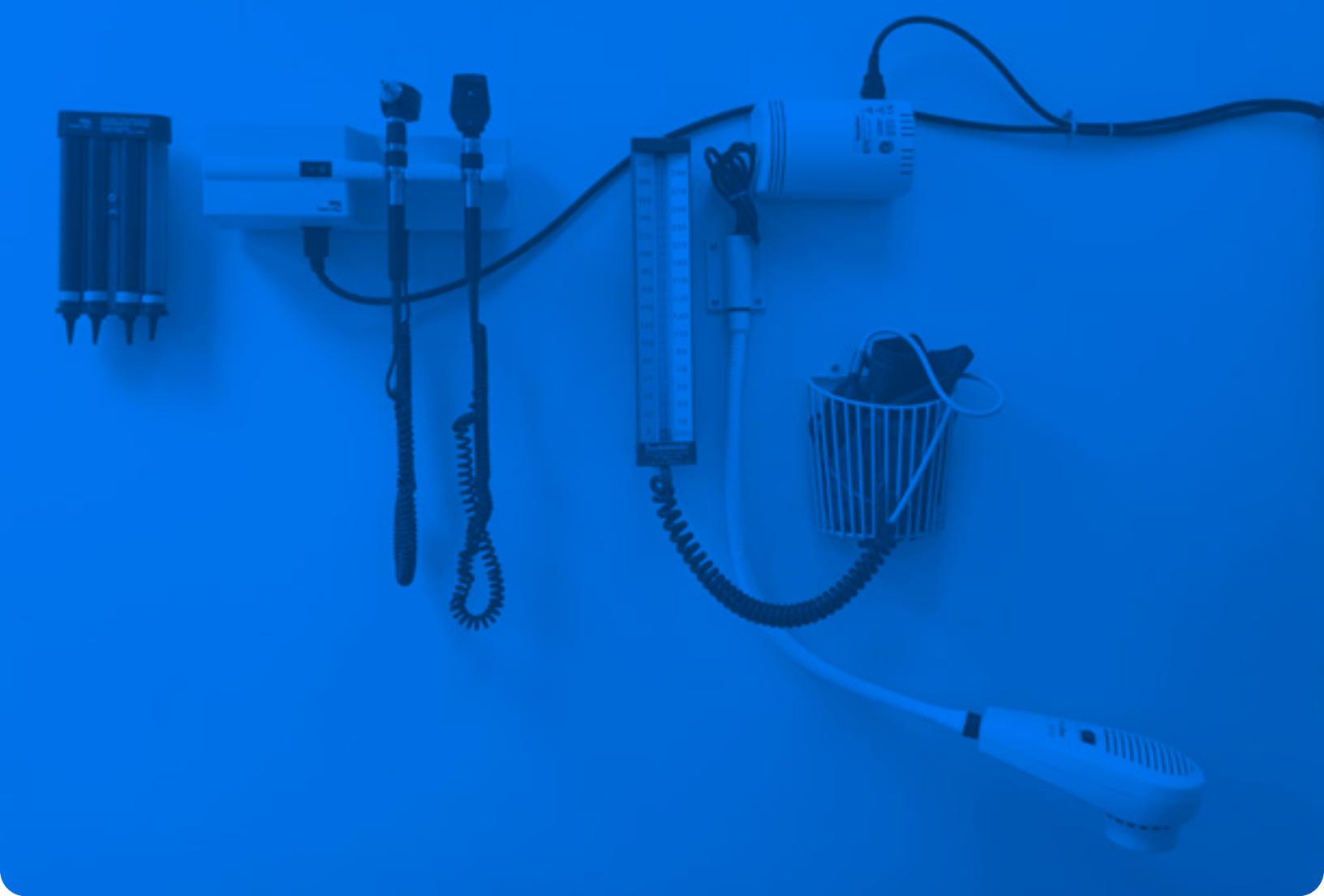


POLICY PRIMER:

How Private Philanthropy Drives Medical Innovation

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Private philanthropy has long been a driving force behind America's greatest medical innovations. From the discovery of the DNA double helix to the invention of the sterilized glove, medical breakthroughs have enabled Americans to live longer, healthier lives.

Advancements are backed by years of scientific inquiry, experimentation and investment, and philanthropy has often provided the critical support to move bold ideas from the laboratory to the patient. Medical innovation depends not only on the brilliance of scientists and researchers, but also on the freedom of individuals and private institutions to support or invest in discoveries they believe can improve human flourishing.

Each year, private foundations, charitable organizations and individual donors contribute [billions of dollars](#) to medical research institutions, universities, hospitals and scientific organizations. This voluntary [support](#) has become an indispensable component of America's biomedical research ecosystem. Philanthropic funding expands the capacity of research institutions, enables scientists to pursue ambitious and high-risk ideas and often provides flexible funding traditional grant programs cannot.

Research demonstrates that philanthropic investments generate substantial [social benefits](#) by advancing scientific discovery, improving patient care and accelerating the development of new therapies and medical technologies. Private giving matters because

it [provides](#) innovators with the resources, flexibility and independence to pursue discoveries that may otherwise be delayed or never developed.

Medical innovation rarely follows a predictable timeline, yet public funding priorities naturally shift with changes in administrations, budgets and political priorities. Each administration has a unique and varied view on government funding and prioritization of those funds, which has meant shifting budgets for executive agencies for each new administration.

On the other hand, private philanthropy serves as a critical source of consistency and support, giving researchers the stability and flexibility to pursue long-term projects despite changes in government funding.

Equally important, philanthropic capital can often be deployed more [quickly](#) and flexibly than traditional public funding, allowing researchers to respond to emerging scientific opportunities or [emergencies](#). By providing flexibility, continuity and additional resources, private giving strengthens America's capacity for medical discovery and helps translate breakthrough research into treatments that improve everyday lives.

Through flexible, long-term support, philanthropic organizations such as [Klingenstein Philanthropies](#) empower researchers to pursue groundbreaking work with long-term potential. Klingenstein Philanthropies is a nonprofit organization that supports neuroscience research, children's health initiatives and fellowship opportunities for early-career investigators. [The Klingenstein-Simons Fellowship](#) specifically invested in high-risk, high-reward neuroscience research, supported work on neuronal development, genetic mechanisms of behavior and other foundational scientific questions.

By directing resources toward specialized areas of research that may struggle to attract traditional funding, philanthropic organizations help scientists pursue discoveries that can ultimately improve diagnosis, treatment and understanding of neurological disease. Klingenstein Philanthropies supported a Klingenstein-Simons Fellow named [Lisa Giocomo](#), whose doctoral research examines how single-cell biological processes affect cognitive and spatial awareness in the brain.

Although this research is foundational, it has the potential to contribute to a greater understanding of neurological diseases such as dementia and Alzheimer's and may inform future approaches to diagnosis and treatment.

Another example is [Kenneth C. Griffin](#), past Simon-DeVos prize winner and founder of [Citadel](#), a global alternative investment firm, whose philanthropy demonstrates the catalytic role private giving can play in medical research. Griffin recently donated \$15 million to [Mount Sinai Medical Center](#) and has contributed well over \$2 billion to charitable causes. In December 2023, [Memorial Sloan Kettering Cancer Center](#) received a \$400 million gift from both Griffin and David Geffen to accelerate cancer research and patient care.

Gifts of this scale enable institutions to recruit leading researchers, invest in advanced technologies, launch innovative clinical programs and pursue discoveries that may lead to new therapies. For [Charles Provenzano](#), a 72-year-old glassblower, a diagnosis of tongue cancer threatened not only his health but also the craft that had defined his life. Surgeons at Memorial Sloan Kettering Cancer Center were able to use a [less invasive approach](#) to remove the cancer, preserving his ability to continue



glassblowing. Thanks to this innovative treatment, Provenzano was able to return to the work that gave his life purpose and fulfillment.

The [Gordon and Betty Moore Foundation](#) offers another compelling example of philanthropy's role advancing medical innovation. Through more than \$2.4 billion in support for scientific research, the foundation has helped enable pioneering technological advances while encouraging scientists to pursue ambitious ideas that carry significant long-term potential. One of these technological advancements is the push to develop quantum materials research through the [Emergent Phenomena in Quantum Systems](#) initiative, which seeks to better understand materials with unique electrical, magnetic and optical properties.

Although this research is highly specialized, it has the potential to lay the foundation

for future technologies, including more powerful and energy-efficient computing, advanced medical imaging, highly sensitive sensors and secure communication systems. This research drives discoveries that can ultimately improve healthcare and medical technology.

Beyond research funding, the foundation has invested more than \$34 million in programs that help scientist-inventors develop entrepreneurial skills alongside scientific expertise. This approach recognizes that many medical discoveries ultimately reach patients through commercialization, where innovation, private investment and market competition work together to transform laboratory discoveries into widely available medical products and technologies that improve quality of life.

Public policy plays another critical role in philanthropy's ability to support medical

innovation. Tax policies that significantly reduce the resources available to charitable foundations can limit the amount of capital directed toward scientific research, medical institutions and breakthrough discoveries.

For example, a 2025 proposal to increase the private foundation excise tax would have stripped nearly [\\$16 billion](#) in charitable funding from communities over the next decade. Preserving philanthropic capacity allows more private capital to flow toward cancer centers, medical research, fellowship programs and other charitable initiatives rather than being diverted away from these missions.

Private giving also supports policy reforms that expand access to innovative medical treatments. Through its [Right to Try initiative](#), the [Goldwater Institute](#) helped advance legislation allowing terminally ill patients to access certain investigational treatments that had successfully completed Phase I clinical trials but had not yet received full FDA approval. Private charitable support helped launch and expand these reform efforts across the country.

The experience of patients such as [Keira](#), a young girl diagnosed with metachromatic leukodystrophy whose family was forced

to raise hundreds of thousands of dollars to seek treatment abroad, highlights a significant gap in the current medical system. Promising therapies may exist, but they often remain inaccessible because of financial and regulatory barriers.

Private giving and private charitable organizations such as the Goldwater Institute help address this gap by supporting policies that expand access to innovative treatments, with the goal of ensuring families are not forced to leave the country or bear overwhelming financial burdens to obtain potentially lifesaving care. Together, philanthropic giving and policy reform can help expand opportunities for patients while encouraging continued medical innovation.

Medical innovation depends on the freedom to invest in bold ideas. Private giving provides that freedom by ensuring researchers have the financial support, flexibility and independence to pursue ambitious discoveries. Policies that encourage charitable giving and preserve philanthropic freedom strengthen America's medical research enterprise, accelerate innovation and increase the likelihood that tomorrow's breakthroughs will improve the lives of patients across the country.

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