

NEWS

Association for Healthcare Philanthropy

January 9, 2007

Contact: Kathy Renzetti (703) 532-6243, (571) 216-0146
or kathy@ahp.org

313 Park Avenue Falls Church, VA 22046
www.ahp.org

CA Gov. Schwarzenegger's Health Care Proposal Will Force Nonprofit Hospitals to Face 'Perfect Storm' of Problems in 2007, Philanthropic Health Care Expert William C. McGinly Warns

Industry Must Turn To Benchmarking Program for Answers, AHP Says

WASHINGTON, D.C., (January 9, 2007) – CA Gov. Arnold Schwarzenegger’s proposal for extended health coverage to the uninsured will negatively impact nonprofit hospitals and other philanthropic health care entities around the country, which already face a “perfect storm” of problems ranging from the cost of treating illegal immigrants and the uninsured to Congressional tightening of nonprofits’ tax status, Association for Healthcare Philanthropy (AHP) CEO William McGinly warned his members today.

“When you add an estimated 6.5 million, or one-fifth of California’s population, as uninsured and illegal immigrants to the universe of those in need without providing funding, then nonprofit hospitals and other institutions will be stressed over the limit in providing these services,” McGinly said. “Add in other factors, such as razor thin financial margins, unnecessary Privacy Act rules which impede access to our most generous groups of donors - grateful patients and their families - and an attempt by Congress to challenge the tax exempt status of our entities, and the philanthropic health care industry in California and the rest of the nation faces a ‘perfect storm’ of problems in 2007, with no end in sight,” he warned.

“In the future, philanthropic dollars will be eroded by these increased challenges and added costs,” McGinly said. He added that many of his AHP members are turning to a new program, the AHP Performance Benchmarking Service, to prepare for these and other future challenges and to better achieve the most efficient return on each dollar donated. The AHP benchmarking program uses data collected from participants which generate comparison reports for improved financial and human resource evaluation and planning to grow philanthropy programs for not-for-profit hospitals. This program provides data on core benchmarking indicators including: return on investment, size of endowment, pledge conversion ratios, tenure of staff and program specific metrics. Participants use the data to increase philanthropy through improved performance in their fundraising efforts including improved capital campaign and major gift programs. The reports are created in a variety of formats; including, tables and graphs, charts, sorted lists and spreadsheets.

The Association for Healthcare Philanthropy (AHP), established in 1967, is a not-for-profit organization whose 4,300+ members manage philanthropic programs in 2,200 of North America's not-for-profit health care providers. AHP members provide essential services such as: wellness

programs; mobile health vans; mammography screenings; hearing and eye exams; and other health care services. AHP's audience includes fundraising professionals, development staff, public relations professionals, trustees, marketing professionals, administrators, and executives interested in health care fundraising.

###



ASSOCIATION FOR
HEALTHCARE
PHILANTHROPYSM

Connecting People • Enriching Lives