

AHP in the News
Hospitals Face Growing List of Fund-Raising Challenges
by Holly Hall
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The economy is making fund raising tough for all kinds of institutions, but at nonprofit hospitals, that is just one of many challenges, Bill McGinly, president of the Association for Healthcare Philanthropy, in a speech today.

The first difficulty is the “sense of entitlement among patients who believe they have a right to the highest quality of care, regardless of their ability to pay, and that the health-care system has been hijacked by unscrupulous insurers who have reaped profits at the expense of affordable care, Mr. McGinly said. “Why donate to such a system?”

What’s more, most Americans don’t understand the difference between nonprofit and for-profit hospitals and medical centers or know that only 12 to 14 percent of the total are for-profit institutions, Mr. McGinly added.

Nonprofit hospitals and medical centers are also struggling to keep abreast of other developments: expensive technological advances in medical treatment, a ballooning number of under-insured or uninsured patients, privacy regulations that have made it harder for fund raisers to get details about patients who might want to make a gift, and legislators who want to do away with their tax-exempt status.

The solution? Mr. McGinly said that hospitals and medical centers should continue to increase the number of fund raisers they hire. A decade ago, half of the more than 4,500 institutions that belong to his association had one-person development departments, he noted. Now less than 20 percent do.

Health-care institutions, said Mr. McGinly, should also take pains to measure returns on their investment in fund raising and work to educate local leaders about the benefits they offer to communities.