

AHP in the News

Economy expected to curb healthcare philanthropy

Modern Healthcare

by Melanie Evans

September 24, 2008

The nation's worsening economy, already a stress on state budgets and investment portfolios, will likely undermine another source of healthcare revenue: philanthropy. Giving across all sectors fell during all but two of six recessions since 1967, according to a survey of economic cycles and donations released by the Association for Healthcare Philanthropy. The current economic instability—stock market volatility, rising unemployment and inflation, falling home values and the credit crisis—suggests charities could see declining donations into next year, the report said.

Healthcare giving did not mimic philanthropic trends during the 40-year period surveyed, however. Gifts to healthcare organizations—including nonacademic providers and research or advocacy organizations—grew at a slower average yearly rate, 2.3%, after adjusting for inflation, than all donations, which were at 2.9%. Between 1967 and 2007, healthcare giving increased 131%, the smallest increase among nine charitable categories. Among the association's members—including hospitals, medical centers, long-term-care centers and hospices—giving rose at a faster pace, 308%, between 1984 and 2007.