



313 Park Avenue, Falls Church, VA 22046 (703) 532-6243 [www.ahp.org](http://www.ahp.org)

Dear Fellow CEO,

A snapshot of charitable support in 2009 for nonprofit health care institutions in the United States and Canada does not paint a promising picture. [AHP's FY2009 Report on Giving](#) shows that charitable support in the U.S. plummeted \$944 million—an 11 percent decline from FY2008. In Canada, giving rose 5.2 percent, but this increase comes on the heels of a 13 percent drop in FY2008 and perhaps reflects a quicker economic bounce-back in Canada than what was being experienced in the U.S. in 2009.

While the recession certainly accounts for much of the decline in U.S. giving, it does not explain the discrepancy between the drop in overall philanthropic support and giving to health care institutions in 2009. Giving USA Foundation's study, [Giving USA 2010](#), reports a 3.6 percent decline in giving across all philanthropic sectors in FY2009. That presents a very significant 7.4 percent difference from giving to health care institutions.

It is unusual for the two studies to so widely diverge and these 2009 deviations may point to a disturbing trend—that some donors who supported nonprofit health care institutions in the past are taking their philanthropic investments elsewhere.

Nonprofit hospitals and their supporting foundations continue to come under public and political inquiry. In both Canada and the U.S., nonprofit hospitals and foundations have garnered negative press and political scrutiny for providing executive compensation that is comparable and fair to the size and scope of their organizations' mission. In the U.S., the debate continues regarding the role of nonprofit hospitals and the notion that their operations too closely resemble for-profit corporate structures. Likewise, in the U.S., the health care reform debate of the past two years has often cast hospitals wearing the proverbial black hat in this political shoot out. Questions about hospital operations and loss of trust are inevitable.

In addition, in the U.S. donors have been left in limbo awaiting action from their lawmakers regarding the extension of much needed tax incentives, all the while wondering if the deductibility of their donations may be limited in the near future.

It is easy to attribute the 2008 and 2009 giving losses exclusively on the recession, but in reality there are many factors at play affecting donor behavior. I encourage you and your development officers to consider the overall implications of these recent giving studies and to consider this data as you develop your strategic plans. You can find more details from the AHP press release or see [FY2009 AHP Report of Giving Fact Sheets for the U.S.](#) and [Canada](#).

As always, please feel free to call me at (703) 532-6243 with your advice and thoughts. My e-mail address is [bill@ahp.org](mailto:bill@ahp.org). I look forward to hearing from you and to continuing our conversation.

Very truly yours,

A handwritten signature in black ink, appearing to read "Bill McGinly". The signature is fluid and cursive, with the first name "Bill" and last name "McGinly" clearly distinguishable.

William C. McGinly, Ph.D., CAE  
President, Chief Executive Officer  
Association for Healthcare Philanthropy