



Mary Washington Healthcare  
**Mary Washington Hospital  
Foundation**

October 18, 2013

Senator Linda T. Puller, Chair  
Delegate John M. O'Bannon, III, Vice-Chair  
Joint Commission on Health Care  
P.O. Box 1322  
Richmond, VA 23218

Dear Senator Puller and Delegate O'Bannon:

The Virginia Consortium of Health Philanthropy (VCHP) is an informal association of health foundations in Virginia which meet periodically for the purpose of improving the effectiveness of health philanthropy through collaboration, cooperation and communication among and between health foundations and other key stakeholders. Membership includes most of Virginia's local conversion foundations.

We respectfully request a review by the Joint Commission on Health Care (JCHC) regarding the need for Virginia's health conversion foundations to continue providing a joint annual report regarding their charitable activities. This report was requested in 1998 by House Joint Resolution No. 179, which requested *"foundations formed in Virginia as a result of hospitals converting from not-for-profit to for-profit status to annually update the JCHC on their charitable activities"*.

HJR 179 was passed at a time when conversion foundations were new and members of the JCHC wanted a mechanism for monitoring their activities. The VCHP has contracted annually with a consultant to retrieve the information needed from each conversion foundation, compile it, and report it to the JCHC.

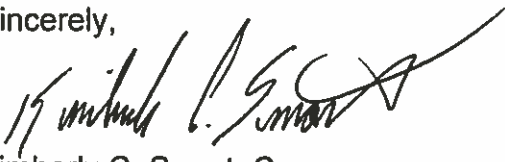
A lot has happened in the past 15 years to ensure accountability and transparency of health conversion foundations. Each must file the new Form 990 annually with the Internal Revenue Service, providing in-depth information regarding its finances and disbursements. This new form was instituted by Congress several years ago and requires much more detail than the Form 990 which existed in 1998. In addition, there is now an official process in place where the Attorney General reviews the circumstances and charter of new conversion foundations. This did not exist when HJR 179 was passed. Finally, conversion foundations are more commonplace now, their charitable activities are very visible and they publicize them through annual reports to the community and on their websites.

If there is a compelling reason for us to continue to produce a joint annual report, VCHP is happy to continue providing it. In the spirit of good stewardship and eliminating duplication, however, we are raising the question of whether such a report has outlived its usefulness.

If there is an interest in having all of the information in one place, perhaps you could consider allowing each conversion foundation to send its annual report to the JCHC rather than creating a separate report?

Thank you for your consideration of this request. If you have any questions, please contact me at 540-741-1492

Sincerely,

A handwritten signature in black ink, appearing to read "Kimberly C. Smart", with a large, sweeping flourish extending to the right.

Kimberly C. Smart, Convener  
Virginia Consortium of Health Philanthropy