WHAT IS CHPAC?

WITH EVERY NEW MEMBER, CHPAC GROWS STRONGER.

CHPAC is the political arm of the California Hospital Association. The purpose of CHPAC is to elect candidates who understand the vital role hospitals play in our state as a part of the healthcare system and the positive impact hospitals have on the economy.

- CHPAC exists to elect, educate and establish relationships with legislators.
- CHPAC provides campaign financing to officeholders and candidates who are committed to better healthcare and a healthy economy for all Californians.
- CHPAC determines which candidates to support based on qualifications, knowledge, sensitivity and responsiveness to issues impacting hospitals and their ability to continue to provide quality care.

YOUR ROLE IS A KEY COMPONENT TO OUR SUCCESS.
### CHPAC RULES CHART

<table>
<thead>
<tr>
<th>FOR PROFIT</th>
<th>NOT-FOR-PROFIT – 501(C)(3)</th>
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<td>Actively solicit contributions during business hours on hospital property.</td>
<td>Yes. $7,000 per calendar year limit on the amount that individuals or corporations may contribute to CHPAC for the purposes of supporting candidates for local offices, the state Assembly or Senate or statewide constitutional offices.</td>
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<td>Make Company (corporate) contributions to CHPAC.</td>
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<td>Solicit contributions or sponsor events outside of business hours.</td>
<td>Yes. Subject to the following limitations: Individuals and corporations may make contributions up to $7,000 per calendar year. Corporation may only solicit its “restricted class” (executive and administrative employees, shareholders, and their families).</td>
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<td>No. Nonprofit (NFP) 501(c)(3) hospitals cannot actively solicit CHPAC/CHPAC-FED contributions from their employees using hospital resources. However, hospital leaders of NFP hospitals can participate in CHPAC/CHPAC-FED fund-raising activities as individuals. Need FEC prior authorization form signed by company to solicit the employees before solicitation can take place.</td>
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<td>No. The public entity or name of the public hospital may not be referenced in anyway.</td>
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<td>No. Public funds may not be used directly to support or oppose ballot initiatives.</td>
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Congratulations on accepting the role of “campaign coordinator!” Hospitals with campaign coordinators who work with CHPAC on a regular basis meet their goals with remarkable success.

Campaign coordinators are responsible for distributing all CHPAC collaterals and information regarding CHPAC events to hospital management staff. Coordinators also convey local political information to CHPAC (i.e., local fundraisers, issues and current events). Please Note: Campaign coordinators for 501(c)(3) hospitals must perform CHPAC duties during non-work hours.

Following are steps and tips to running a successful campaign, as well as the legal requirements that must be followed to participate in a political action committee (PAC).

Step 1: Talk to CHPAC
- CHPAC will help establish a program that best fits your facility; provide you with a fundraising goal for the year; and help implement your facility’s campaign.
- CHPAC is also available to address your management group.

Step 2: Make a Commitment to Reach Your Fundraising Goal
- A fundraising goal is established for individuals associated with a specific hospital based on the number of licensed beds in each facility.
- Make an early commitment to reach this goal. At the end of every quarter, coordinators who have met their facility’s goal will be placed into a drawing for a grand prize.

Step 3: Contact Hospital CEO Regarding His/Her Personal Contribution
- Most hospital CEOs make the first contribution. The CEO’s involvement in the campaign and support of CHPAC are critical to its success.
- Mail all contributions to the CHPAC office as you receive them. Pre-addressed, postage-paid envelopes can be provided by the CHPAC office.

Step 4: Identify Potential Contributors
- Create a list of prospects — by name — in your organization who could contribute to CHPAC. Potential contributors include:
  - All salaried employees holding supervisory and managerial positions.
  - Trustees/board members (if unpaid, contributions must be designated to the state PAC).
  - Volunteers (contributions must be designated to the state PAC).
  - Medical staff (if not paid by the hospital, contributions must be designated to the state PAC).
- The CHPAC office can identify past contributors from your facility, as well as potential contributors.
RUNNING A SUCCESSFUL CHPAC CAMPAIGN

Step 5: Send a Letter to All Prospects
- Using the sample letter, send a solicitation letter to all prospects, signed by the CEO on his/her personal stationery or on CHPAC stationery. Please Note: 501(c)(3) organizations should not distribute CHPAC letters or other materials using work e-mail or postage stamps.
- Make sure that a CHPAC pre-addressed, postage-paid, contribution envelope accompanies the solicitation letter.
- Don’t have the time or resources? Ask CHPAC to send the letters on your behalf.

Step 6: Solicit Vendor Participation
- Is your facility currently undergoing construction of any type? What companies traditionally provide your facility with goods and services? Hospitals provide millions of dollars to the economy every year. Ask your vendors to contribute to CHPAC. Their contributions will count toward your goal. This increases the rate at which your facility reaches its goal.

Step 7: Follow Up
- After sending the initial solicitation letter, use the Solicitation Guide on page 7, to follow up with each of the potential donors identified in Step 4.
- If the list is extensive, identify two to three other hospital employees who will serve as your deputies to help make follow-up calls to potential donors. Please Note: 501(c)(3) organizations should use personal cell phones and e-mail for follow up.
- The CEO can identify potential large donors and could personally call these individuals.
- Be careful not to pressure staff inappropriately. Giving to CHPAC is voluntary.

Step 8: Collect Contributions
- The CHPAC campaign coordinator facilitates the collection of all staff contributions and sends them to the CHPAC office in postage-paid CHPAC return envelopes.

Step 9: Say Thank You!
- Create your own standard, personalized, thank you letter. Whatever the contribution, send a thank you letter.
- Remember that today’s thank you is the beginning of next year’s CHPAC solicitation.
- If you need assistance in sending thank you letters in a timely manner, contact the CHPAC office.
THE OPENING

Be Prepared
Know as much about your prospects as you can before contacting them. For example, know how much they gave in the past, what job they hold and which issues most interest them. The CHPAC office will provide you with past giving history.

Introduce Yourself
Give your credentials as they relate to the CHPAC campaign — how many years you have supported CHPAC and what title, if any, you hold with CHPAC.

Make Connection With Individual
Based on your research, try to make a personal connection with the prospect. Think about what you have in common: a mutual acquaintance, age of children, hometown, work, issues, etc. Remember that a successful solicitation will depend on the rapport you establish with the prospect.

Tell Individual Why You Are Calling/Meeting
Please don’t apologize for calling about CHPAC. Thank the prospect for giving you a few minutes to remind him/her why CHPAC is so important to hospitals and health systems.

Ask Open-Ended Question and Listen
Ask the individual a question that will enable you to learn what concerns him/her. This added information will help you make the best case for giving. For example:

- Have you ever been approached before about contributing to CHPAC?
- Have you ever been active in politics?
- Have you been following the (title or name of legislation) that (name of elected official) introduced?

THE CASE

Make Pitch for Supporting CHPAC
Everyone, even a strong supporter of CHPAC, needs to be reminded why CHPAC is important. Try to tailor your pitch toward the prospect’s interest.

Suggested Messages
CHPAC acts as your partner at the Capitol. Critical actions affecting the quality of health care for all Californians make your participation more important than ever. As a member of CHPAC, your voice is joined with thousands of others, ensuring issues critical to your hospital’s mission are heard in Sacramento.
THE NEGOTIATION

Ask for Specific Contribution to CHPAC
If the prospect gave last year, remind him/her how much he/she gave and ask him/her to consider a specific amount. People want to know what is expected.

Introduce Presidents’ Club and Leadership Board Challenge
Make sure the prospect is given the opportunity to join the Diamond Presidents’ Club ($1,500 or more), Presidents’ Club ($1,250-$1,499), Leadership Board Challenge ($750-$1,249) or Golden State Club ($500-$749), and understands the benefits provided to contributors at these levels (see CHPAC Brochure).

Get a Commitment
Try to get a specific pledged commitment.

THE CLOSE

Confirm Pledge or Date for Follow-Up Call
If you are unable to confirm a specific amount for a contribution, make a date for a follow-up telephone call or meeting.

Say Thank You
Whatever the result of the solicitation, say thank you. The end of your solicitation today is the beginning of your solicitation tomorrow.

Follow Up on Any Specific Request
If you agreed to send any additional information to the prospect, make sure you follow up on the specific request.
501(C)(3) LEGAL DOS AND DON’TS

Please make a note of the following guidelines regarding nonprofit 501(c)(3) hospital participation in CHPAC fundraising efforts.

Private/nonprofit 501(c)(3) hospitals cannot actively solicit CHPAC contributions from their employees using hospital resources. However, hospital administrators of private/nonprofit hospitals can participate in CHPAC fundraising activities as individuals. Note: Public hospitals operate under stricter rules, especially regarding use of public property. Please see rules chart at the back of this kit for more information.

**DOS**
1. The hospital CEO and other leadership may participate in the CHPAC fundraising drive and activities by:
   a. Making personal contributions.
   b. Informing the hospital board of directors, medical staff and administrative/management staff during non-business hours, and using personal phone or e-mail, that CHPAC is worthy of their support. CHPAC materials may be distributed at this time.
   c. Distributing CHPAC materials by mail using CHPAC letterhead, envelopes and postage (available through the CHPAC office).
   d. Attending CHPAC-sponsored activities and events during personal time.

**DON’TS**
1. Do not use hospital e-mail, phone systems, time, supplies, letterhead or stationery. Always use personal or CHPAC stationery, personal cell or home phones, and personal e-mails.
2. Do not use hospital facilities, except to the extent that other private organizations have access to similar use. For example, if a room at the hospital is available for public use, it is permissible to hold a CHPAC meeting in that room, but not during employees’ work hours.
3. CHPAC participation either as a coordinator or a donor is completely voluntary. Do not make CHPAC participation part of an individual’s job responsibilities, and do not suggest that CHPAC contributions are tied to performance evaluations or responsibilities.
4. Do not make CHPAC solicitations an agenda item for official staff meetings or other hospital functions.
5. Keep the lines clear between actions taken as a 501(c)(3) hospital leader, and CHPAC activities. They must be completely separate.

**REMEMBER**
1. All CHPAC contributions must be voluntary and 501(c)(3) resources may not be used for or on behalf of CHPAC.
2. Leaders of 501(c)(3) hospitals must be clear that they are soliciting on behalf of CHPAC in their personal capacity not as the leader of the hospital.
3. Individual hospital employees may actively participate in soliciting CHPAC funds on their own non-work time, off the hospitals’ premises. Written communication on CHPAC or personal stationery is also permitted as long as no hospital resources are used.

4. Hospitals may permit CHPAC to host informational meetings in public rooms on the same basis as it allows other public meetings, as long as it is not during work hours.

NOTE: While the hospital itself may not encourage CHPAC participation, the hospital does not have to discourage CHPAC activity, as long as all activity is carried out by individuals, on their own time, using their own resources.

NOTE: Private nonprofit hospitals are permitted to engage in legislative advocacy (including initiative measures) subject to dollar limits set by the Internal Revenue Service, but may not support or oppose political candidates. As individuals, hospital employees are free to donate to candidates or political action committees (such as CHPAC) of their choice.