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June 17, 2025

The Honorable Mike Johnson Speaker of the House of Representatives Washington, D.C. 20515 The Honorable John Thune U.S. Senate Majority Leader Washington, D.C. 20510

Dear Speaker Johnson and Majority Leader Thune:

Today, Consumers' Research, the nation's oldest consumer advocacy organization, is issuing a *Consumer Warning* focused on nonprofit hospital systems across the United States using taxpayer-sponsored resources to fund ideologically charged policies and programming.

This *Consumer Warning* provides a comprehensive assessment of how the following five (5) prominent nonprofit hospitals/health systems have leveraged numerous funding streams from the federal government and benefits from tax-exempt status to advance controversial political and social causes rather than serve their community:

- 1. Cleveland Clinic (Ohio)
- 2. Vanderbilt University Medical Center (Tennessee)
- 3. Henry Ford Health (Michigan)
- 4. Memorial Hermann Health System (Texas)
- 5. Johns Hopkins All Children's (Florida)

Instead of lowering costs and passing savings onto patients, these hospitals have spent considerable money, time, and manpower pursuing a partisan agenda pertaining to Diversity, Equity, and Inclusion (DEI), radical gender ideology, and environmental activism.

Hospitals impact every American consumer of every background. Thus, consistently prioritizing patient care above everything else is essential for every hospital—its leadership, its medical professionals, its administrative staff, and every policy that guides them. Conversely, infusing a hospital system's everyday operations with progressive ideological goals only distracts from its core mission, inevitably compromising the quality of treatment, increasing costs, and putting consumers in serious physical and financial danger. Frankly, left unchecked, woke activism by hospitals will lead to needless human suffering.

When woke hospitals devote precious time, dollars, and workforce energy to satisfying the latest progressive orthodoxies, patients are unfairly and dangerously shortchanged. When such hospitals do so while enjoying tax-exempt status and federal support, U.S. taxpayers are made complicit in their radicalism and destruction. Such cases demand the government's attention, particularly the U.S. Congress.

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Under Executive Order 14151 signed by President Donald J. Trump on January 20, 2025, "all discriminatory programs, including illegal DEI and 'diversity, equity, inclusion, and accessibility' (DEIA) mandates, policies, programs, preferences, and activities in the Federal Government, under whatever name they appear" are meant to be terminated. The order specifically includes "Federal grantees who received Federal funding to provide or advance DEI, DEIA, or 'environmental justice' programs, services, or activities since January 20, 2021." This means that any tax-exempt hospital receiving public funds and engaging in woke activism is likely violating not only patient trust but also federal law.

According to the <u>U.S. Government Accountability Office</u>, in order to possess tax-exempt status, a hospital "must be organized and operated to achieve a charitable purpose—the promotion of health for the benefit of the community." Of the <u>six factors</u> identified by the Internal Revenue Service (IRS) that "demonstrate community benefit," none include political or social activism. However, the list *does* include a mandate to "Use surplus funds to improve facilities, equipment, and patient care." Using funds for other activities, such as woke programming for faculty and staff, is prohibited and a violation of IRS code.

The disturbing findings outlined in this *Consumer Warning* should provide the committees of jurisdiction more than enough justification for initiating a formal investigation into these federally supported hospitals' internal activities and a subsequent review of their tax-exempt privileges and the specific government funding streams which support them.

Consumers' Research trusts you will act in the best interests of taxpayers and the values of the American people. Thank you for your time and consideration.

Sincerely,

Will Hild

William Hild Executive Director, Consumers' Research

CC:

The Honorable Bill Cassidy The Honorable Mike Crapo The Honorable Brett Guthrie The Honorable Jason Smith

Attachment:

Consumers' Research Consumer Warning: Woke Hospitals: Embracing Political Priorities Ahead of Patient Care

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