

FAQS: THE “BUSINESS” OF OUR BLOOD CENTER

A Non-Profit Charity AND A Major Biotech Organization

Q What is involved in blood processing and testing?

A Laboratory technicians use centrifuges and other lab technology to prepare the blood into red cells, platelets and plasma for transfusion. Further processing for specific blood products may also be necessary.

Approximately 12 tests are performed on every unit of donated blood, many of which are for infectious diseases, including hepatitis (a liver infection); HIV (the virus that causes AIDS); HTLV-I (a virus associated with a rare form of leukemia) and HTLV-II; syphilis and WNV (West Nile Virus).

Blood centers follow five layers of safety procedures - blood donor eligibility standards, individual screening, laboratory testing, confidential exclusion of donations and donor record checks. Extensive compliance and technical tenure are required to get blood from a donor to a patient that is not visible to the public. Blood centers also work closely with government agencies and other entities on quality control and tracking.

Q Why do some blood centers pay donors? Why doesn't Arkansas Blood Institute?

A Blood centers dedicated solely to serving the needs of patients across the US do not pay donors. It is a protection for the safety of the blood supply for anyone in our families who might need it to survive a life-threatening illness.

Research has shown that volunteer donors provide a safer blood supply as they are not likely to answer blood safety screening questions untruthfully due to financial motivations.

State law prohibits blood from a paid donor to be transfused to patients. Some people confuse blood centers, such as ours, with plasma centers that pay donors. Most often, blood from paid donors is used by pharmaceutical and cosmetic companies.

Q Why is there a fee to hospitals and patients for blood that is donated voluntarily by individuals?

A Blood can't be 'created' or 'made'. It would simply not be available for patients having advanced surgery, cancer and trauma care in our community without wonderful and selfless blood donors. Every day Arkansas Blood Institute (ABI) welcomes people who voluntarily want to save the lives of others in this miraculous way.

Hospitals and patients are not charged for donated blood, itself, ABI provides. While expenses are recovered through a service fee for employee wages, fuel, vehicles, advanced testing equipment and blood processing, the blood itself is truly 'free' to those who need it. Our fees and quality have made us the chosen, sole supplier for 21 hospitals in western and south central Arkansas. They know it requires 24/7, 365 days-a-year staffing and operations, much like their hospitals.

Q Does blood donated with ABI ever go to patients outside this area?

A The vast majority of the time, blood donated here stays here. However, we must have the ability to respond to the communities we serve during unpredictable higher need times. Multiple organ transplants, trauma accidents and disasters, such as tornadoes and bombings, can all impact immediate needs.

Although, we typically have only a 3-day supply of blood available to meet our local hospitals' needs, occasionally, we may have some day-to-day surplus. **If blood is available beyond what is needed by local hospitals, we would rather see it used by patients outside the state than go to waste.** We have relationships with other blood centers for this purpose as good stewards of our donors' gifts of life.

Q

Why does it take so many financial resources to operate ABI?

A It is important to realize the magnitude of operations required to meet this vital community need. **Arkansas Blood Institute is affiliated with Oklahoma Blood Institute (OBI), the ninth largest blood center in the nation and the largest biotech company in the region.** Some 700 employees and 14 facilities are required. Much of the high-tech testing and quality control required to get safe blood to hospitals occurs 'behind-the-scenes', and our donors typically see only one donor center or a bloodmobile and may think of it as the entirety of our blood center.

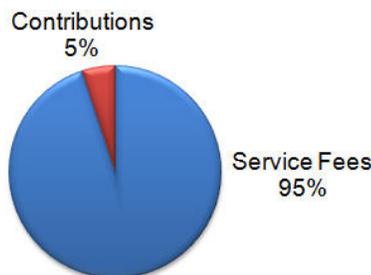
OBI is managed by a Board of Directors and staff with exemplary ethical and fiduciary standards. Our executives include physicians who have had special training and credentialing in transfusion medicine as well as being strong organizational leaders. All leadership salaries and operations are reviewed annually by its Board of Directors and compared to those at other blood centers and healthcare institutions in our area. Such good leadership and governance is one of the reasons **OBI was the 2009 recipient of the Oklahoma Center for Non-Profits' Charles Schusterman Award for Excellence as Oklahoma's best charity.**

OBI is a 501(c)(3) non-profit organization, operating with integrity and transparency. While a cost-recovery service fee is passed on to hospitals and patients, revenues above our expenses are typically three to four percent. This meets the basic standard for maintaining a stable and reliable community nonprofit. Revenues from blood services are returned to the organization to invest in needed technology, bloodmobiles and other such operational needs. No owners or stockholders profit.

Financial contributions comprise only five percent of our revenues.

While funds are sought to help offset our costs, many organizations provide support by hosting blood drives and events to inspire blood donors. Because we are not in a position to fundraise \$85 million in expenses each year (probably close to Oklahoma's entire United Way funding), we contract with our hospitals to cover our financial obligations. **This cost recovery model is used by every other blood center in America.** Our fees are lower than national averages.

Operational Expenses



Arkansas Blood Institute

BLOOD DONATION:

From Donor to Patient

1

Donor is welcomed.

2

Donor completes screening questions to determine if criteria for safely giving are met.

3

If eligible, donor gives blood.

4

Donor's blood taken to labs for testing and processing.
Blood is separated into components and stored.
Stored blood must be used within:
5 days – platelets
42 days – red blood cells
1 year – plasma

5

Blood is delivered to hospital blood bank and available for patients in need – often those facing surgeries, burns, trauma, injuries or cancers.

Knowing this, we urge you to continue your strong commitment to blood donation. Countless families whose loved ones are alive and healthy due to it are eternally grateful. Please contact us at any time with questions or concerns.

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