



**Membership Committee
Conference Call Minutes
August 22, 2013**

Committee Members Present (3): <ul style="list-style-type: none"> • David Lopez (chair) • LaRay Brown • Joe Orlando 	Committee Members Absent (4): <ul style="list-style-type: none"> • Stan Hammack • Gary Marchand • Jim Nathan • James Valenti 	External Consultant (1): <ul style="list-style-type: none"> • Sherri Jacobs 	Staff Present (3): <ul style="list-style-type: none"> • Kristine Metter • Bruce Siegel • Katherine Susman
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Agenda Items Minutes

Membership Status Update	<ul style="list-style-type: none"> • Seven new members: University of Arkansas (UAMS), University of Arizona Health Network, Swedish Covenant, University of Illinois, Henry Ford, Temple, Norwegian American • Others in the pipeline: University of Missouri, Bon Secours • Two losses: Cooper Green, LSU
Recap Previous Dues Discussions	<ul style="list-style-type: none"> • Dues are currently a flat fee regardless of hospital size at \$55,125 (\$27,600 for Associate Members). • Need to look at this structure and see if this is conducive to the varying sizes of our members, take into consideration equity. • Current flat rate is potentially a barrier for small hospitals to join. • There is a desire for a rational approach to pricing. • Should pricing be contingent on another factor, size, resources used etc.?
Introduce Sheri Jacobs, CAE, and Avenue M Group	<ul style="list-style-type: none"> • Extensive experience with this process over several years. Worked on dues projects with a variety of associations, especially a number in health care. • Will be working closely with the organization to get all of the necessary information and context to make this a smooth and productive transition.
Discuss Common Challenges in Restructuring Membership Dues	<ul style="list-style-type: none"> • Member retention, making sure that members understand the new structure and are comfortable with the change. • Weighing the pros and cons of the possibility that America's Essential Hospitals may lose some members but have a more efficient and productive dues system. • How does one decide what the right structure is? Size may not be an entirely comprehensive measuring stick as some smaller hospitals may still use a lot of the association's resources. There is a need to balance equity with resources used. • This change should reflect the strategic goals of the organization. • The process may be a good platform to consider who we "have at the table" in

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	<p>terms of membership – what role do different members play and are they necessary/a good fit as part of this organization? Are there prospective members we want based on the political landscape?</p> <ul style="list-style-type: none"> • Members need to feel that price is worth the value, there is competition with other organizations in which hospitals participate (for example, state associations are a necessity). • Members will typically look at the following: price, perceived value, affinity with the group, and bandwidth to participate. • Emphasis that there needs to be a gradual, phased approach so as to make any changes, especially potentially large increases, palatable for members. Members must be able to budget for their dues paid and become acclimated to a new structure.
Review Project Scope and Explain Each Stage of the Project	<ul style="list-style-type: none"> • This is an 18 month project with a target of Board approval in March 2014 and implementation in January 2015. • Project Phases: <ul style="list-style-type: none"> ○ 1 – “Deep dive” into looking at the structure in place, looking at the competitive market and best practices, seeing the current and past research in this field *Note action item: staff are to research the history of the current dues structure and how it came to be in place ○ 2– In-depth data and analytical work to see the risks involved with making a change, trying different models and metrics and seeing what the best process is for America’s Essential Hospitals and its members ○ 3 – Financial modeling ○ 4 – Marketing testing with a subset of members ○ 5 - Final decisions for execution
Discuss Project Goals and Objectives	<ul style="list-style-type: none"> • Analyze the current dues structure and determine the change(s) that needs to be made. • Establish the best pricing model and financial plan. • Avoid the problems that can arise with a dues restructuring. • Link to the association’s strategic plan. • Execute a gradual but efficient timeline for any changes to take effect.
Adjourn	<ul style="list-style-type: none"> • Reminder that the Membership Committee will meet in-person on September 30. Hotel information, travel policy, etc. have been sent to all members via email. Agenda and materials will be sent closer to the date of the meeting. • There will likely be 2-3 additional calls between the September meeting and early March