



AMERICA'S ESSENTIAL HOSPITALS

Membership Committee Conference Call Minutes September 18, 2014

Committee Members Present (7): <ul style="list-style-type: none">• Stan Hammack (Chair)• LaRay Brown• Tim Goldbarb• Stephen McKernan• Santiago Muñoz• Thomas Traylor• James Valenti	Committee Members Absent (1): <ul style="list-style-type: none">• Jim Nathan	Staff Present (4): <ul style="list-style-type: none">• Caitlyn Furr• Kristine Metter• Bruce Siegel• Katie Zimmerman
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Agenda Items

Minutes

Introductions and new chair	<ul style="list-style-type: none">• David Lopez was the chair of the membership committee, but departed Harris County in July. Because he is no longer affiliated with a member hospital, he is no longer a part of the committee.• Bruce introduced the new chair of the membership committee, Chair Stan Hammack, who was appointed by the chair of the association board. Chair Hammack is the CEO of University of South Alabama in Mobile, Alabama.• The committee members introduced themselves.
Review recent membership activity (Siegel)	<ul style="list-style-type: none">• Bruce discussed two items with the committee: the restructuring of member dues, and recent membership activity.• Bruce is close to finishing the calls and visits with all members regarding the dues change.• The new dues structure has nine tiers. Some members see increases, and some see decreases in member dues.• Most members understand and endorse the change, including those seeing the largest percentage increase. To date, staff is not aware of anyone planning to leave as a result, but we are still at the beginning of the process. Renewal invoices will be sent out next month.• No questions from the committee on the new dues structure.• This year, America's Essential Hospitals has lost two member systems: Bergen Pines in Paramus, New Jersey, and Sinai Hospital in Chicago. Both member losses were tied to CEO transitions. The membership dues restructuring was not a driver for either.

	<ul style="list-style-type: none"> • The association has gained 11 hospitals in the last year: Bon Secours, Oklahoma State University Medical Center, Liberty Hospital, United Medical Center in DC, the University of Chicago, University of Mississippi Medical Center, Care New England Health System, East Alabama Medical Center, Erlanger Health System in Chattanooga, , • We expect to bring the news of two more members to the board meeting: Interim LSU in New Orleans, which will become the new University Medical Center in 2015, and Rhode Island Hospital. • The committee asked what the keys are to bringing in new members. Bruce said that one key has been a sharp focus on value proposition (we delivered on Medicaid, site neutral payments, and other areas that can be quantified and seen as valuable). Articulating that there is a set of essential hospitals that are different and live in a different policy world has resonated. We also have been very aggressive and have spent time looking at who would make good members, and had discussions with them.
Proposed corporate affiliate membership category (Zimmerman)	<ul style="list-style-type: none"> • Staff proposed a new corporate membership category. The new membership category would not be a huge change, but needs approval from the membership committee and the association board. • The new membership category would allow us to engage other industry leaders, supporters and providers. • Right now, we have full members and associate members. We are proposing a new category for corporate affiliate members. The category would include companies and organizations providing products and services to essential hospitals. • Currently, these companies only have the opportunity to engage as sponsors during the annual conference or other events. The association wants them to have participation throughout the year. • Usually sponsorships and memberships are different corporate budget lines, so the new membership category would allow us the opportunity to capture funds from both budget lines. • The corporate membership would include one registration to VITAL, a subscription to the <i>Best Of</i> monthly e-newsletter, and listing in the member directory. • These new corporate members would not have influence on our advocacy. • The proposal is primarily a recategorization for companies that are already sponsors. • Chair Hammack commented that this new membership category is modeled around other associations, so it is not novel. • Mr. Traylor asked how big this member group would become over time. Would they need the blessing of members? What if something negative happened in the company? What are the rules of their joining our membership? • Bruce clarified that the member category is different from a preferred vendor category. Hopefully these companies will have a positive relationship with our existing members, but there can be some grey areas because many companies in the industry often have bumpy periods.

	<ul style="list-style-type: none"> • We do thoroughly research all sponsors before working with them. The membership category would model a code of conduct similar to the agreement our sponsors sign. • Ms. Brown clarified that the corporate members would not receive any preferential treatment by full members, and the new corporate members would in no way be preferred vendors. Ms. Brown suggested that we add this specification to the membership agreement. • Mr. Goldfarb said that America's Essential Hospitals must be very ethical in these relationships, and in how the member dues are used. Bruce ensured that the association would remain transparent and ethical. • Initially this category will be the sponsors we already see regularly, and will likely grow. The corporate membership allows the sponsors to have year round visibility. • The association is approached about this opportunity every year, so we think it will be a popular option. • Mr. McKernan suggested that we make sure that funds from this new dues category are segregated. Dues from corporate affiliates will not pay for anything inappropriate, and this needs to be clear. • Staff asked to hold a committee vote to recommend to the board the corporate membership. The committee made suggestions that will help staff sharpen the membership agreements. Mr. Traylor made the motion to approve the corporate membership proposal, Mr. McKernan seconded. • Tim punctuated the need to be clear that there are no shady dealings. • The committee passed the motion.
Relationship with state/regional associations (Siegel)	<ul style="list-style-type: none"> • The association has addressed the member structure and corporate member relationships, but there is another group which needs consideration: state associations. There are five around the country with whom the association has very different relationships: California Association of Public Hospitals and Health Systems Teaching Hospitals of Texas, Georgia Alliance of Community Hospitals the Hospital Alliance of New Jersey, and the Safety Net Hospital Alliance of Florida. • Among these five, two pay full membership dues, we sponsor one, and remaining two have casual involvement with the association but no official relationship, and have considered joining. Given this varying landscape in terms of our relationships with these organizations the committee is asked to consider how the association can clarify their involvement. • With one of the associations, all of their members are our members only because the parent association is our member. This has led to some ethical and policy issues. • The committee asked staff to canvas different states to see if this could be a growth opportunity. • The committee is asked to consider basic principles on how to level the playing field in terms of our relationships with these organizations. • Chair Hammack indicated that we should solve the problem at hand but also allow for growth. When we design the solution, we should keep in mind that there could be other groups we can also work with. • One option is to create a new membership category.

	<ul style="list-style-type: none"> • Staff will come back to the committee with a menu of options for consideration.
Committee assistance with recruitment and retention (Hammack)	<ul style="list-style-type: none"> • Chair Hammack reminded the committee that they tend to be the primary sales people for the organization. • Committee members are asked take on a personal duty of reaching out to people who would make good members in order to continue our growth mode. • Chair Hammack tasked the committee with reaching out to organizations, and helping America's Essential Hospitals with member prospects. • Kristine let the committee know that staff will be contacting them individually for help with prospects or worry members. As committee members think about prospects, reach out to Kristine in case they are not on our radar. • The committee adjourned.