



AMERICA'S ESSENTIAL HOSPITALS

Membership Committee Conference Call Minutes March 4, 2013

Committee Members Present (4): <ul style="list-style-type: none"> David Lopez (Chair) Stan Hammack Jim Nathan Jim Valenti 	Committee Members Absent (4): <ul style="list-style-type: none"> LaRay Brown Stephen McKernan Gary Marchand Joseph Orlando 	External Consultant (2): <ul style="list-style-type: none"> Sheri Jacobs Linda Wing 	Staff Present (5): <ul style="list-style-type: none"> Xiaoyi Huang Kristine Metter Bruce Siegel Katherine Susman Katie Zimmerman
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Agenda Items

Minutes

Overview of Dues Restructuring Memo	<ul style="list-style-type: none"> The committee reviewed the memo sent before the call which outlined the dues restructuring. The purpose of this call was to gather endorsement for the proposal so it may be taken to the board of directors meeting on March 31st where the board will review the information. The board will again review the materials during its June meeting and may hold a formal vote at that time. The dues restructuring serves to improve equity in pricing. The new structure will offer a rational pricing structure rather than the current flat rate. As the association grows, a fair and efficient structure needs to be implemented. This new model was carefully designed to avoid significant changes that could disrupt membership. The pricing structure is relatively simple so that it is accessible for multiple hospital systems. The 9-tiered system is based on hospital expenses, with dues ranging from \$25,000 to \$ 500,000. Most members are under \$65,000 so they would see either a very small increase or a decrease. The small group of hospitals are highly most impacted with larger increases, , some in this group are not very engaged. The memo includes financial impact projections that show a two year phase-in process for members with the largest increases. It is possible that there will be a couple of members lost in this process, which the association has budgeted for. (Specifically, the association has budgeted for the loss of 4 members in the higher tiers.) If approved, Sheri Jacobs and the Avenue M group will conduct a limited market test. Bruce Siegel will be talking to all members, particularly those with concerns to make sure this is a transparent and fair process.
Discussion	<ul style="list-style-type: none"> Most members will compare what they pay for America's Essential Hospitals

	<p>with other organizations, including AHA and local/regional ones. In that regard dues are still competitive with or below others in most cases.</p> <ul style="list-style-type: none"> • The committee offered several iterations of approval for the transparency and thoughtfulness of the new structure. • Jim Valenti motioned to approve the proposal which was seconded by Stan Hammack. The committee unanimously approved the proposal.
Next Steps	<ul style="list-style-type: none"> • The proposal will be taken to the board for discussion and review. • All committee members should feel free to contact Bruce Siegel with questions or concerns.