



Proposal for Group and Institutional Membership Modifications

BACKGROUND

The Medical Society of the State of New York (MSSNY) is committed to providing its members with information, access, and the resources necessary to build and maintain a strong professional foundation in the medical field. MSSNY has seen a decline in membership over the past four decades due to waning employer support, an aging workforce, and a lack of perceived value. The association world is also changing. It is impacted by evolving demographics, changing social behaviors, and emerging technology. This trend is not sustainable. Under the leadership of Troy Oechsner and its volunteer leaders, MSSNY agreed it is time to research opportunities, including the impact associated with making changes to the current membership model.

<https://www.medpagetoday.com/special-reports/exclusives/98326>

Nearly three-fourths of U.S. physicians opted for employment with hospitals, health systems, or other corporate entities, such as private equity firms and health insurers in the pandemic era, according to a the report found in Addendum A.

In 2021, 73.9% of physicians were hospital- or corporate-employed, up from 69.3% at the start of 2021, 64.5% at the start of 2020, and 62.2% at the start of 2019, according to the nonprofit Physicians Advocacy Institute (PAI) and consulting firm Avalere. That equates to 484,100 employed physicians, up from 423,800, 391,000, and 375,400 at the start of 2021, 2020, and 2019, respectively.”

GOAL

The goal of this proposal is to eliminate barriers to group and institutional membership. Modifications to the current organizational types and dues structures will be recommended. Restructuring these membership categories would simplify the membership proposal process, bring consistency to group and institutional membership while being transparent..

CURRENT MEMBERSHIP STRUCTURE

Group members are group practices, medical school faculty, IPAs, or medical specialty societies that receive a reduction in dues. They typically receive a dues discount of 50% or less and Individual dues are a predefined dollar amount.

Institutional members are hospital medical staffs that receive a dues discount of 51% or more. Individual membership dues are a percentage of the total dues collected.

The Following Membership Categories Require 100% Participation

GROUPS

Current Group Membership.

The current structure began in 1999 with a group practice discount. Discounts are offered on a sliding scale, based on group size. Bassett Healthcare was the first group to join under these terms in 2000. MSSNY’s legislative support of large practices in the face of proposals to impose a “provider tax” on groups was key in cementing these relationships.

Current Group Membership Pricing.

In the group discount formula, the first nine physicians in a group pay full dues and larger discounts are applied as the numbers increase. No other discounts apply.

Group Members	Dues Rate
First 9 members	100%
Members 10-19	80%
Members 20-49	70%
Members 50 and above	50%

Current Group Membership Requirements.

- Available in participating counties only
- Requires 100% participation by group.
- A single contract for group billing is provided.
- The group agrees to a 3-year commitment.
- There is flexibility to negotiate arrangements that meet a specific group's needs if those arrangements are within the discount parameters agreed to by both the county society and MSSNY.
- Other dues discounts (e.g., young physician, life) do not apply.

This structure was created to recognize the economies of scale the society realizes in billing and servicing larger groups and to ensure fairness to solo practitioners and smaller groups by charging the full dues rate to the first nine members of the group. The net discount blends the discounts to provide a final discount rate for the group. For example, the net discount for a group of 10 would be 2% (9 members at 100% + 1 member at 80% / 10 members total); for a group of 25 it would be 15% (9 members at 100% + 10 members at 80% + 6 members at 70% / 25 members total); for a group of 50 it would be 23%, and for 100 physicians, it would be 36.5%.

Agreements hinged on strong relationships between the medical society and key decision-makers at the groups. Arrangements with large group practices grew out of the business value of the medical societies' advocacy activities.

INSTITUTIONS

Current Institutional Membership.

The first institutional membership agreement was forged at Mather and St. Charles Hospitals, where the physicians were heavily involved in advocacy initiatives both on their own and through the state and county medical societies. It was a logical extension of their activism to recognize the possibilities for increased political clout through unified membership in the medical societies.

The starting point for determining the pricing of an institutional membership is the point at which the discounted dues revenue from the proposed membership is equivalent to the collective dues revenue from the current member physicians in the institution. Once this point is established, the proposed dues are set at a slightly higher rate than this break-even point based on a variety of factors specific to the institution.

Current Institutional Membership Pricing.

The group practice program uses a formula for determining reduced dues rates based strictly on the number of physicians, but institutional offers are based on current membership revenue and allow for more flexibility in negotiating a price, hence, institutional discounts can exceed 50%.

The first step to determine a discounted dues rate for a medical staff is to analyze their current membership participation rates through a manual review of their medical staff roster. During the review we determine the number of counties that would be impacted; how many of the institution's physicians are current members; the number of members that would be gained; and the amount of current total dues for the institution's current members.

Current state and county dues paid by the existing members represent the floor from which a pricing model is built. A reasonable fee must be reached for serving additional members, plus funds to cover any added services that may be indicated, such as on-site programming and events, legal assistance for the medical staff, etc. Neighboring county medical societies with members who are part of an institutional group generally do not gain anything out of such arrangements. To compensate, MSSNY has traditionally subsidized the neighboring county dues payments for those members, so that these counties are made whole, eroding the net dues MSSNY receives.

Current Institutional Membership Requirements.

- Requires 100% membership of physicians (a single payment for all).
- A dues payment made by the medical staff is divided between the county medical society and MSSNY using the same ratio split as the full county and state dues.
- Unless special approval is given, the arrangement cannot result in a loss of dues income to either the county or the state.
- A package of benefits and services is designed to bring value to the hospital, as well as to the individual physicians, including educational programming, legal assistance, assistance for the medical staff, etc.

MEGA GROUP

Current Mega Group.

With more hospitals and facilities joining large health systems, medical staff at component facilities may band together to join as one mega group. When a mega group applied for membership, it was required that the increased discount be approved by MSSNY and all the participating component societies. Although the medical societies received decreased revenue, it was deemed acceptable because of the number of new physician members. This member type is similar in all aspects to the Institutional Membership but allows for a greater discount.

ADVANTAGES AND DISADVANTAGES OF CURRENT GROUP/INSTITUTIONAL MEMBERSHIP STRUCTURE

Advantages

- **Increased member growth and revenue:** In response to steep losses among MSSNY's traditional private practice member base, group and institutional membership provided a pathway to increased revenue and growth.
- **Reduced administrative cost:** One invoice and one payment for a large group/institution reduced staff time spent enrolling each member and posting individual payments.
- **Cash flow planning:** As each group/institution membership contract is multiyear, it allows for financial planning and stabilization of membership. There are also opportunities to attract non-dues revenue from these arrangements, e.g., the larger number of physicians and the younger demographic makes us more attractive to advertisers.
- **Greater political influence:** The more voices MSSNY represents, the more clout it has in Albany.
- **More diverse demographics:** Appeals to younger and more diverse physicians for involvement and to prepare for roles in MSSNY leadership. Group/institution membership is more inclusive as it casts a wide net across all demographics.

Disadvantages

- **Lack of Consistency:** In the past, an organization was considered a group or an institution arbitrarily. Because a strict definition was not consistently applied, MSSNY has one organization in each membership

category that does not adhere to the current definitions. There is one group receiving a discount greater than 50% and one institutional member receiving a discount less than 51%.

- **Manual processes:** There is no database that can calculate different dues amounts for each group/institution. These group invoices are all calculated and printed individually leaving certain staff members with little time to do other things. There is no program that compares organizational rosters from year to year. Each record is checked, and staff inputs individual profile updates.
- **Complexity of agreement process:** Most do not understand the process, including staff. There is no quick way of determining what discounted dues rate could be offered to an organization. We can only provide an estimated rate after a review process that happens too slowly. By the time a proposal is finalized, group or institutional interest sometimes is lost.
- **Dues inequity:** Membership agreements have led to significant dues inequity within the state creating animosity and discourse among members.
- **Program dues never raised:** Agreements were negotiated for specific time periods. The agreements were never renegotiated as specified in the original pilot program requirements. The pilot program was specific in that these rates were to be renegotiated at a higher rate after the initial agreement ended.
- **Requirements not met by all groups:** Not all groups and institutions have 100% participation nor do all groups and institutions pay with one check.
- **Unclear benefits:** Neither leadership nor the members understand the benefits of a group or an institution agreement. The difference between group and institutional agreements is also vague.
- **Benefit inequity:** The agreements specifically outline limited benefits to medical staff that are not available for individual memberships.
- **Inability to meet deliverables:** Although programming specific to groups or institutions was offered in many of the agreements, the logistics of providing the programs, not to mention the cost, is prohibitive.
- **Limited engagement:** It is often difficult to get the medical staff to engage with MSSNY or take advantage of their additional benefits, even when they are included in their reduced dues.
- **Subsidizing to encourage participation:** To encourage county participation in agreements, MSSNY paid those counties reluctant to accept discounted dues the difference between the full county dues and the discounted dues paid by the organization. This further lowers the net dues MSSNY receives.

PROPOSED MODIFICATIONS TO CURRENT ORGANIZATIONAL MEMBERSHIP STRUCTURE

Grandfathering Existing Group and Institutional Members.

If a new structure for entities previously considered groups or institutions is approved, existing group and institutional members in good standing as of December 31, 2022, will be granted grandfathered status. * Those groups and institutions may maintain their membership agreement but would be required to reapply under the new proposed structure once their grandfathered membership terminates for any reason under their existing membership agreement. Grandfathered group and institutional members will continue to be identified as group or institutional members.

*Does not include any discounted dues agreements MSSNY has not approved.

Proposed New Category: Organizational Membership.

Consolidate the two current membership categories, group and institutional, into one organizational membership category for new groups and institutions. Should the grandfathered membership of a group or institution terminate, and the group or institution reapplies for membership, the group or institution would then be categorized as an organizational member. This will eliminate confusion and provide consistency. There will be one dues calculation for organizational members eliminating the need to continue the distinction between groups and institutions. This will also differentiate the new organizational members from the grandfathered group and institutional members.

Organizational members will be group practices, hospital medical staffs, medical school faculty, IPAs, and medical specialty societies that have the authority to act and pay on behalf of the entire organization applying for membership. Once approved for membership, they receive a reduction in dues.

A new MSSNY dues structure is also proposed. Physicians practicing in an organization with 10 or more physicians may apply for MSSNY organizational membership. These discounts are applied on a flat-rate, tiered basis dependent upon the total number of physicians in the group or institution.

County Participation

MSSNY should not be calculating, negotiating, and committing to dues discounts on behalf of the counties without the consent of the counties. Nor should the counties be calculating, negotiating, and committing to dues discounts on behalf of MSSNY without MSSNY's consent. Prior to implementing the new dues structure for organizational members, the counties must either opt-in or opt-out of the organizational discount program.

Discounts, as provided in the proposed pricing structure below, will automatically be applied to the dues of each county that has opted into the organizational discount program thereby waiving the election of each individual member. County approval on each agreement will no longer be necessary. Discounted county dues will be added to MSSNY's discounted state dues for a total organizational dues rate.

Organizational members will not be placed in counties that do not participate in the discount program. If they work or reside in a county that participates in the discount program, they will be placed there. If neither county participates, they will be placed in the county where the headquarter office of the group or organization is located.

This new process will eliminate the complex comparison calculation of the existing memberships and the potential gain in membership, the challenge of coordinating approval of the organizational membership with the involved counties; and the time-consuming process of waiting until regularly scheduled county board meetings to confirm approval of potential organizational members. It will also give MSSNY the ability to price an organizational membership quickly, which currently cannot be done.

Proposed Pricing Structure

The new pricing structure would give the organization the choice of participating in membership for one, two, or three years. With each additional membership year that the organization commits to, the discount increases.

An analysis of the current pricing method versus the proposed pricing method can be found in Addendum B of this proposal. The following organizational membership discount options have been calculated so that those organizations with 10 to 100 physicians receive a larger relative discount.

50% Maximum Discount

One-year membership

Proposed calculation method for all organizations – 50% maximum discount

Example: A prospective member with 100 physicians with 100% of their physicians participating in membership for one year.

1. Select group size and identify dues per member from the chart below.
2. Multiply dues per member by the group size for total dues
 $\$335.80 \times 100 = \$33,580.00$ dues for the year

Group Size	Min # of Physicians	Max # of Physicians	Dues Per Member	Minimum	Maximum	% Discount
10-15 physicians	10	15	\$414.00	\$4,140.00	\$6,210.00	10%
16-25 physicians	16	25	\$391.00	\$6,256.00	\$9,775.00	15%
26-50 physicians	26	50	\$368.00	\$9,568.00	\$18,400.00	20%
51-99 physicians	51	99	\$345.00	\$17,595.00	\$34,155.00	25%
100-199 physicians	100	199	\$335.80	\$33,580.00	\$66,824.20	27%
200-299 physicians	200	299	\$322.00	\$64,400.00	\$96,278.00	30%
300-499 physicians	300	499	\$308.20	\$92,460.00	\$153,791.80	33%
500-750 physicians	500	750	\$289.80	\$144,900.00	\$217,350.00	37%
751-999 physicians	751	999	\$276.00	\$207,276.00	\$275,724.00	40%
1,000-2,499 physicians	1000	2499	\$262.20	\$262,200.00	\$655,237.80	43%
2,500+ physicians	2500	5000	\$253.00	\$632,500.00	\$1,265,000.00	45%

Two-year membership

Proposed calculation method for all organizations – 50% maximum discount

Example: A prospective member with 100 physicians with 100% of their physicians participating in membership for two years.

1. Select group size and identify dues per member from the chart below.
2. Multiply dues per member by the group size for total dues
 $\$326.60 \times 100 = \$32,660.00$ dues annually for two years

Group Size	Min # of Physicians	Max # of Physicians	Dues Per Member	Minimum	Maximum	% Discount
10-15 physicians	10	15	\$404.80	\$4,048.00	\$6,072.00	12%
16-25 physicians	16	25	\$381.80	\$6,108.80	\$9,545.00	17%
26-50 physicians	26	50	\$358.80	\$9,328.80	\$17,940.00	22%
51-99 physicians	51	99	\$335.80	\$17,125.80	\$33,244.20	27%
100-199 physicians	100	199	\$326.60	\$32,660.00	\$64,993.40	29%
200-299 physicians	200	299	\$317.40	\$63,480.00	\$94,902.60	31%
300-499 physicians	300	499	\$303.60	\$91,080.00	\$151,496.40	34%
500-750 physicians	500	750	\$289.80	\$144,900.00	\$217,350.00	37%
751-999 physicians	751	999	\$276.00	\$207,276.00	\$275,724.00	40%
1,000-2,499 physicians	1000	2499	\$257.60	\$257,600.00	\$643,742.40	44%
2,500+ physicians	2500	5000	\$243.80	\$609,500.00	\$1,219,000.00	47%

Three-year membership

Proposed calculation method for all organizations – 50% maximum discount

Example: A prospective member with 100 physicians with 100% of their physicians participating in membership for three years.

1. Select group size and identify dues per member from the chart below.
2. Multiply dues per member by the group size for total dues
 $\$312.80 \times 100 = \$31,280.00$ dues annually for three years

Group Size	Min # of Physicians	Max # of Physicians	Dues Per Member	Minimum	Maximum	% Discount
10-15 physicians	10	15	\$391.00	\$3,910.00	\$5,865.00	15%
16-25 physicians	16	25	\$368.00	\$5,888.00	\$9,200.00	20%
26-50 physicians	26	50	\$345.00	\$8,970.00	\$17,250.00	25%
51-99 physicians	51	99	\$322.00	\$16,422.00	\$31,878.00	30%
100-199 physicians	100	199	\$312.80	\$31,280.00	\$62,247.20	32%
200-299 physicians	200	299	\$299.00	\$59,800.00	\$89,401.00	35%
300-499 physicians	300	499	\$285.20	\$85,560.00	\$142,314.80	38%
500-750 physicians	500	750	\$271.40	\$135,700.00	\$203,550.00	41%
751-999 physicians	751	999	\$257.60	\$193,457.60	\$257,342.40	44%
1,000-2,499 physicians	1000	2499	\$243.80	\$243,800.00	\$609,256.20	47%
2,500+ physicians	2500	5000	\$230.00	\$575,000.00	\$1,150,000.00	50%

If a proposed mega group membership agreement does not fall within the guidelines agreed upon in advance by MSSNY and the counties for any reason, then it would be considered as a standalone proposal requiring specific approval of MSSNY and the affected counties.

Proposed Requirements for Organization Membership.

For all levels of organizational membership, the following applies:

- 100% participation of the physicians in the organization is required.
- Organizational membership may be for one, two, or three years.
- Other than offering the option of one-, two-, or three-year membership, the dues will be charged according to the pricing tables.
- The organization applying for membership must provide MSSNY with a preliminary roster of eligible physicians to include a minimum of the physicians' last name, first name, middle initial, and license number.
- A roster review must be performed by MSSNY to determine the membership status and county affiliations of the physicians.
- The discounts cover all individuals within the group and all categories of membership. As such, no other MSSNY discounts would be applied (e.g., part-time, resident, or life membership).
- District dues will be discounted at the same rate as other county dues.
- A Memorandum of Understanding (MOU) outlining the conditions of the agreement, will be provided to both parties, and affected counties. Conditions should include but are not limited to,
 - Contact information for the representative(s) from each group.
 - Annual payment due by January 1 of the membership year.
 - Physician roster due by November 1 each year.
 - All physician contact information must be provided by the organization.
 - Additional programming or services MSSNY agrees to provide.
 - Organizational contact information for the point person who would facilitate the program or service for the members.
- MSSNY will produce one group billing invoice and the organization must pay with one check.

- Single payment is preferred. Prior agreement is required for installment payments.
- Organizational members will be billed at Net 30 terms.
- Organizations must pay by check. Credit card payments are not acceptable.
- To process a group's membership, specific information will be required – including physician names, contact information (such as e-mail addresses to allow for online account access), etc. This information will be used to distribute important member benefit information. All information provided is confidential, and members can opt-out of receiving communications at any time.
- Dues will not be refunded to any physician that has paid individual dues prior to being included in a new organizational member's roster. If the physician remains on the organization's roster in subsequent years, the organization will be invoiced for the physician's membership at a discounted dues rate and no dues will be collected directly from the individual physician.
- A physician may have membership through multiple organizations, but payment of the physician's dues will be assigned to the first organization that submits payment for the physician's membership for that membership year.
- Although one organization will pay for the physician's dues, the physician will be listed as a member of all the organizations which have listed the physician as a member on their roster.
- MSSNY will not supplement dues payable to any county under the agreement to make a county whole.
- Organizational members must be group practices, hospital medical staffs, medical school faculty, IPAs, or medical specialty societies to be accepted for membership.

ADVANTAGES AND DISADVANTAGES TO PROPOSED MODIFICATIONS TO CURRENT ORGANIZATIONAL MEMBERSHIP STRUCTURE

Advantages

- **It's Simple:** A more simplistic structure for dues calculations. Leadership and staff will have an immediate estimate of the cost of dues for a prospective organization, enabling continuity in the membership recruiting process.
- **Options/Choice:** Groups will be able to choose between a one-, two-, or three-year membership term.
- **Dues are Known in Advance:** This structure will enable more efficient prospecting of members. A quick estimate of dues can be made with minimal information.
- **Unambiguous:** Easy to understand for current and potential members.
- **Transparent:** Transparent dues calculation process
- **Advanced Agreement:** Both parties will be accountable for deliverables under the agreement. It will be clear what the organization receives, what the organization provides and what MSSNY provides under the agreement.
- **Sets Expectations:** The expectation of regular contact between the organization and MSSNY begins at the agreement level.
- **No Negotiation Necessary:** Dues rates would be set with no need to negotiate or renegotiate at the end of an agreed term.
- **Automatable:** Dues set in advance according to size can easily be automated freeing up staff time to concentrate on relationships, benefits, and deliverables.
- **Join Online:** Set, tiered member dues will make it easy to create an online membership application.

THE PATH FORWARD

MSSNY's objectives are driven by both current and past data. Both are aimed at achieving their goals. Using this research as a guide, goals are to:

- Reverse the current membership trend, retain, and then grow MSSNY's membership numbers of all types
- Increase the visibility of MSSNY in the industry
- Be seen as an inclusive and premiere organization for medical professionals
- Grow the value proposition for members, thus encouraging both new members and retaining current members

IN CONCLUSION

Changes to membership are not taken lightly, and our path forward holds fundamental and exciting possibilities. If community, voice, and membership is the ultimate prize, we will have the opportunity to shepherd those into the society pipeline to be better – better for the physicians, better for their employers and ultimately better for their patients. MSSNY will advance the profession with a better health care system as the aspiration.

By freeing up administrative time spent by staff and volunteers on group and institution membership, there is the opportunity to spend more time cultivating relationships, creating valuable benefits, and focusing on mission. With experience these policies may be amended in the future.

With change, the future looks promising.

ADDENDUM A



PAI Research

UPDATED APRIL 2022

Physician Employment Trends

PAI-Avalere Health Report on Trends in Physician Employment and Acquisitions of Medical Practices: 2019-2021

This research shows that the pandemic accelerated the ongoing trend of physicians leaving private practice for employment, spurred by hospitals and other corporate entities acquiring medical practices, part of a wave of consolidation throughout the healthcare industry. This study added 2021 data to an ongoing review by Avalere Health and PAI of these trends and found a significant surge in practice acquisitions and increased physician employment last year.

Key Findings:

Nearly 3 of 4 physicians are now employed by hospitals, health systems and other corporate entities such as private equity firms and health insurers.

- More than one hundred thousand (108,700) physicians shifted to employment since January 2019. This growth split nearly evenly between hospital employees (58,200 additional physician employees) and other corporate entities (50,500 additional physician employees).
- Of those, 83,000 physicians (76%) became employees since the pandemic began.
- 2021 alone saw a marked increase in employed physicians, growing by 19%, from 69.3% to 73.9% of all physicians.

These staggering facts are key findings in a study released by PAI and conducted by Avalere Health showing that hospital systems and other corporate entities continued to drive consolidation in healthcare by aggressively acquiring physician practices throughout 2019-2021, especially during the period following the beginning of the COVID-19 pandemic.

Other findings include:

- Hospitals and corporate entities, including private equity firms and insurance companies, now own over half (52.1%) of physician practices (hospitals own 26.4% and other corporate entities own 27.2%).
- While hospital and health system acquisitions continued at a steady pace (9% growth), the sharpest increase (86% growth) in medical practice acquisitions over the three-year study period was by corporate entities.

- The COVID-19 pandemic accelerated corporate ownership of physician practices and physician employment by hospital systems and other corporate entities in the last half of 2020 and throughout 2021.
- Every region of the country saw a steady trend towards increased employment and hospital and corporate ownership of practices, but there are distinct differences among regions.
 - The South saw the highest rate of acquisitions by corporate entities (94% increase).
 - The Midwest continued to have the highest percentage of physicians employed by hospitals and health systems (63.5%, growing 9% over the study period).

Updated: August 10, 2021

Related PAI-Avalere Research

PAI has had a long-standing collaboration with Avalere to **study hospital and health system acquisitions of physician practices in the United States between 2012-18**, documenting that between 2012 to 2018 there was a dramatic, sustained trend of physicians leaving private practice. Forty-four percent of U.S. physicians were employed by hospitals or health systems by January of 2018, compared to just one in four in 2012. PAI and Avalere also examined the **higher health care spending implications** of care delivered in the hospital-owned setting versus private physician office setting and **“site of service” payment policies** that contributes to these consolidation trends.

What is the Impact of these Trends?

Unchecked consolidation has been shown to reduce competition in the healthcare marketplace, drive costs and spending higher and undermine medical practice innovation. Policies to level the playing field are urgently needed to preserve competition and allow physicians who choose independent practice to be able to do sustain private medical practices.

PAI is also concerned that the growing corporatization of healthcare, if left unchecked, will result in an inappropriate incursion into the practice of medicine. More transparency and oversight into corporate acquisitions of medical practices is needed to protect patients. Regardless of the practice setting, physicians should retain clinical autonomy to provide high quality, cost effective care for their patients.

ADDENDUM B

Combining group and institutional membership into one membership category streamlines the calculation of dues. A single dues estimation method ensures equity and expedites the membership proposal process allowing a quicker response to a membership proposal request. Moreover, predetermined discount levels support the financial viability of the Medical Society.

The following is a look at how we currently calculate institutional member dues versus a new, proposed method. The current method allows for a marginal profit and involves arbitrary parameters which have resulted in dues inequity among institutional members. The proposed method is simple and straightforward.

CALCULATION COMPARISON

Scenario #1

A prospective organizational member with 100 physicians with 100% of their physicians participating in membership for three years.

Current calculation method for institutions

- The typical percentage of an institution’s physicians who are current members at the time their institution joins is estimated to be between 17 and 20%, 17% will be used for this example.
- The additional assessment to ensure a profit margin has not yet been determined, so 10%, 20%, 30%, and 40% assessments are detailed in this example.

Estimated MSSNY dues for a three-year membership for a 100-physician institution:

1. Calculate the percentage of paid members of the group by comparing the organization’s roster to current members in the database.
2. Multiply the number of physicians in the group by the percentage of current paid members.
 $100 \times .17 = 17$
3. Multiply number of members by current MSSNY dues revenue.
 $17 \times \$460 = \$6,800$
4. Add additional assessment to determine dues.

Assessment %	Current Dues	Assessment \$	Total Dues	Individual Dues	Discount Percent
10%	\$6,800.00	\$680.00	\$7,480.00	\$74.80	82%
20%	\$6,800.00	\$1,360.00	\$8,160.00	\$81.60	81%
30%	\$6,800.00	\$2,040.00	\$8,840.00	\$88.40	80%
40%	\$6,800.00	\$2,720.00	\$9,520.00	\$95.20	79%

Proposed calculation method for all organizations – 50% maximum discount

3. Select group size and identify dues per member
4. Multiply dues per member by the group size for total dues
 $\$312.80 \times 100 = \$31,280.00$

Three-year membership dues chart

Group Size	Min # of Physicians	Max # of Physicians	Dues Per Member	Minimum	Maximum	% Discount
10-15 physicians	10	15	\$391.00	\$3,910.00	\$5,865.00	15%
16-25 physicians	16	25	\$368.00	\$5,888.00	\$9,200.00	20%
26-50 physicians	26	50	\$345.00	\$8,970.00	\$17,250.00	25%
51-99 physicians	51	99	\$322.00	\$16,422.00	\$31,878.00	30%
100-199 physicians	100	199	\$312.80	\$31,280.00	\$62,247.20	32%
200-299 physicians	200	299	\$299.00	\$59,800.00	\$89,401.00	35%
300-499 physicians	300	499	\$285.20	\$85,560.00	\$142,314.80	38%
500-750 physicians	500	750	\$271.40	\$135,700.00	\$203,550.00	41%
751-999 physicians	751	999	\$257.60	\$193,457.60	\$257,342.40	44%
1,000-2,499 physicians	1000	2499	\$243.80	\$243,800.00	\$609,256.20	47%
2,500+ physicians	2500	5000	\$230.00	\$575,000.00	\$1,150,000.00	50%

Scenario #2

A prospective organizational member with 100% of their 400 physicians participating in membership for three years.

Current calculation method for institutions

- The typical percentage of an institution’s physicians who are current members at the time their institution joins is estimated to be between 17 and 20%, 17% will be used for this example.
- The additional assessment to ensure a profit margin has not yet been determined, so 10%, 20%, 30%, and 40% assessments are detailed in this example.

Determination of estimated total dues for a three-year membership for an institution of 100 physicians:

1. Calculate the percentage of paid members of the group by comparing the organization’s roster to current members in the database.
2. Multiply the number of physicians in the group by the percentage of current paid members.
 $400 \times .17 = 68$
3. Multiply the number of members by the current MSSNY dues amount
 $68 \times \$460 = \$31,280$
4. Add assessment to determine dues.

Assessment %	Current Dues	Assessment \$	Total Dues	Individual Dues	Discount Percent
10%	\$31,280	\$3,128.00	\$34,408.00	\$86.02	81%
20%	\$31,280	\$6,256.00	\$37,536.00	\$93.84	79%
30%	\$31,280	\$9,384.00	\$40,664.00	\$101.66	77%
40%	\$31,280	\$12,512.00	\$43,792.00	\$109.48	76%

Proposed calculation method for all organizations – 50% maximum discount

Estimated MSSNY dues for a three-year membership for a 400-physician organization:

1. Select group size and identify dues per member
2. Multiply dues per member by group size for total dues
 $\$285.20 \times 400 = \$114,080.00$

Three-year membership dues chart

Group Size	Min # of Physicians	Max # of Physicians	Dues Per Member	Minimum	Maximum	% Discount
10-15 physicians	10	15	\$391.00	\$3,910.00	\$5,865.00	15%
16-25 physicians	16	25	\$368.00	\$5,888.00	\$9,200.00	20%
26-50 physicians	26	50	\$345.00	\$8,970.00	\$17,250.00	25%
51-99 physicians	51	99	\$322.00	\$16,422.00	\$31,878.00	30%
100-199 physicians	100	199	\$312.80	\$31,280.00	\$62,247.20	32%
200-299 physicians	200	299	\$299.00	\$59,800.00	\$89,401.00	35%
300-499 physicians	300	499	\$285.20	\$85,560.00	\$142,314.80	38%
500-750 physicians	500	750	\$271.40	\$135,700.00	\$203,550.00	41%
751-999 physicians	751	999	\$257.60	\$193,457.60	\$257,342.40	44%
1,000-2,499 physicians	1000	2499	\$243.80	\$243,800.00	\$609,256.20	47%
2,500+ physicians	2500	5000	\$230.00	\$575,000.00	\$1,150,000.00	50%

RECOMMENDATION

The proposed calculation is more efficient, takes far less time to calculate, is more transparent to members and brings in more dues revenue. It is for these reasons we are using the proposed calculations in the proposal.