Michigan Dental Association

MEETING OF THE BOARD OF TRUSTEES
September 26-27, 2013
Kentwood, Michigan

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Member Demographics, Executive Summary
Membership Advisory Committee: Mission Driven Volunteerism
Leadership Development Institute
MINUTES OF THE BOARD OF TRUSTEES
September 26-27, 2013
Kentwood, Michigan

OFFICERS:
Dr. Norman Palm, president
Dr. Martin Makowski, president-elect
Dr. Mark Johnston, vice-president
Dr. Debra Peters, speaker
Dr. Virginia Merchant, editor
Dr. Charles Burling, secretary
Dr. Stephen Harris, treasurer
Mrs. Grace DeShaw-Wilner, CAE, interim CEO/executive director

LEGAL COUNSEL:
Mr. Dan Schulte (for a portion)

ABSENT:
Dr. Vincent Mack

MDA STAFF: (for a portion)
Ms. Bernie Droste, CMP, manager of continuing education
Mr. David Foe, director of print and e-publications
Mr. Thomas Kochheiser, CAE, director of public affairs
Mr. Josh Lord, MBA, director of membership and strategic initiatives
Ms. Michelle Nichols-Cruz, board and house administrator
Mr. Brian Stump, MBA, director of finance
Mr. Bill Sullivan, JD, director of legislative and insurance affairs
Ms. Andrea Sundermann, CAE, director of continuing education

MDAIFG Staff: (for a portion)
Mr. Craig Sturt, MBA, president

GUESTS: (for a portion)
Dr. Susan Carron, director, Michigan Dental Association Foundation
Dr. Larry DeGroat, chair, MDA Insurance & Financial Group
Dr. Gary Jeffers, ADA Ninth District Trustee-Elect
Dr. Alexa Vitek, chair, Membership Advisory Committee
THURSDAY, SEPTEMBER 26, 2013:

ANNOUNCEMENTS:

New Business:
President Palm asked if there was any new business to be submitted for this Board meeting. The Board was informed that if new business is not submitted to the Central Office 14 days prior to a Board meeting a 2/3 vote of the voting members of the Board present is required to consider the resolution. No new business was presented.

Conflict of Interest:
President Palm informed the Board that this agenda item is a time for trustees to mention or ask questions/comments regarding conflict of interest. The conflict of interest policy states that the trustee should report potential conflicts to the president with the Board making the final decision as to whether a conflict exists. No conflicts of interest were noted.

Announcements, Interim CEO/Executive Director:
- The Board was informed that MDAIFG hired a new employee for the glove program.
- MDA staff will be working with Governance Work group to develop bylaws/policy changes based on the actions from the September 20 House meeting. Speaker Peters will communicate with the delegates to garner additional feedback on certain House resolutions to assist the Work Group.
- The MDA Foundation is in the process of a CEO search. The search has already been let out and was extended for two to three additional weeks.

CORE VALUES OF GOVERNING:
At the June 23, 2013 Board meeting, the Board reviewed a list of core values. It was agreed that the list of core values would be provided to the Board in survey format so that individual trustees could rank the values in order of importance to the trustee.

These core values are guidelines to be used when discussing issues at the Board level and with each other. The top six core values are:

1. Ethical Standards:
2. Embrace Proactivity vs. Reactivity (think future not past or present)
3. A Culture Dedicated to Diversity, Openness in Viewpoints and a Commitment to Transparency
4. Recognize the Concept that “Members are Owners”
5. Remember that Trustees are Fiduciary to the MDA (not individual components)
6. Recognize Diversity in Viewpoints
Board Comment:

• It was made clear that number one, Ethical Standards, relates to the ethical standards of the Board when discussing issues and not ethical standards of the members or individual dentists. These will be guidelines for the Board to utilize when discussing issues.
• The Board believes that items number three and six should be combined as they are similar in nature.
• The Board requested that the following core value be added: “Verify That Results Align with Policies and the Strategic Plan”

This list will be updated and finalized at the December Board meeting. Dr. Palm also informed the Board that it will discuss the topic of transparency at the December meeting.

CONSENT CALENDAR:

Eight recommendations were contained on the Consent Calendar.
The following was adopted:

1-913 Resolved, that the following be adopted: Adopted

MDA FOUNDATION BOARD OF DIRECTORS
Election of Two New Directors
Recommendation Numbers: 461-462

MDA FOUNDATION BOARD OF DIRECTORS
Bylaws Change Regarding Electronic Voting
Recommendation Number: 463

BOARD COMMITTEE ON FINANCE
MDA Investment Policy
Recommendation Numbers: 459-460

NEW BUSINESS
Establishment of Special Committees for 2014-2015
Recommendation Number: 458

EXECUTIVE COMMITTEE
MDA Conflict of Interest Policy
Recommendation Numbers: 465-466
Board Policy Manual & Committee Operating Manual
The recommendations are listed below in their entirety:

2-913  Resolved, that the Michigan Dental Association Board of Trustees hereby ratifies the election of the following individual as a director of the Michigan Dental Foundation:

Thomas Goodsell, DDS, MDA member

3-913  Resolved, that the Michigan Dental Association Board of Trustees hereby approves the election of the following individual as a director of the Michigan Dental Foundation:

Emily Kennedy, DDS, MDA member

4-913  Resolved, that the MDAF Bylaws, Article II, Directors and Board of Directors Meetings, be amended by the addition of a section 10 titled “Participation by Remote Communication” as follows (additions are shaded):

10. Participation by Remote Communication: In the discretion of the president, directors may be permitted to participate in meetings of the Board by remote communication instead of being present in person. Remote communication shall mean participation by means of conference telephone or other means of remote communication by which all persons participating in the meeting can communicate with each other. Participation permitted by remote communication constitutes presence in person at the Board meeting. In the discretion of the chairperson, committee members shall be permitted to participate in meetings of a committee of the Board of Directors by remote communication instead of being present in person. Remote communication shall mean participation by means of conference telephone or other means of remote communication by which all persons participating in the meeting can communicate with each other. Participation permitted by remote communication constitutes presence in person at the committee meeting.

Action Without a Meeting: In the discretion of the president, any action required or permitted to be taken under authorization voted at a meeting of the Board or any committee of the Board may be taken without a meeting if all Board or committee members then in office consent to the action in writing or by electronic transmission (as defined by Michigan’s Non-Profit Corporation Act).

5-913  Resolved, that the MDA Investment Policy Statement, dated 9/27/13, be approved. Adopted

Board Policy Manual

6-913  Resolved, that Resolution 1-4/15/11 regarding MDA Investment Policy Statement be rescinded and removed from the Board Policy Manual. Adopted

7-913  Resolved, that the MDA Board of Trustees approves the continuance of the following special committees for the 2014-2015 year:

Special Committees:

- Employee Benefits Advisory Committee
- Membership Advisory Committee
- Public Relations Advisory Committee
- Special Committee on Access to Care

Minutes of the Board of Trustees
September 26-27, 2013
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Resolved, that the following is the MDA Conflict of Interest Policy:

It is the policy of the Board of Trustees of the Michigan Dental Association ("MDA") that individuals who serve in elected or appointed positions do so in a representative and fiduciary capacity. Elected and appointed officials are required to act in accordance with the fiduciary duties imposed upon them by their office and/or as further determined by the MDA Board from time to time.

At all times, elected and appointed officials shall work to further the interests of the MDA as a whole. In addition, elected and appointed officials shall avoid:

A. Placing him/herself in a position where personal or professional interests may conflict with their fiduciary duty to the MDA;
B. Using information obtained as a result of serving in an elected or appointed position for personal gain or advantage or to the detriment of MDA;
C. Using an elective or appointed position for personal gain or advantage or otherwise obtaining from a third party a gain or advantage at the expense of MDA; and
D. Using or disclosing any nonpublic, confidential or proprietary information of the MDA.

The obligation of elected and appointed officials to act in accordance with their fiduciary duties survives (i.e. elected and appointed officials remain subject these fiduciary duties) following the expiration or termination of their term of office.

As a condition for selection, each nominee, candidate and applicant for an elected or appointed position shall disclose any situation, which might be construed as placing the candidate in a position of having an interest that may conflict with his or her fiduciary duties to the MDA.

Elected and appointed officials during their term of office shall comply with this conflict of interest policy and shall report to the MDA president any situation involving a conflict of interest and situations where, in their judgment, a conflict of interest may arise. The MDA Board of Trustees shall render a judgment on what constitutes a conflict of interest.

Should a conflict of interest exist and a trustee fail to declare a conflict of interest, the Board of Trustees shall hold a hearing and determine the sanction up to and including removal for cause as set forth in the MDA Bylaws, Chapter IV, Board of Trustees, Section 3 “Removal for Cause”.

Should a conflict of interest arise and an elected or appointed official other than a trustee (e.g. a committee member) fail to declare a conflict of interest, the MDA president shall determine the sanction up to and including removal for cause.

Adopted by the Board: September 27, 2013

Name: ___________________________________________

Please sign and print
Resolved, that Resolution 23-1203 regarding MDA conflict of interest policy be rescinded and removed from the Board Policy Manual. Adopted

MDA FOUNDATION LEADERSHIP CIRCLE:
Interim ED Grace DeShaw-Wilner provided a brief update on the Foundation: In October, the MDA Foundation will send a letter to MDA leaders, past donors and others in its Leadership Circle, informing them of what the Foundation has accomplished in the past year and asking them to consider a donation to MDAF through the MDA dues statement.

She recapped that the Foundation provides $15-20,000 in grants annually, $10,000 in dental scholarships and is in talks with a local agency in Lansing to support abused men and women by utilizing the Gerri Cherney Fund.

The Foundation is pleased that it is being included in MDA Board meetings and that communication gaps are being bridged. This will be further helped when the Foundation hires a new CEO. MDA staff is active and participating with the Foundation by providing professional advice.

After the discussions at the June Board meeting, President Palm has set regular meetings with the presidents/chairs of the MDA, Foundation, Dental PAC and MDAIFG. The first meeting has been set for November 22 and will consist of Drs. Norman Palm, MDA president, Kerry Kaysserian, Dental PAC chair, Larry DeGroat, MDAIFG chair and Dr. Michael Jennings, MDA Foundation president.

REPORT FROM 9TH DISTRICT TRUSTEE:
Dr. Dennis Engel, 9th District Trustee, provided the Board with a report on ADA activities:

- Foundation: The ADA Foundation has corrected its deficiencies, is actively writing grants, and partnering with Colgate.
- Suggested the Board review the ADA web site, “Center for Professional Success” section.
- Budget: As of two months ago, the restricted reserve was 69.5M which is 50% of operating expenses. Conversations are being held at budget meetings on how to deal with reserves when they are at 50% and beyond and how to distribute Great West life monies.
- The ADA is hiring a new building management company to market the building in a more aggressive manner.
- The Power of 3” is a tagline the ADA staff came up with to promote the ADA/Constituent/Component societies all working toward a common goal of collaboration, innovation and longevity.
- Strategic Plan: Key findings are that it is a critical time in dentistry and not a time for complacency. Ignoring the forces of change will mean succeeding/giving up the profession to others.
Governance: When candidates (who are not on the ADA Board) run for ADA office they should be allowed to attend all board meeting sessions with the exception of closed sessions.

- ADA 2013 – America’s Dental Meeting (new branding)
- SnowDent licensing and CERP presentations
- Board Report 11 – IT Department – ADA paid a considerable amount of money over the last several years and is now on track technologically, utilizing all of the technology available to it.
- Board Report 14 – Salary and benefits for the executive director are $450,000. Members should be aware of what they are paying the executive director and officers.
- House Resolution 97H – special finance committee – the budget should be a board activity.

REPORT FROM MDA EXECUTIVE DIRECTOR SEARCH COMMITTEE:
Dr. Mark Johnston, chair, MDA Executive Director Search Committee, informed the Board that five candidates have been chosen for face-to-face interviews. The interviews will take place this Friday and Saturday by the Search Committee. The search firm was contacted by 251 individuals who expressed interest in the position, and they were from all over the country.

The Board will meet on October 26, 2013 to interview the finalists chosen by the Search Committee.

FRIDAY, SEPTEMBER 27, 2013:
BOARD CAPACITY BUILDING DISCUSSION:
The Board conducted an exercise designed to develop group discussion abilities. The topic was chosen by President Palm and is intended to spark controversy.

The topic for this meeting: The MDA should develop the services that might attract employees of large group practices into joining the MDA. These services should be offered to dentists practicing in this sector unbundled from other services, and our MDA dues for these dentists adjusted accordingly.

The discussion began with Dr. Michele Tulak-Gorecki providing the pro point of view and then Dr. Brian Cilla providing the con point of view.

Dr. Michele Tulak-Gorecki – Pro
Dr. Gorecki referred to the article in the Board packet entitled “Sharing with Non-Members: A Glass Half Full Perspective”. What does it mean to unbundle benefits? Many companies are moving toward unbundling benefits. Bundling of services is what the phone/internet/cable companies do. They will provide customers with a better price if they purchase phone/internet/cable in a bundle all at one time.

For MDA it could mean offering a member benefit to nonmembers in the hopes they will enjoy the benefit and join the MDA for other services.
Dr. Gorecki provided a few analogies:

- When you purchase a new car you are provided with free Sirius Radio for a limited period of time. After the trial period, many will continue the service because they love it and then promote the product through word of mouth.
- Some dental offices offer free dental x-rays or a free dental exam for new patients to get them into the office with the hopes that they become a permanent patient.
- Sam I Am didn’t like green eggs and ham and wouldn’t eat them anywhere. Once he tried green eggs and ham he would eat them anywhere.

Once we bring a nonmember into membership they will see the value of the MDA and the services it offers. When looking at unbundling this is one way to get dentists into membership by allowing them to sample a service. If MDA doesn’t do it, other organizations will and the MDA could be marginalized.

Brian Cilla – Con

What are the benefits of membership? They are tangible and intangible (peer review/legislative advocacy/camaraderie). MDA is not a country club where services can be broken down by service.

Nonmembers will never appreciate the intangible benefits and sometimes it is difficult for the MDA to get members to appreciate them. We are economic animals and many are only going to appreciate the monetary value of membership (i.e., continuing education; the caliber of speakers has to make up the difference of the cost of dues).

Reaction and Comment:

- MDA needs to reframe its thinking. Adults want information when they need it, in a timely manner and a succinct fashion. Think of members who want information when it is valuable/needed. It needs to be a learning moment.
- Certain people have interest in certain areas and MDA should target market to certain segments of membership.
- There is a lot of competition out there and there is a new company online that offers services on practice management, etc.
- MDA has a wealth of knowledge; it has many legal opinions and can provide members with immediate answers to their questions. There is true value in this.
- MDA is somewhat unbundled--take health insurance/CE for instance. Nonmembers can purchase these although at a higher price than the member, but it does not cover the cost of dues.
• In the future there will be more corporate practices than solo practices. The benefits will look different for each of these types of practices.

• Why are students not maintaining membership when they come off the five year reduced dues program? Reasons given are that the cost of dues is too high, cost of dues is not appropriate given the value, decided to do something different with disposable income.

• Investigate the MDA’s membership model; there is an increase in revenue shortfall. Maybe it is time to look at pricing certain membership services.

• People are social animals – 20 years ago professional associations were more social where today they are more business. Making the new dentists feel welcome is important. How welcoming are dentists to other dentists that are different than you? People are not being as welcoming to diversity as they should be.

• MDA should find ways to attract employees of group practices. Will large group practices continue to grow? How are we attracting them to the MDA? These practices are mini MDA’s and offer their own insurance, Journal, CE, etc.

• If MDA provided free CE for members would it attract nonmembers into members?

• MDA is going to have to learn to create subsectors of membership and market to those subsectors.

• Look at benefits from the potential customer’s perspective. What is the MDA not providing to the customer that would lure them into membership? Consider bringing employee dentists together (corporate public health) and find out what MDA is not offering.

• The most likely scenario will be problems that employee dentists have with the employing corporation. MDA could consider providing a peer review type system to resolve those issues.

• If MDA migrated to a fee-for-service model, would MDA members drop membership to cherry pick the benefits like the nonmembers would be able to do? Would we lose members as they would be allowed to select the services what they want without having to join?

**DISCUSSION OF PRIORITY TOPIC:**

**Consideration of How the Shift in Member Demographics Will Affect Member Expectations:**

This topic was discussed by the Board at its June 2013 meeting. At that meeting it requested additional information on demographics. It was provided with a written executive summary.

Following are general comments made by individual trustees:
• The MDA must take a helicopter view. The Board should be looking five years down the road and be more forward thinking. If the new dentist is the future member of the MDA then the MDA needs to start to meet the needs of those members. The Board should look at their perspective whether it is from a corporate or solo practice position.

• MDA needs to give members a purpose and make them feel like they belong. People don’t want large jobs – they want small jobs that don’t take a lot of time.

• The trends of dentistry need to be looked at carefully. Corporate dentistry is very popular throughout the country. The ADA can estimate but doesn’t have information on where corporate dentists practice. Many dentists don’t have any other option than to practice in corporate dentistry based on the size of their debt load. Many stay for a short time but the timeframe is increasing as the years go on. There is a segment of dental students that don’t want to be in a corporate model and leaving that type of practice. MDA should look at the profile of graduating students and what type of practice model they are entering into.

• Independence is lost with corporate dentistry. MDA needs to do a better job in connecting recent graduates with dentists who are looking to sell their practice.

• MDA should: 1) determine the needs of the group practice/corporate dentist; 2) be cognizant what it does for current members so they are not alienated; and 3) Consider developing different branding for certain areas of membership.

MEMBERSHIP ADVISORY COMMITTEE: MISSION DRIVEN VOLUNTEERISM:
Dr. Alexa Vitek, chair, Membership Advisory Committee, and Mr. Josh Lord, MBA, director of membership and strategic initiatives provided the Board with a presentation on the activities of the Membership Advisory Committee. Click here to view the presentation.

Female Dentists:
The Board was informed that female dentists are no longer targeted as a separate segment of membership. The MDA has to be careful not to fraction the membership—they are all dentists—and isolating certain types of people might do that so the committee treads carefully when it comes to studying demographic group trends. That said, it is prudent for the committee to study the demographic trends. The Board was informed that the female market share is consistent with the overall market share. The ethnic market share is down.

New Dentists:
A new dentist is one that is 10 years or less out of practice or age 40 and under. This segment has an 85% market share. It is hit or miss with what each component is doing to engage the new dentist.
Faculty:
Part time faculty is at 60% market share and full time faculty is at 45% market share.
Many faculty prefer ADEA membership over MDA membership. If the dental school dean is not setting aside money for a tripartite membership for its faculty, and the faculty member has a choice, they are choosing ADEA.

Components:
Components that are doing very well with recruitment/retention have an engaged staff person that understands the vision and becomes active in recruiting members. Recruitment for smaller components can be more difficult.

As Dr. Vitek has been attending component meetings, she has come to realize that all components are different and have different problems. MDA needs to regionalize some things and see what their problems are.

MDA has to think outside the box. Answers cannot be cookie cutter as all components have different issues.

Some components have a silo mentality. It could be more productive for components to pool their resources regionally such as CE programs, appointing committee members, hiring a staff person.

LEADERSHIP DEVELOPMENT INSTITUTE:
Mr. Josh Lord, MBA, director of membership and strategic initiative, provided the Board with a report on research that the work group has done with the development of a Leadership Development Institute. Click here to view the entire presentation.

Final programming to include funding for the Institute will be submitted to the Board for consideration at its December 6, 2013 meeting. The expenses have not yet been finalized however it will be a significant strategic investment.

The Board provided some recommendations for inclusion in the programming:
• Attend the Mission of Mercy
• Provide continuing education credits for participants
• This may be a source for nominations to the MDA Board of Trustees.

ACTION ITEMS:
NEW BUSINESS:
Public Health Code Review:
Background information is contained in a report to the Board dated September 10, 2013.
Below is an excerpt from the August 23, 2013 minutes of the Executive Committee regarding the Public Health Code Advisory Committee:
President Palm informed the EC that a Public Health Code Advisory Committee was recently appointed by the Governor to conduct a broad review of the Code and make recommendations on what sections should be looked at closer for updating. An MDA representative was not appointed to the committee.

The Michigan Department of Community Health is preparing a web-based mechanism for collecting public input. It will be casting a wide net for soliciting comments from the public and reviewing the comments to determine whether it should recommend action.

Staff has developed a plan as follows:

**PUBLIC HEALTH CODE REVIEW PLAN**

- Wiener Associates is reviewing the Public Health Code (PHC) to make a list of all the sections that impact dentistry.

- The MDA will send a letter, based on the guiding principles adopted by the MDA House of Delegates, to the PHC Advisory Committee stating the guiding principles of the MDA on workforce issues.

- The MDA will form an internal workgroup made up of dentists and MDA staff to review the PHC and put together a report with specific recommendations on how the PHC could be updated/improved.

- The report would be sent to the MDA Board for approval. Once approved, the MDA would use these recommendations with future state workgroups set up to look at specific sections of the PHC.

- The MDA would try and get a member on future state workgroups.

This is going to be a very important issue and the Board is in agreement with this plan as outlined above.

**COMMITTEE ON GOVERNMENTAL AND INSURANCE AFFAIRS:**

*Registered Dental Assistant Licensing for Veterans:*

Background information is contained in a report to the Board dated September 17, 2013.

The following was adopted:

**10-913** Resolved, that the Michigan Dental Association supports the proposed draft bill which allows for military service as a dental assistant to meet the Michigan requirement of R338. L1235(b) toward certification as a registered dental assistant.

Adopted Board Policy Manual
NEW BUSINESS:

House Bill 4524 Regarding Health Professionals and Picture ID When Working; Also Regulates Advertising by Health Professionals:

Background information is contained in a report to the Board dated September 27, 2013.

The following was defeated:

<table>
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<th>Recommendation 472:</th>
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<tr>
<td>Resolved, that the MDA supports HB 4524 that, under certain circumstances, requires health professionals to wear a picture ID when working, and regulates advertising by those health professionals.</td>
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Defeated

A hand vote was taken and the Board agreed that it would support this bill if MDA is successful in eliminating oral surgeons and those that have CT scanners.

NEW BUSINESS:

Supplemental Funding to Support Database Consulting Services:

Background information is contained in a report to the Board dated September 12, 2013.

The following was adopted:

11-913 Resolved, that $28,000 be allocated from the Non-Reserve Fund to support the MDA’s database consulting needs.

Adopted

NEW BUSINESS:

Supplemental Funding to Support Database Enhancements:

Background information is contained in a report to the Board dated August 29, 2013.

The following was adopted:

12-913 Resolved, that $22,000 be allocated from the Non-Reserve Fund to support the MDA’s member-centric database enhancements.

Adopted

MISSION OF MERCY:

The Board reviewed a report on the final 2013 MOM financials to include direct revenue and direct expenses, the value of products and services donated by vendors, the value of MDA in-kind contributions and staff salaries. A surplus of $39,800.68 will show on the MDA Foundation books as Designated Funds for the 2014 MOM event.

The total 2013 MOM cost per patient served was $155 per patient.

MDA staff was not directed to track their time for the 2013 event. Staff has now been directed to track all MDA in-kind staff time and services for the 2014 MOM so that an accurate record can be produced in the future.
The MDA Foundation met recently and is recommending that the MOM Committee appoint a treasurer. It requested that this recommendation be forwarded to the MOM Committee and staff will be communicating this idea to the committee.

Interim Executive Director Grace DeShaw-Wilner provided the Board with the timeline of how the Mission of Mercy event came to be, as follows:

December 2, 2011:
The Board approved hosting a Mission of Mercy and the creation of a Mission of Mercy Work Group.

December 7, 2012:
The Board approved pursuing a Mission of Mercy Project for 2014.

February 22, 2013:
President Johnston appointed a work group to discuss and answer the following questions regarding future MOM’s:

- Should the MDA/MDA Foundation continue to do MOMs? If so, how often?
- What would be the goal if the decision is to move forward and how will success be measured? Where are we now and where do we want to be?
- What are the advantages/disadvantages of continuing with MOMs? Including impact (positive and negative) with key stakeholders: media, lawmakers, and member dentists.
- What is the cost and staff time involved if we continue? How will funding mechanisms be sustained over time?
- Are there other programs that should be considered?
  - Remote Access Medical (RAM)
  - Renewed effort in Give Kids a Smile
  - Etc.
- Which organization should take the lead on these efforts? MDA or MDA Foundation? Dental Schools? FQHC’s, etc.?

The work group met on August 19 via conference. No conclusions were arrived at at that meeting.

General Board discussion with input by Dr. Susan Carron, member, MDA Foundation Board and Dr. Steve Harris, MOM Chair:

Due to timing issues, the Board should discuss the 2015 MOM at this Board meeting. There are deadlines for grants, and Dr. Grace Curcuru, fundraising chair, finds that there is an 18 month time frame for grants so a decision must be made now on whether MDA will hold a 2015 MOM event.

In order to receive grant money it must go through a 501C3, which the MDA Foundation is. The Foundation does not have staff to run the event; hence, MDA staff is assisting.
While the MDA Foundation is recruiting a CEO position, it is not looking for a staff person to run MOM. This person will raise money for the Foundation by making contacts with other foundations and organizations. All the money the Foundation raises goes to scholarships and access to care grants.

Dr. Carron stated that all of the specific costs for the 2013 event are not available. Through grants and donations $194,000 was raised. The total costs of the event to-date was $209,262 with $55,020 of that being in-kind services. Dr. Carron believes there is a deficit of almost $61,000 and that there is no surplus to be used for the 2014 MOM.

A concern was raised as to who will cover the shortfall if fundraising for 2014 falls short. Will it be the MDA, the MDA Foundation or will it be in-kind from the MDA?

Delta Dental Plan of Michigan will hold a MOM in Indiana in 2014 so it is unclear whether it will donate to the 2014 MDA MOM event.

The Board was informed that the Wisconsin Dental Association is taking a look at their MOM program. They have found that legislators want a MOM in their region for political reasons. They also found that some patients have made the annual MOM their dental home. Lastly, considerable staff resources were being spent on MOM administration.

Funding for 2014:

Three major sources of funding have said they cannot support the 2014 event either because they refused to, or MDA did not meet the grant submission deadlines.

A trustee questioned whether components could use MDA matching funds for the MOM program. The revised guidelines were sent to components in January which states that the funds are no longer available for any program that does not support MDA members in the community. The idea behind matching funds is to brand the MDA with potential patients.

The Board admires the work the MOM Committee and staff did on the 2013 MOM and is aware that the MDA is committed to a 2014 MOM as a contract has been signed for the equipment. The board discussed whether making the 2014 MOM a one day event would save enough money to still make it a worthwhile event. However, there are fixed costs that cannot be changed. The MOM committee will have to reduce many items in the current 2014 budget to make it work, such as meals and shirts for volunteers. The committee will attempt to solicit more in-kind services.

The 2014 budget was increased based on actuals from 2013 at the time. It is a higher budget than 2013. Grants cannot be used for in-kind services/staff salaries.

The Board requested that the following be added to the duties of the Charitable Programs Work Group:

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• Determine what other states do. Do they hold a MOM every year or every other year? How do they fund their events?

Georgia, Illinois and Kansas do MOMs every other year. All others do them annually.

• How does MOM help members succeed? How do member dentists feel about the experience of MOM?

Dr. Harris believes that MOM is an MDA event in collaboration with the Foundation, which is an MDA entity. He believes that it is an MDA event just like any other MDA event (i.e., Annual Session) and staff time should be shifted accordingly to make it happen.

The following was defeated:

<table>
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<th>Recommendation 470:</th>
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<td>Resolved, that the MDA will hold a 2015 Mission of Mercy event.</td>
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**MDA INSURANCE AND FINANCIAL GROUP (MDAIFG):**

Mr. Craig Start, president, MDA Insurance and Financial Group, provided the Board with an update on MDAIFG activities.

**MEWA Self-Funded Health Insurance Plan:**

MDAIFG is conducting many health care seminars where MDAIFG staff explains that the current MDA health care plan remains in place for 2014 and informs the attendees of the new self-funded plan MDA plans to create, a Multiple Employer Welfare Arrangement (MEWA).

Attendees are polled to get an idea of how many would be interested in participating in the new MEWA plan. Approval for the MEWA will be before the MDA Board in December for final approval. The MEWA will be a separate board/entity and IFG is working Kerr, Russell and Weber on its development.

In order to implement a MEWA, MDAIFG must contract with a third party administrator (TPA) to garner network discounts and pay claims. At this time, it is not clear whether Blue Cross/Blue Shield will be a TPA candidate. MDAIFG will meet with three TPA candidates but is still hoping that Blue Cross/Blue Shield will be the TPA.

**Health Insurance Exchange:**

The Health Insurance Exchange is set to open next Tuesday. Mr. Start has reviewed the products that will be available but pricing is still not available.

Five MDAIFG staff members are licensed to assist people in purchasing on the Exchange. While the MDA is pursuing a MEWA, dentists may have staff that will be eligible for the subsidies (i.e. part time staff.) While the Affordable Care Act has “navigators” that will assist people with the exchange, dental staff can rely on MDAIFG and not have to go to a faceless website for assistance. Dental staff can contact an IFG agent for assistance at no cost.
Glove Program:
The New York Ninth District Dental Association, the Illinois Dental Association, and the Veterinary Association of Wisconsin are joining the MDA glove program. The biggest competition to the MDA glove program is Patterson Dental and Schein Dental. One of the MDA glove suppliers is partially owned by Schein. Due to this, Schein has denied MDA access to other areas of supplies.

OLD BUSINESS:
Review of June Board Meeting Focus Topic Results and Material: The MDA Community:
The Board reviewed the feedback from the June Board meeting and the Board is in agreement with the plans that President Palm has.

NEW BUSINESS:
The Future of the Solo Practice:
MDA staff attended the ADA Management Conference Week in July, and one overarching topic was woven throughout all the various meetings; that of the changing practice demographics. Background information is contained in a report to the Board.

ADA hired an economist on staff—Marko Vujicic, Ph.D.—and Dr. O’Loughlin has sent him out to visit states to provide the data so that the states can deduce for themselves the sense of urgency. He basically demonstrates via data that solo practice will not be the form of practice in the future.

ADA projects that by 2030 if trends continue, ADA membership will be 50/50 in terms of market-share.

The Board agreed that it would like to hear the presentation from Dr. Vujicic at the next board meeting.

The following will be invited to attend:
- MDAIFG Board
- MDA Foundation Board
- Any other interested parties

INFORMATIONAL:
The Board reviewed the following informational items. No action was required.

- MDA Legislative Update
  - Mobile dentistry bill is up for debate on October 15.
  - The 2nd student lobby day was held last week with 20 UDM and UM students in attendance.
This year, MDA sponsored a republican caucus retreat. Attending were Drs. Mark Johnston, Larry DeGroat, Norman Palm and Grace DeShaw-Wilner. MDA was the only sponsor so attendees had the ear of the Republicans with no interference.

- Strategic Planning Update
  - The Board received a written update. There will be an annual report of the plan at the December board meeting.
- MDA Dues Statement Optional Contributions
- Fund Balances
- June 2013 Board Minutes
- MDA Calendar of Referrals
- Committee Minutes (those posted online since the June Board meeting)

OFFICER, TRUSTEE, LIAISON AND STAFF ANNOUNCEMENTS:

University of Detroit Mercy RDH Program:
At the June Board meeting, the Board was informed that the UDM has a program that allows RDH students to take classes that would allow them to sit for the RDA exam upon graduation. The concern is that people will be sitting for the RDA exam without attending a CODA approved school. The Board was informed that the issue would be investigated and more information provided at the Board’s September meeting.

After discussion the Board found no need to pursue this matter further.

Governance and Trustee Regions:
Dr. Robert Tremblay requested that, following each Board meeting, the MDA prepare a YouTube presentation on what occurred from the meeting and upload it to the MDA Web site. The link to the presentation could be provided to the components and the House of Delegates to keep the MDA leaders informed of issues the Board is discussing. Depending on the issues, the presentation could be done by the president, executive director or another staff person.

A request was also made that a written report on each Board meeting be developed by staff for the trustees/components. The Board should speak as one voice and having one report will assure that all components are receiving the same message. This report should be emailed to the Board of Trustees as well as component editors for publication in their newsletters/journals.

Executive Session is on the next page
Executive Session

The outcomes of the executive session are now considered policy and are public knowledge. The discussion that took place in the meeting that led to the actions, however, are confidential and are not to be shared.

EMPLOYEE BENEFITS ADVISORY COMMITTEE (EBAC)

MDA/IFG Employee Retirement Plan:

Background information is contained in a report to the Board from EBAC, dated September 27, 2013.

The following was adopted:

13-913 Resolved, that the MDA/IFG retirement plan be updated with recommendations from Alerus to eliminate the Calamos Growth & Income Fund and map the assets to the Dodge & Cox balanced fund, and be it further

Resolved, that the share class of the Pimco Commodity Real Return Fund be changed from the D share class to the institutional share class; and the share class of the Oppenheimer developing markets fund be changed from the A share class to the Y share class.

EMPLOYEE BENEFITS ADVISORY COMMITTEE (EBAC):

Defined Contribution Plan Percentage for 2015:

Background information is contained in a report to the Board from EBAC, dated September 27, 2013.

The following was adopted:

14-913 Resolved, that the Defined Contribution plan percentage be six (6) percent of total compensation for the year 2015.

EMPLOYEE BENEFITS ADVISORY COMMITTEE (EBAC):

2012 Ratio Analysis:

Background information is contained in a report to the Board from EBAC, dated September 4, 2013.

EBAC and the Finance Committee reviewed a document entitled 2012 Ratio Analysis and forwarded it to the Board as a matter of information. The ratio analysis looks at associations in the $5 to $10 million revenue range and is a comparison between MDA and ASAE averages when reviewing profitability, operating efficiency, productivity and liquidity. The ratio analysis is public and can be shared by trustees.

Norman Palm, DDS, MS
President

Charles Burling, DDS
Secretary
To: MDA Board of Trustees  
From: Josh Lord, M.B.A., Director of Membership and Strategic Initiatives  
RE: Executive Summary, Additional Information/Priority Topic Discussion  
Date: August 23, 2013

At the conclusion of the Priority Topic discussion in June, the Board requested that additional information be provided related to membership by age and race, nonrenewal rates by age and years of membership, and trends for employment in large group practice settings. The last page in this document provides additional information related to the summary below.

Membership by Age

• The MDA’s membership is primarily comprised of Baby Boomers (46 percent), followed by Generation X (28 percent), Pre-War (21 percent), and Generation Y (5 percent).

• The MDA’s market share is highest among Generation Y dentists (83 percent), followed by Baby Boomers (75 percent), Pre-War (75 percent), and Generation X (74 percent).

Comments: Demographic transitions are going to reshape the MDA’s composition of dues revenue, as nearly half of the association’s total number of members transition to reduced-dues categories and out of membership all together. Investments in dental students and focusing on the needs of new dentists are paying dividends today and will help to stabilize revenue as Baby Boomers continue to retire.

Membership by Race

• The MDA’s market share of ethnic minority dentists stood at 55.6 percent at year-end 2012 with 351 of 631 practitioners holding membership.
  o The ADA’s market share of this group was 49.5 percent with 21,243 of 42,906 ethnic minority dentists holding membership.

• At year-end 2011 the MDA’s market share of ethnic minority dentists was 56.7 percent with 316 of 557 practitioners holding membership.
  o The ADA’s market share of this group was 49.5 percent with 20,142 of 40,678 ethnic minority dentists holding membership.

• At year-end 2012, the MDA highest market share of ethnic minority dentists was of American Indians and Native Hawaiian or Pacific Islander (100 percent, 7/7, and 1/1), followed by Hispanic (60.5 percent, 52/86), Asian (59.4 percent, 164/276), and African American (45.8 percent, 103/225). The MDA’s market share of White dentists stood at 80 percent (3,434/4,293).
  o The ADA’s highest market share of all ethnic minorities was Native Hawaiian or Pacific Islander (72.6 percent, 106/146), followed by American Indian (68.1 percent, 358/526), Asian (58 percent, 11,848/20,410), Hispanic (47.4 percent, 3,656/7,708), and African American (43 percent, 3,127/7,269).
The MDA’s Membership Advisory Committee is working on a proposal that intends to address the retention and recruitment of ethnic minority dentists.

Comments: The barriers to membership for ethnic minority dentists include the tendency to seek support primarily from members of one’s ethnic community, culture gaps, the cost of membership, and the perceived value of membership.

**NONRENEWAL RATES BY AGE**

The MDA’s highest number of nonrenews is among Baby Boomers (67 total, 50 percent), followed by Generation X (56 total, 40 percent), Pre-War (10, 7 percent), and Generation Y (6, 4 percent).

Comments: The most common response given by Baby Boomers who don’t renew is they no longer see the value of membership as a retired dentist. Moreover, many feel they’ve paid for membership long enough and aren’t interested in renewing for several more years to obtain Life-Member status. Lastly, research on generational attitudes shows Generation X is the most skeptical of institutions, which could be impacting the decision to renew.

**NONRENEWAL RATES BY YEARS OF MEMBERSHIP**

The MDA’s nonrenewal rates by years of membership are as follows:

- 1 Year of Membership – 3 percent of all nonrenewals
- 2 Years of Membership – 3 percent of all nonrenewals
- 3 Years of Membership – 8 percent of all nonrenewals
- 4 Years of Membership – 6 percent of all nonrenewals
- 5 Years of Membership – 3 percent of all nonrenewals
- 1-5 Years of Membership – 24 percent of all nonrenewals
- 6-10 Years of Membership – 21 percent of all nonrenewals
- 1-11 Years of Membership – 51 percent of all nonrenewals
- 11-15 Years of Membership – 19 percent of all nonrenewals
- 16-20 Years of Membership – 7 percent of all nonrenewals
- 21-49 Years of Membership – 30 percent of all nonrenewals
Comments: One’s commitment to membership appears to be “soft” no matter one’s length of time as a member. The MDA’s rates mimic those of the ADA’s, showing high nonrenew rates after one is transitioned out of the new dentist reduced dues program when value is compared to cost and debt obligations. In addition, the transient nature of families also impacts renewal rates, as some move outside of Michigan for work/family reasons. It is critical for the MDA to entrench the value of membership into dentists’ minds beginning in dental school, and for the association to continue to focus on retention-first messaging and programming.

**LARGE GROUP PRACTICE EMPLOYMENT TRENDS**

- **According to ADA-provided data**, the number of dentists employed in large group practice settings based on a sample of 25 large group practices in the U.S. increased by 25 percent from approximately 2,000 in Q3 2009 to 2,500 by Q3 2011.

- **Based on ADA projections**, by 2015 11 percent of dentists will be working in large group practices.

- Based on the ADA’s current records, Great Expressions currently employs 85 dentists in Michigan.

- The MDA’s Membership Advisory Committee is working on a proposal that intends to address the retention and recruitment of employees of large group practices.

Comments: The exponential growth of large group practices has caused considerable disruption to the profession. Moreover, there does not appear to be an immediate threat to the continued growth in the number of dentists employed in these settings and the total number of practices that can be defined as a large group (the ADA defines a “large group” as a practice that employs 20 or more dentists). Both current practitioners and students are split on their perception of this practice modality. Lastly, dentists appear to be staying employed within the group practice setting for longer durations as the setting appeals strongly to life-work balance and provides income security.
Membership Advisory Committee
Showcasing the Value of Mission-Driven Volunteerism
Alexa Vitek, D.D.S.
Chair, Membership Advisory Committee
Josh Lord, M.B.A.
Director of Membership and Strategic Initiatives

Overview
• Backstory
• Structure
• Activities
• Comparison to BOT Goals for MAC
• Summary
• Q&A

Backstory
• June 2012 Board of Trustees Meeting
  – Concept introduced by Dr. Vitek and Josh
  • Supported by Michael Gallery
• September 2012 Board of Trustees Meeting
  – Recommendation approved by Board
• Goal
  – Tackle mega issues confronting MDA
  – Involvement based on expertise
  – Members actively manage special project

Ahead of the Curve
• "The Mission Driven Volunteer." The rusty '72 Dodge Dart that is the current volunteer model—low enthusiasm, low attendance, low accomplishment—is fueled largely by a failure to respond to generational differences, along with an overly restrictive structure. As Boomers slowly edge toward retirement, they're being replaced by Gen Xers who are impatient with all your rules, man, and Millennials who expect to do meaningful work quickly.
• "While younger, upcoming generations are willing and enthusiastic volunteers," Hoffman and Engel write, "they seek different kinds of volunteer experiences that their predecessors, ones that are less about structure, position, and prestige, and are focused instead on independence, meaning, impact, and 'getting it done,' none of which are easily accommodated by the traditional committee model."
• The authors spotlight three organizations that successfully retooled their volunteer structures to more closely resemble adhocracies—task forces that assemble to address particular problems or innovative idea proposals.
Structure

- Director (Chair) – Dr. Vitek
- Producer (Staff) – Josh Lord
- Cast (Members)
  - Dr. Chris Manduzzi (engaging new dentists)
  - Dr. Mehul Patel (ethnic minority market share)
  - Dr. Brent Accurso (large group practice market share)
  - Dr. Alexa Vitek (component visits)
  - Dr. Eric Childs (ADA New Dentist Committee)
- One-year commitment

Activities

- Engaging New Dentists
  - Led by Dr. Chris Manduzzi
- Virtual meetings/strategy sessions
- In-person strategy session
- Proposal for new activities
  - Requirement for components to have new dentist committees
  - Class reunions
  - Regional new dentist meetings

Activities

- Ethnic Minority Market Share
  - Led by Dr. Mehul Patel
- Virtual meetings
- Reconnaissance work
- Proposal for new activities
  - Marketing campaign utilizing targeted messaging
  - Free high-level practice management CE session
Activities

• Large Group Practice Market Share
  – Led by Dr. Brent Accurso
• Virtual meetings
• Outreach to other states to form intra-state workgroup
  – First meeting took place in July
• Review of other states’ activities
• Review of ADA report/analysis
• Meeting with Great Expressions VP
• Modifying Minnesota’s game plan

Activities

• Component Visits
  – Led by Dr. Vitek
• Ninth
• Genesee
• Oakland
• Kalamazoo
• Washtenaw (pending)

• Serves as representative at ADA Retention and Recruitment Conference

Activities

• ADA New Dentist Committee
  – Dr. Eric Childs, liaison
• Monthly updates on MDA activities
• Debrief calls following ADA meetings and activities
• Coordinate activities of MDA attendees at New Dentist Conference

Board Goals for MAC

• Conduct at least four component visits during administrative year
  – Complete
• Coordinate all activities/initiatives following component meetings
  – In process
• Reduce 2014 non renew count below 2013 rate by mid May benchmark date
  – Missed by 20
• Obtain at least a 75 percent membership market share by year-end 2013
  – Complete
• Coordinate at least three lunch and learns with each dental school by May 2014
  – Complete
• Sponsor the attendance of representatives to the ADA’s Membership and New Dentist Conferences in 2013-2014
  – 2013: Complete
• Implement at least one direct mail recruitment campaign by May 2014
  – Completed two
• Complete evaluations by May 2014 including: Chair of Staff Lead, Staff Lead of Chair, Board Liaison of Committee
  – Pending
Summary

• First committee to reflect changing membership landscape
• Action and outcomes facilitated by participation based on expertise and commitment to special one-year project
• Involvement and focus areas evolve based on need and market
• Efficient, effective, nimble – mission-driven

Q&A
Goal

Develop a proposal that will cultivate sustained leadership development and engaged volunteerism throughout the MDA and its components.

Process

- MDA Board approves new strategic planning goal – June 23
- Dr. Palm issues nomination letters to workgroup candidates – July 1
- Workgroup members complete digital brainstorming session – July 12-26
- In-person workgroup meeting – August 9
- Presentation to Executive Committee – August 23
Workgroup Efforts

- Digital Brainstorming
  - Evaluate three draft models shared with MDA Board
  - Comment on perceived best practices to cultivate engaged and sustained leaders
  - Think about how to define “sustained” and “engaged”

- In-Person Meeting
  - Formalize definitions for “sustained” and “engaged”
  - Identify enablers and barriers
  - Brainstorm model to address goal
  - Compare proposal to definitions, barriers, enablers, and adjust accordingly
  - Finalize model for Executive Committee consideration

Leadership Institute Pilot Program

- Timeline
  - Present to Executive Committee, August 23
  - Present concept to executive staff, post August 23 Executive Committee meeting
  - Enhance proposal for MDA Board consideration
  - Gain approval for pilot at December Board meeting

Leadership Institute Pilot Program

- 18-Month Experience
  - Three Phases
    - Phase I: Immersion Experiences
    - Phase II: Group Project
    - Phase III: Exit Interview/Placement
  - Marketing Pilot
    - Determined by MDA communications team, touch all MDA platforms

- Application
  - Must be a member
  - Online
  - Bio/Why I’m Interested Paragraph
  - Pre-program evaluation of awareness/expectations/perceptions
  - No age or past participation restrictions
  - Dental students excluded for pilot only
  - Selection Committee empowered to create group diversity
    - CEO, Department Director(s), Board Member(s), Member(s) of MAC, Workgroup Member(s), Institute Graduate (post pilot)
  - Class Size: Maximum of 16, with group sizes limited to four-five per group
    - Leftover candidates told not accepted for pilot but will be first in line for actual program

Leadership Institute Pilot Program

- Participant Costs
  - No cost to participate
  - MDA will cover hotel costs
  - Request component sponsorship for actual program post pilot
  - No corporate sponsors, unless applicable to session/experience
  - Investigate sponsorship from ADA

- Evaluations
  - Pre-program as part of application
  - Post-program (immediate)
  - Six months post program
  - One-year post program
  - Eighteen months post program
  - At completion of each session/experience

- Measures of Success
  - Survey results
  - Definition metrics
    - Selected measures from engagement definition
    - Maintains additional and engaged over time after legacy program in service

- Participant Recognition
  - BOT meeting, Journal, Annual Session, Engraved pen
  - No monetary gift necessary
Leadership Institute Pilot Program

Phase I
• Experiences – 12 months for three sessions
  – Session 1
    • Leadership Skills Conference
      – Maybe use as an all member event, but is kick-off for entire class?
      – Maybe tap into another organization’s offering?
    • Overview of tripartite and governance
    • ROI for being a member dentist
  – Session 2
    • IFG
    • Foundation
    • Peer Review hearing/committee meeting/workshop/orientation
  – Session 3
    • MDA PAC
    • Legislative activities/visits
    • Marketing profession to the public

Leadership Institute Pilot Program
• Activities to occur during Pilot’s 18 months
  – Attend two component meetings, one in-district and one in partnership with another program participant
  – ADA conference of your choice (limit choices so multiple participants will be at same conference)
    – Post-conference presentation to the group
  – MDA component workshop
  – MDA BOT and/or committee meeting of your choice
    – Post-meeting presentation to the group
  – Annual Session (recognition ceremony)
  – ADA visit (capstone trip as group)

Leadership Institute Pilot Program
• Phase II: Group Project – six months
  – Groups limited to four-five per group
  – BOT provides topics for consideration
  – Groups facilitate mega issue discussion at BOT meeting
• Recruit for post pilot program once Phase II begins
• Phase III: Placement/exit interview