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3 **Title:** Restructure Student Dues Assessment  
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5 **Introduced by:** Steven Daveluy, MD, FAAD, for the Genesee, Ingham, Saginaw, Washtenaw,  
6 and Wayne County Delegations  
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8 **Original Author:** Steven Daveluy, MD, FAAD  
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10 **Referred To:** Reference Committee C  
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12 **House Action:** **APPROVED ON 1<sup>ST</sup> READING**  
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15       Whereas, this resolution is introduced by the Genesee, Ingham, Saginaw, Washtenaw, and  
16 Wayne County Medical Societies, and  
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18       Whereas, the MSMS Bylaws state that one of its purposes is to encourage medical students  
19 and physicians-in-training to participate in organized medicine in order to enable MSMS to be  
20 representative of all physicians, and  
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22       Whereas, the MSMS Board of Directors now has the authority to set student dues pursuant  
23 to the MSMS Bylaws, and  
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25       Whereas, at their July 2023 meeting, the MSMS Board of Directors voted to increase student  
26 dues from \$5 for four years to \$300 for four years, and  
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28       Whereas, this makes Michigan dues rate for students one of the highest in the nation, as  
29 many states either charge no students dues or charge a very nominal amount, and  
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31       Whereas, at that same meeting, the MSMS Board of Directors voted to assess a \$100 fee to  
32 existing student members in order to maintain their current membership, even if they are in their  
33 last year of medical school, and  
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35       Whereas, the county medical societies will be negatively impacted by loss of student  
36 memberships that this dues increase, and mandated administrative fee, will lead to, and  
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38       Whereas, the county medical societies and the House of Delegates have no input into  
39 student dues or student assessments; therefore be it  
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41       RESOLVED: That the MSMS Bylaws be amended as follows:  
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43       2.60 STUDENTS (MEDICAL STUDENT SECTION) - Medical students may become members of  
44 the State Medical Society through a component society or directly through the MSMS Medical  
45 Students Section. Except as provided in Section 12.10 of these Bylaws, they may not vote or hold  
46 office. They may be appointed to MSMS committees as student members. State Society dues shall  
47 be set **proposed** by the Board of Directors to cover administrative costs of membership ~~except in~~  
48 ~~the first year of membership~~ **and approved by the House of Delegates**. Component dues for  
49 students shall be determined at the local level.

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WAYS AND MEANS COMMITTEE FISCAL NOTE: See below.

Fiscal Note 1: Revenue Loss: Undetermined.

- The resolution asserts that the dues rate is too high but does not state what that rate should be. If the dues rate was reduced from \$300 to \$5, the annual revenue loss would range between \$22,000 and \$35,000. However, any reduction in the current \$300 dues rate would result in further increasing the loss on student memberships (see below).

Fiscal Note 2: Reducing the dues rate for students would increase the loss realized on student memberships

- Student Resolutions Fiscal Note Costs: Estimated fiscal note costs for student resolutions have averaged between \$120,000 and \$241,000 over the past 5 years (see the HOD Handbook for a more detailed description of how fiscal notes are calculated).
- Student Resolutions: Students have submitted an average of 17 resolutions per year over the past 5 years making up 31% of all resolutions and 28% of all resolution fiscal note costs.
- Total Estimated Student Costs: Total estimated costs for the students are between \$134,000 and \$255,000 which include the cost of resolutions and another \$14,000 for other administrative costs based on estimated staff time.
- # of Student Memberships Needed to Breakeven on Costs at Current \$300 4 Year Rate: 1,797 – 3,409
- Student Memberships Over Past 5 Years When Dues Rate was \$5 for 4 Year Membership: High (1,122); Low (482); Avg (854); Mean (918)

Fiscal Note 3: Board and House of Delegates Fiscal Responsibility

- Budget Challenges: The Board reduced expenses over the past year by 36% or almost \$2 million. The pain of the expense reductions have been felt throughout the organization including reducing the staff by 26%. To position MSMS for a positive operating surplus in 2024, additional steps were needed and involved increasing revenue by not only expanding memberships, but also in adjusting pricing to sustainable levels. The old \$5 for 4 year dues rate for students was not sustainable.
- Fiscal Responsibility: The Board and House of Delegates both have a fiduciary duty to operate the organization in fiscally responsible ways. Considering the low dues revenue and high administrative costs, it was clear to the Board that a significant increase in student dues is both fiscally responsible and necessary.

**Relevant MSMS Policy – None**

**Relevant AMA Policy - None**

**Source:**

1. National student and resident dues rate spreadsheet:  
<https://docs.google.com/spreadsheets/d/1V38rod7mZNZRIJBbhA04LI BeeDjqwZZW2e KxFdyfgY/edit?usp=sharing>