TO: MHA Members MHA Board

FR: Dick Brown, President

RE: 2011 Dues Schedules

The MHA dues methodologies are defined below.

TIERED DUES - The tiered dues structure was created to more fairly distribute dues expenses among large and small member facilities. As a facility's relative size increases so too will its dues assessment, however the tiered approach allows the assessment to be levied at a lower rate at various levels. The methodology bases dues on net patient revenues from the facilities combined financial statement.

The tiered dues formula will be used for acute and CAH members (with or without LTC), stand-alone long term care facilities, and home health agencies. This structure is also used for stand alone assisted living and personal care facilities.

PER BED - The per bed dues structure was created to respond to the unique nature of the senior housing and retirement home facilities. The varied funding sources and the non-medical nature of these facilities make it difficult to assess dues based on a net revenue option. A per bed assessment appears to more fairly distribute dues expenses.

PER ADMISSION - The per admission dues structure was developed in recognition of the unique nature of hospice organizations. A per admission assessment appears to be an acceptable methodology for dues.

OTHER DUES - **Associate and Personal**. Associate members have been divided into eight dues categories based on the nature of the business of each member.