**Frequently asked questions—Value Pricing**

**Question List (pages 1‒3)**

**Definitions (pages 4‒6)**

* What is the ANA Dues Policy?
* What does VPP stand for?
* What is Premier Membership?
* What is Standard Membership?
* What is the Advisory Group?
* What does Institutionalization of Value Pricing mean?
* What does wind down of VPP mean?
* What is an Affiliate Agreement?
* What is the Dues Escalator?

**How are membership dues currently set? (pages 7‒8)**

* What is the role of the ANA Bylaws in setting dues?
* What is the role of the ANA Dues Policy in setting dues?
* Who determines the specific dues amount to charge members for Joint Membership?
* What is the Conversion Factor and what does it do?
* Who determines what membership types are offered?
* What consistency of dues prices and join options are there across the U.S.?

**VPP history (pages 9‒10)**

* What was the membership trend prior to the implementation of the VPP?
* What research did ANA conduct to support the opportunity of Value Pricing?
* When did the VPP originally begin?
* What C/SNAs participated in the initial pilot, and how were they selected?
* When did the VPP get expanded?
* What C/SNAs participated in the expanded pilot, and how were they selected?
* What were the rules of the VPP to which C/SNAs had to agree to participate?

**What was the work of the VPP Advisory Group? (pages 11‒12)**

* What was the timetable of their work?
* What were their responsibilities, and what information was reviewed by the Advisory Group?
* Why were Affiliate Agreements integrated into the Dues Policy?
* Why did the Advisory Group reorder the Dues Policy language it did not change?

**Recommendations of the Advisory Group (page 13)**

* What were the recommendations of the Advisory Group?
* Did the Board approve the recommendations of the Advisory Group?
* What is the ongoing role of the Advisory Group?

**What are the specific ANA Board recommendations on Value Pricing? (page 14)**

* What were the recommended motions approved by the ANA Board related to Value Pricing?

**VPP Performance Analysis (pages 15‒17)**

* How have membership counts grown during the VPP?
* Has membership revenue grown during the VPP?
* How have retention rates changed during the VPP?
* Have VPP states needed to add staff to address the growth in membership?
* How have expenses increased with the growth of membership in the VPP?
* What was the learning about the optimal “value” price point during the VPP?
* Were complaints received from members regarding the policies of the VPP?

**If Value Pricing is “institutionalized” into the ANA Dues Policy, who will determine the price of Joint Membership that is charged in a C/SNA? (page 18)**

* What does “state choice” mean?
* Do all the current VPP states have to continue with Value Pricing?

**How will Value Pricing work in states that decide to adopt it if Value Pricing is institutionalized by the 2019 MA? (page 19)**

* What happens to existing joint members?
* What happens to existing ANA-only, State-only, or eMembers?
* What membership types can be sold to new members?
* What price will Joint Membership be sold at?
* What will the dues split be?

**What happens in C/SNAs that choose not to adopt Value Pricing? (page 20)**

* Do they have to sign an agreement? If so, which one?
* What changes will occur because of signing that agreement?

**Premier Membership (pages 21‒23)**

* What benefits were offered to Premier Members
  + At the original VPP launch in 2013?
  + At the expanded VPP launch in 2016?
* What additional Premier Member benefits are being considered if Value Pricing is approved by the MA?
* What was the rate at which Premier Members downgraded to Standard Membership in the VPP?
* Were there concerns received from Premier Members about some people in the C/SNA paying lower dues?
* What is happening to the number of Premier Members in states participating in the VPP?
* If Premier Membership was an important part of securing revenue growth at the launch of Value Pricing, what happens when there are practically no Premier Members in the future?

**Dues Escalator (page 24)**

* What did the 2016 MA decide about the Dues Escalator planned for January 2017?
* What is the recommendation regarding the planned 2020 Dues Escalator?
* Will the dues escalation process be reviewed and reconsidered by the Board?

**2019 Membership Assembly (MA) activities related to Value Pricing (page 25)**

* Will there be a hearing at MA to provide comments on the Board-recommended changes?
* What threshold of vote is needed to approve the changes to the Dues Policy?
* What happens if the MA chooses not to approve Institutionalization of Value Pricing?

**If Value Pricing is institutionalized, when can new C/SNAs start Value Pricing? (page 26)**

* What launch timing is being considered?
* What does a C/SNA need to do to participate in Value Pricing?
* How does being centrally billed or non-centrally billed impact Value Pricing execution?

**Frequently asked questions—Value Pricing**

**Definition questions**

* **What is the ANA Dues Policy?**

The “Assessment of ANA Dues from C/SNAs and Direct Members” is the policy that regulates how ANA and Joint Membership dues are established. It is not the ANA Bylaws that determine how ANA prices are set, but the Dues Policy. Currently, there are no contracts between ANA and the C/SNAs that regulate how the money transfers between ANA and the C/SNAs; there is only the Dues Policy.

* **What does VPP stand for?**

VPP stands for the Value Pricing Pilot. The Value Pricing Pilot was approved by the ANA Board in 2013 and begun after seven C/SNAs volunteered to participate. The VPP was an in-market test of what would happen if Joint Membership pricing was dramatically lowered to under $200. The VPP established the parameters of the execution of the in-market test. Originally set for three years, the VPP was extended for another three years at the 2016 MA and expanded to include up to 23 C/SNAs.

* **What is Premier Membership?**

The VPP established Premier Membership. All existing Joint Members in a C/SNA that participated in the launch of value pricing (at the time of the launch) were automatically made Premier Members. Premier Members kept paying the dues amount they were paying prior to the launch of Value Pricing (could be full pricing or could be at a 50% or 75% discount on full price if they were a new grad or retired). In exchange for continuing to pay what they were paying before value pricing launched, Premier Members received additional benefits that Standard (value-priced) Members did not receive, including the offer of unlimited CE from LWW or coupons for ANA swag or other discounts.

If the 2019 approves the institutionalization of value pricing, then ALL joint members in states **not** implementing value pricing will be converted to Premier Members and will be eligible for Premier Member benefits. If the vote on value pricing at MA is yes, this is expected to occur in the third quarter of 2019 for the 27 C/SNAs not currently in the VPP.

* **What is Standard Membership?**

Standard Membership is the term for membership of those who joined ANA paying Value Pricing ($174 a year or $15 a month). Standard Members do not get the additional benefits offered to Premier Members. In the VPP, new joins did not have the option of joining as Premier Members (they could join only as Standard Members).

In the VPP as executed, the only way to join in VPP C/SNAs was as a Standard member. There was no effort to “upsell” Standard members to Premier Members at renewal. But if Value Pricing is institutionalized by the 2019 MA vote, then future new joins will be given the option of joining as Premier Members, and existing Standard members will be able to upgrade to Premier Membership at renewal.

* **What is the Advisory Group, and who is on it?**

To assist the ANA Board in making a recommendation on the Value Pricing question facing the 2019 MA, the ANA Board formed the VPP Advisory Group. This group consisted of volunteers from the C/SNAs and two members of the ANA Board (Ernest Grant and MaryLee Pakieser). A call was put out to the C/SNAs for volunteers, and 19 leaders applied. All 19 were accepted. The purpose of the Advisory Group was to review all data available from the current VPP and come to a recommendation on whether the ANA Board should recommend Institutionalization of Value Pricing, and if so, how it should work. In addition to the two Board members, and Lori Chovanak (former ED of ONA), the members of the VPP Advisory Group were:

|  |  |
| --- | --- |
| C/SNA | Advisory Group Member |
| Arizona | Robin Schaeffer |
| Connecticut | Kim Sandor |
| Illinois | Susan Swart |
| Indiana | Gingy Harshey-Meade |
| Iowa, Michigan | Tobi Moore |
| Missouri | Heidi Lucas |
| Nebraska, Kansas, Arkansas | Jill Kliethermes |
| New Jersey | Judy Schmidt |
| Texas | Cindy Zolnierek |
| Florida | Willa Fuller |
| Colorado | Colleen Casper |
| New Mexico | Suzanne Canfield |
| North Carolina | Tina Gordon |
| South Carolina | Judy Thompson |
| Virginia | Janet Wall |
| Oregon | Larlene Dunsmier |
| Washington | Judy Huntington |

* **What does “Institutionalization of Value Pricing” mean?**

The VPP was a pilot program created by the ANA Board. Pilot programs are designed to test, among other things, changes in dues amounts. While the ANA Board has the authority to create a pilot program, if the program impacts Joint Membership, each state must agree to participate before any changes to Joint Membership pricing impact their state. Also, dues pilots are designed to last only three years (in the case of the VPP, the original three-year pilot was extended by the 2016 Membership Assembly to run for an additional three years). At that point, the pilot must end. For any program to be continued outside the pilot, the Membership Assembly must agree to “institutionalize” the program—or integrate it into the official ways that the association runs itself and sets dues. In the case of the VPP, institutionalization will be done by amending the ANA Dues Policy to be subject to “ANA and C/SNA Dues Agreements” that will be signed by each state (different agreements depending whether or not they wish to pursue Value Pricing) and will dictate the execution of Joint Membership dues.

* **What does “wind down of VPP” mean?**

If the 2019 MA does not agree to “institutionalize” the principles of Value Pricing into ANA Dues Policy, then the pilot must end. The “wind down” recommendations from the VPP Advisory Group detail the approach to the wind down that the ANA Board approved. The wind down approach is found in the “Final Recommendations to the ANA Board” report from the VPP Advisory Group issued in November 2018.

* **What is the “ANA and C/SNA Dues Agreement”?**

The ANA and C/SNA Dues Agreement is the contract between ANA and the C/SNA regarding how Joint Membership dues will be set. Each C/SNA must sign either the “ANA and C/SNA Dues Agreement for C/SNAs intending to execute Value Pricing” or the “ANA and C/SNA Dues Agreement for C/SNAs NOT intending to execute Value Pricing.” The agreement with Value Pricing details the many executional guidelines of how Value Pricing dues will be set and administered. The agreement without Value Pricing commits that all Joint Members in that C/SNA will be considered Premier Members and granted Premier Member benefits.

* **What is the Dues Escalator?**

The Dues Escalator was established in 2005 to set a regular increase in ANA dues to reflect ongoing escalation in costs. The increase occurred every three years and was based on the CPI-U. At the 2016 MA, the decision was made to defer the planned 2017 dues escalation since the VPP was continuing. At the 2019 MA, membership will consider a recommendation from the VPP Advisory Group and the ANA Board that the ANA dues escalation planned for 2020 also be deferred, and that the Dues Escalator process be reviewed by the VPP Advisory Group, with a recommendation to the ANA Board on any necessary changes by the end of 2020.

**Frequently asked questions—Value Pricing**

**How are membership dues currently set?**

* **What is the role of the ANA Bylaws in setting dues?**

The ANA Bylaws have no role in the specifics of how ANA dues are set. All specifics are covered in the ANA Dues Policy.

* **What is the role of the ANA Dues Policy in setting dues?**

The ANA Dues Policy (officially called the “Assessment of ANA Dues from C/SNAs and Direct Members”) provides all the specifics governing how Joint Membership dues prices are established. The Dues Policy established a price for the ANA portion of Joint Membership dues (which has been increasing over time based on execution of the Dues Escalator), and then assigns the C/SNAs to establish both the retail price of Joint Membership dues (including both the ANA and the C/SNA portion) and any offered discounts to the retail price that the C/SNA wishes to offer members whom it feels should not pay the full price. Since pricing is set by state, the retail price of Joint Membership varies widely across the country, as do the categories of members who qualify for discounts off that retail price.

* **Who determines the specific dues amount to charge members for Joint Membership?**

The C/SNA determines the retail price members in that state pay for Joint Membership. The C/SNA also determines what discounts are offered and whether ANA-only and State-only Membership can be offered in that state.

* **What is the Conversion Factor, and what does it do?**

The conversion factor is used to determine the amount of dues that go to ANA and the C/SNA when a discount to the retail price is applied. The conversion factor is the percent that ANA dues (currently $146) of the full retail Joint Membership pricing set by the C/SNA. That percent is applied to any discounted price set by the C/SNA to establish how much of that reduced dues level should go to ANA. For example, if the retail price of Joint Membership is set by the C/SNA at double the ANA price ($292), then the conversion factor is 50%. So, 50% of retired dues (which are a 75% discount off $292, or $73) would go to ANA—or $36.50. The conversion factor is different for each state based on how they set the retail price of Joint Membership.

* **Who determines what membership types are offered?**

Joint Membership is offered by every C/SNA to members in that state. Also, the ANA Board determined that eMembership should be offered to nurses in every state. However, it is the C/SNAs that determine if ANA-only and State-only Membership will be offered as join options. This is done by the C/SNAs signing a separate agreement with ANA. For the VPP, all other join options were eliminated beyond Joint Membership—including ANA-only, State-only, and eMembership. This simplified join was part of the strategy of Value Pricing to make the join process simple and clear. The Advisory Group recommended that this approach continue in the Institutionalization of Value Pricing, so that language is included in the “ANA and C/SNA Dues Agreement with Value Pricing” contacts.

* **What consistency of dues prices and join options are there across the U.S.?**

Since prices are set state by state, there is no consistency in dues prices for Joint Membership across the U.S. Prior to the VPP, prices varied from $235 to $675 depending on the C/SNA and district pricing, although those prices are deeply discounted to certain audiences (new grads, retired) based on the categories set by the C/SNA. With the VPP, 23 states have established a single price to join as a Joint Member. That price point is recommended by the Advisory Group to continue if Value Pricing is institutionalized based on the vote of the 2019 MA.

**Frequently asked questions—Value Pricing**

**VPP history**

* **What was the membership trend prior to the implementation of the VPP?**

Prior to 2012, ANA Joint Membership had fallen from a high of over 200,000 (and exceeding 150,000 as late as 2008) to just 89,168 in 2011.

* **What research did ANA conduct to support the opportunity of Value Pricing?**

In 2012, extensive focus groups were conducted with members and non-members regarding the “value proposition” of ANA membership (what value a member received for the money paid). Those focus groups were followed by quantitative research covering hundreds of thousands of members and non-members. That research not only defined the current value of ANA membership, it followed up on the insights of the focus group and explored how the “prospect pool” of potential members for ANA Joint Membership would grow as we began exploring prices significantly below the current $300 average price point. That research indicated that the prospect pool for ANA membership would grow significantly beyond the current 3% (at $300 pricing), especially as the price point dropped under $200. That research also established the potential for Premier Membership, with 72% of current members indicating that they would continue to pay what they were paying now in exchange for additional benefits, even knowing that ANA was offering lower “value priced” membership to new joins.

* **When did the VPP originally begin?**

The launch of the first round of VPP C/SNAs was on August 1, 2013.

* **What C/SNAs participated in the initial pilot, and how were they selected?**

Seven C/SNAs volunteered to participate in the VPP and were accepted as the first “legacy” VPP states. Those were Texas, Kentucky, and the five states then a part of the NE MSD (Maine, Vermont, New Hampshire, Connecticut, and Rhode Island). In addition, Massachusetts applied, but only one large C/SNA (Texas) was accepted to limit the risk of the early pilot testing.

* **When did the VPP get expanded?**

The first seven C/SNAs participated in the VPP from August 1, 2013, until the 2016 Membership Assembly in June 2016. At that meeting, the MA voted to extend the VPP an additional three years and expand the number of participating C/SNAs to no more than 25. The resolution to expand to 25 C/SNAs passed with 68% of the vote. When both Ohio and Washington State decided they could not execute the VPP, on March 1, 2017, the VPP was expanded to 16 centrally billed non-labor C/SNAs that were approved by the ANA Board (AL, AZ, AR, CA, ID, IL, IN, IA, KS, MD, MI, MO, NE, NJ, UT, and WI).

* **What C/SNAs participated in the expanded pilot, and how were they selected?**

Once the vote to expand was approved by the 2016 MA, ANA accepted applications by the C/SNAs to participate in the expanded VPP. No more than 18 C/SNAs could be accepted. Twenty-one C/SNAs submitted applications, including the labor C/SNAs of Ohio and Washington State (the remaining 19 C/SNAs were non-labor centrally billed C/SNAs). The ANA Board voted to hold spots for Ohio and Washington and evaluated the other 19 C/SNAs against the 16 remaining slots based on criteria that were established to maximize what could be learned from the expanded pilot. The three C/SNAs denied were Oklahoma, North Dakota, and Wyoming.

* **What were the rules of the VPP to which C/SNAs had to agree to participate?**

All C/SNAs applying to the VPP had to agree to follow the following rules:

* + Set the retail price at $174 ($15 a month).
  + Split the dues 50/50 with ANA (District dues, if any, come out of the State portion).
  + Execute Premier Membership.
  + Offer no additional discounts from the Standard Membership price.
  + Only offer Joint Membership—no ANA-only, State-only, or eMembership.
  + Agree to grandfather any existing members of ANA-only or State-only so they could choose to continue with that membership type.

**Frequently asked questions—Value Pricing**

**What was the work of the VPP Advisory Group?**

* **What was the timetable of their work?**

The Advisory Group was formed in early June 2018 and had their first call in mid-June. The charge to the Advisory Group was to deliver a preliminary report to the ANA Board at the September Board meeting and a final report at the November Meeting.

* **What were their responsibilities, and what information was reviewed by the Advisory Group?**
  + The Advisory Group was charged with analysis of all data collected during the VPP regarding changes in Joint Membership counts, changes in membership revenue, changes in retention rates, increases in expenses, and viability of Premier Membership.
  + The Advisory Group reviewed data from the participating VPP C/SNAs on impact at the local level (including the need to add staff, changes in C/SNA spending, governance changes, and changes in programs offered) and the national level when deciding whether to recommend Institutionalization of Value Pricing.
  + The Advisory Group reviewed the guidelines of the VPP and determined which rules should be continued and which ones should change with institutionalization.
  + The Advisory Group reviewed the Premier Membership program to determine if it should continue and, if so, what changes to Premier Member benefits should be recommended. The Advisory Group developed multiple new benefits ideas.
  + The Advisory Group reviewed the current Dues Policy and developed recommended changes, including the creation of “ANA and C/SNA Dues Agreements.” Those four agreements (offered with and without Value Pricing for centrally billed and non-centrally billed C/SNAs) were created and reviewed.
  + The Advisory Group developed a recommended “wind down” process to follow if the MA vote went against institutionalization.
  + The Advisory Group worked with ANA staff to create a model to predict expected growth in non-VPP C/SNAs if they chose to join Value Pricing.
* **Why were Affiliate Agreements integrated into the Dues Policy?**

The Advisory Group determined it was best practice to have a contract (not a policy) dictate the terms of the monetary arrangement between ANA and the C/SNA, given the large amount of money changing hands. ANA collects all revenue for the 41 centrally billed C/SNAs, and there is no contract governing the terms of that service. Also, having agreements that were executed for those C/SNAs who were executing Value Pricing differ from agreements for those that did not intend to execute Value Pricing allowed that executional detail to be excluded from the “no value pricing” version. However, since C/SNAs that did not execute Value Pricing did want their members to receive Premier Member benefits, an agreement to memorialize that was recommended to be signed.

* **Why did the Advisory Group reorder the Dues Policy language it did not change?**

While a minimum amount of additional wording was added to the Dues Policy (only to acknowledge that the dues would be governed by the appropriate ANA and C/SNA Dues Agreement that the C/SNA signs), it was acknowledged that the current execution of the ANA Dues Policy was very hard to follow. The document was poorly organized, as it was created by an ongoing series of changes over many years. Without changing the words, the Advisory Group “reordered” the content into sections and created clear labeling for those sections. This was done to ensure the Dues Policy could be easily read and understood.

**Frequently asked questions—Value Pricing**

**Recommendations of the Advisory Group**

* **What were the recommendations of the Advisory Group?**
  + Recommend proceeding with institutionalizing Value Pricing into the association.
  + The decision of whether to pursue Value Pricing should remain with the C/SNA.
  + Premier Membership should remain a core part of the Value Pricing program.
  + The Premier Membership program should be strengthened with new benefits.
  + Premier Member benefits should be extended to all members in states that do not pursue Value Pricing.
  + The ANA Dues Policy should be revised (draft in report appendix) so it can be easily read and clearly understood.
  + Value Pricing implementation should be executed via an “ANA and C/SNA Dues Agreement” to detail the execution and responsibilities of each party.
  + C/SNAs sign whatever agreement version they choose to pursue (with or without Value Pricing).
  + The planned 2020 Dues Escalator should be deferred, and the Dues Escalation Policy reviewed.
  + The previously deferred 2014‒2016 dues escalation should be permanently deferred.
  + An approach was created that the association should follow if a wind down of the VPP was required (the MA not agreeing to institutionalize Value Pricing).
* **Did the Board approve the recommendations of the Advisory Group?**

Yes, the ANA Board approved 100% of the recommendations of the Advisory Group without changes.

* **What is the ongoing role of the Advisory Group?**

The Advisory Group has several ongoing roles:

* + To facilitate C/SNA and representative education on the value pricing decision facing the 2019 MA, including executing education sessions for state leaders, Boards, and representatives, including the two webinars, this FAQ document, and any other materials requested by the representatives
  + To finalize the Premier Member benefits package to be executed if Value Pricing is institutionalized by the MA 2019 vote
  + To review the Dues Escalator process and recommend any necessary changes to the ANA Board by the end of 2020

**Frequently asked questions—Value Pricing**

**What are the specific ANA Board recommendations on Value Pricing?**

* What were the recommended motions approved by the ANA Board related to Value Pricing?

Moved, That the ANA Board of Directors approves the recommendations of the Value Pricing Pilot Advisory Group, as set out in this Report.

Further moved, That the ANA Board of Directors approves all proposed changes to ANA’s “Membership Assembly’s policy on the Assessment of ANA Dues from CSNAs and Direct Members”, as updated on June 25, 2016 (“Dues Policy”), as redlined in Attachment J to this Report.

Further moved, That the ANA Board of Directors approves the inclusion of a clarification in the Dues Policy to expressly state that the dues escalator for the years 2014-2016 was permanently suppressed and shall never be implemented.

Further moved, That the ANA Board of Directors approves the deferment of the dues escalator for the years 2017-2019 until such time as the Value Pricing Pilot Advisory Board may present a recommendation to the Board of Directors for dues escalator process changes, to be considered at the 2021 Membership Assembly.

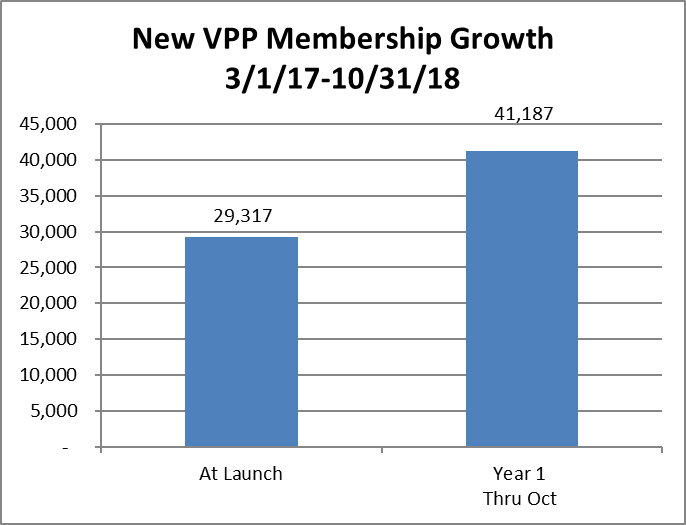
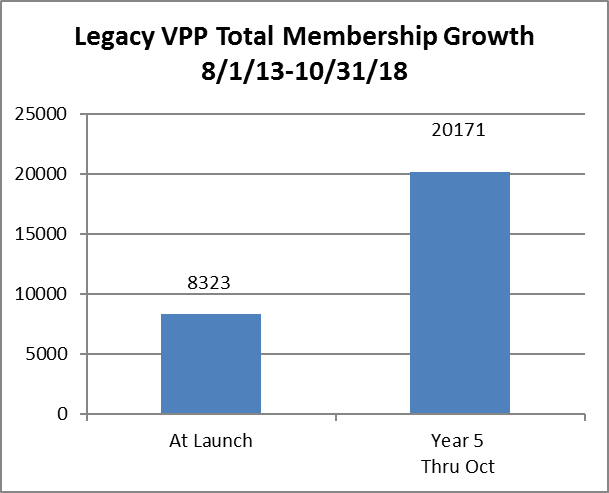
Further moved, That the ANA Board of Directors instructs the Professional Policy Committee, in coordination with the Committee on Bylaws, to submit all proposed changes to the ANA Membership for consideration and adoption at the 2019 Membership Assembly.

**Frequently asked questions—Value Pricing**

**VPP performance analysis**

* **How have membership counts grown during the VPP?**

The VPP succeeded in rapidly growing Joint Membership counts



* For the first seven states in the initial pilot, membership counts went up far more than double, with 142% growth over five years.
* In Texas, which had the most resources to support the pilot at the state level, membership went from 4,400 at launch to over 13,000 after five years.
* For the 16 states that launched in the second wave, growth was even faster. Membership grew by 40% in those 16 states in the first 20 months. Some states even approached 60% membership growth.
* Over the past six years, ANA’s Joint Membership counts have grown 61%, reaching 147,318 by the end of 2018. A significant factor in that growth was the adoption of the VPP and the expansion to 23 C/SNAs in 2017.
* **Has membership revenue grown during the VPP?**

It was critical for us to sustain and grow revenue as well—if revenue declined we would not be able to afford the critical programs we offer. How did membership revenue fare?

**ANA Membership Revenue Growth**

**Pre/Post Phase 2 launch**

* + The VPP grew total revenue in every pilot C/SNA in every year of the pilot, without exception!
  + In the past 20 months, the second-wave pilot states grew revenue 12% in year one and another 10% so far in year two.
  + The legacy states also continued to grow revenue 7% per year, matching or outpacing the revenue growth of non-pilot states.
  + This was extremely critical to show resources could be sustained to support the services already provided by ANA and the C/SNAs to members and the nursing profession.
* **How have retention rates changed during the VPP?**

There is a strong positive story related to VPP and retention rates:

**Retention Rate**

**Number of Monthly Payers**

|  |  |  |
| --- | --- | --- |
|  | **% Change Pilot States** | **% Change Non-Pilot States** |
| Monthly Payers | **+39%** | **-5%** |

|  |  |  |
| --- | --- | --- |
|  | **Pilot States** | **Non-Pilot States** |
| **Monthly** | **78.4%** | **76.6%** |
| **Annual** | **40.2%** | **29.6%** |
| **Total** | **63.9%** | **58.1%** |

* For members brought in via Value Pricing, the retention rate for monthly payers and especially annual payers is stronger than those of our control non-pilot states.
* There was a strong increase in monthly payers that the $15 price point of Value Pricing created.
  + In pilot states, monthly payers increased by 39% while they held flat in non-pilot states. And monthly payers retain at higher rates than do annual payers.
* Combine those two factors—higher retention rates and more monthly payers—and our total retention rate rises even faster, completing the positive data story for Value Pricing.
* **Have VPP states needed to add staff to address the growth in membership?**

The participating C/SNAs in the VPP confirmed that no additional staff was hired to deal with growth in membership. This even applies to Texas, which saw Joint Membership increase from 4,400 prior to the VPP to over 13,000 currently.

* **How have expenses increased with the growth of membership in the VPP?**

Only certain expenses increase in proportion to the increase in membership counts. Namely, the cost to produce and distribute any printed materials regularly received by members (for example, *American Nurse Today* for ANA). Most other expenses at the ANA and C/SNA levels are relatively fixed regardless of the membership counts. This includes the cost to develop policies, the cost of advocacy, building costs, and staff costs (based on no extra staff required as said above).

* **What was the learning about the optimal “value” price point during the VPP?**

While in-market pricing was originally set up to vary across the seven legacy VPP states to range from $126 ($11 a month) to $174 ($15 a month), within two years the learning concluded that the $174 ($15 a month) pricing was optimal to balance membership count growth with revenue growth. All seven legacy VPP C/SNAs adopted the $174 price point prior to the VPP expansion in 2017, and all 16 new C/SNAs were launched with the $174 price point.

* **Were there complaints received from members regarding the policies of the VPP?**

There were no significant complaints registered at the National or the C/SNA level on the execution of VPP, including Premier Membership. Retention of Premier Members is the same as retention rates of similarly tenured members in non-VPP states. Downgrading from Premier to Standard Membership is only 8% even with highly transparent renewal notices. Retention rates for Standard Members exceed those of non-VPP Members. Satisfaction rates in member surveys are the same in VPP and non-VPP states.

**Frequently asked questions—Value Pricing**

**If Value Pricing is “institutionalized” into ANA Dues Policy, who will determine the price of Joint Membership charged in a C/SNA?**

* **What does “state choice” mean?**

The principle adopted by the VPP Advisory Group, consistent with the Federated model which guides ANA Governance structure, is that the C/SNAs themselves must have the ability to decide if Value Pricing is appropriate for their state. There should not be any “one size fits all” approach that forces a state to do, or not to do, Value Pricing against its will. However, if a C/SNA chooses to do Value Pricing, the execution should be standardized to allow marketing synergy and best practice execution.

* **Do all the current VPP states have to continue with Value Pricing?**

No, current VPP states can decide for themselves if they wish to continue with Value Pricing. However, a survey of all 23 current VPP states confirms that everyone intends to continue with Value Pricing if the 2019 MA institutionalizes Value Pricing. For C/SNAs not currently in the VPP, any C/SNA that decides to execute Value Pricing MUST continue Value Pricing for a three-year period to ensure the strategy has a chance to fully take hold. C/SNAs will not have the ability to quickly step in and out of Value Pricing, since that would not lead to effective decision-making, according to the VPP Advisory Group.

**Frequently asked questions—Value Pricing**

**How will Value Pricing work in states that decide to adopt it if Value Pricing is institutionalized by the 2019 MA?**

* **What happens to existing Joint Members?**

If value pricing is institutionalized, then all joint members in the 27 C/SNAs not participating in the VPP will be converted to Premier Membership in Q3 2019. They will be informed that they are now Premier Members entitled to special benefits at no extra cost of membership. Their dues amount will not change. After that, C/SNA will need to determine if they wish to pursue value pricing. If they decide to do adopt value pricing they will inform ANA and a date for the launch of value pricing will be determined.

* **What happens to existing ANA-only, State-only, or eMembers?**

At the launch of value pricing, new members will not be able to join as ANA-only, state only or eMembers. For existing members, no changes will occur to the $191 dues price of ANA-only members, but at renewal they will be informed they can pursue Joint Membership for $174 but if they do so they will not receive the additional Premier Member benefits. No changes will occur for State-only Members or eMembers, although they will be informed of the ability to become Standard Joint Members for $174 a year at renewal.

* **What membership types can be sold to new members?**

The ANA and C/SNA Dues Agreement will limit new joins to Joint Membership. No other membership types, including ANA-only, State-only, or eMembership, will be offered by states offering Value Pricing.

* **What price will Joint Membership be sold at?**

Joint Membership will be offered at $174 a year or $15 a month in C/SNAs that decide to offer Value Pricing.

* **What will the dues split be?**

For members who join at standard pricing ($174/$15), the dues split will be 50% ANA, 50% C/SNAs. Any money paid to districts will come out of the C/SNA half. For any dues collected from Premier Members, the dues split that was in place before the launch of Value Pricing continues (the conversion factor). No changes to the dues splits for ANA-only or State-only Members will occur for those grandfathered into those membership types

**Frequently asked questions— Value Pricing**

**What happens in C/SNAs that choose NOT to adopt Value Pricing?**

* **Do they have to sign an agreement? If so, which one?**

If the Institutionalization of Value Pricing is adopted by the 2019 MA, C/SNAs that choose NOT to execute Value Pricing will need to sign the “ANA and C/SNA Dues Agreement without Value Pricing.”

* **What changes will occur because of signing that agreement?**

There will be no changes, based on signing that agreement, to the ways dues are handled in that C/SNA, and the C/SNA will not be required to make any changes to what membership types or discounts are offered as membership join options. However, based on signing the agreement, all Joint Members of the C/SNA will become Premier Members, entitled to additional benefits from ANA at no additional cost. The timing of the Premier Member conversion is still to be determined, but likely will occur in the third quarter of 2019.

**Frequently asked questions— Value Pricing**

**Premier Membership**

* **What benefits were offered to Premier Members** (see ANA Premier Membership Benefits flyer for more details)
  + **At the original VPP launch in 2013?**

At the original launch, the number of Premier Member benefits were more limited. ANA offered an unlimited CE option via LWW, which we continue to offer now. ANA also offered free membership in AARP; however, that was cancelled by AARP after a few months due to a change in their strategy. ANA also offered a Premier Member Certificate.

* + **At the expanded VPP launch in 2016?**

By the time that the VPP expanded to 16 new states, Premier Member benefits also included:

* + - Free ANA Swag: offered via a coupon that could be redeemed online, the swag item has varied year to year and has included an ANA Tote Bag, ANA HNHN Lunch box, and ANA HNHN Salad Kit. Over 2,000 Premier members a year redeemed the free swag offer.
    - Free expedited processing on new Certification applications.
    - A $25 discount coupon for any product purchase made from the ANA LMS system.
    - An additional $100 discount coupon for the ANA Quality and Innovation conference on top of existing member discounts.
    - An Honor a Nurse submission to the ANA Foundation without having to pay the $25 fee (the ANA pays on member’s behalf).
    - An opportunity to become a Community Champion in the ANA Online Private Member community (benefit discontinued due to lack of interest).
* **What new Premier Member benefits are being planned if Value Pricing is approved by the MA?**

The Advisory Committee has brainstormed additional Premier Member benefits that would be added to the Premier Member benefits package if the 2019 MA institutionalizes Value Pricing, including:

* + - Coupon for free download of a digital ebook *Nursing: Scope and Standards of* *Practice*
    - Coupon for 50% discount on other two Foundational Documents (paperback or eBook) – *Guide to Nursing’s Social Policy Statement, Guide to Code of Ethics for Nurses with Interpretive Statements*
    - Coupon for 25% one-time discount on any ANA Publication purchase (discount applied to all Publications bought in single order, although not to be combined with any other discounts.  Offer includes ANCC Certification prep books)
    - In addition to the $100 automatic member discount that all ANA members get for either Initial or Renewal Certification, Premier Members will also get a $100 coupon good on either Initial Certification or Renewal Certification – bringing the total member discount up to $200 for Premier Members.
    - Free Certification test-taking strategies webinar ($36 value)
    - Coupon for a free ebook: Communication, Collaboration, and You: Tools, Tips, and Techniques for Nursing Practice by Cynthia Saver, MS, RN, and Meaghan O’Keeffe, BSN, RN, ($11.95 normal member price).
    - Unique webinar exclusively for Premier Members to offer exposure to ANA Leadership and gain insights into ANA priorities and activities.
    - Daily news brief service featuring nursing and ANA news.
    - $50 voucher for attending a conference or meeting put on by the member’s state nursing association (ANA rebates the savings back to the states).
* **What is the total value of the Premier Membership Benefits package?**

The full value of the all the benefits exclusive to Premier Membership is approximately $590, which greatly exceeds the increased dues costs (anywhere from $75 to $125 of higher joint membership dues depending on the C/SNA).

* **What was the rate at which Premier Members downgraded to Standard Membership in the VPP?**

Since the launch of Premier Membership, ANA has refined the language in renewal notices to INCREASE the transparency of the option to downgrade to Standard Membership in exchange for lower benefits. Despite this increased transparency, only 8% of Premier Members downgraded to Standard Membership.

* **Were there concerns received from Premier Members about some people in the C/SNA paying lower dues?**

No meaningful number of concerns or complaints have been received about Premier Member pricing.

* **What is happening to the number of Premier Members in states participating in the VPP?**

As executed in the VPP, only members who existed prior to the launch of Value Pricing could be Premier Members—no new Premier Members were added. Because of this, there is natural attrition of the number of Premier Members (although retention loss of Premier Members is the same as that of similar-tenured members in non-pilot C/SNAs), and the number of Premier Members decreased over time. Given the rapid growth of Standard Members, the percentage of total Joint Members who are Premier Members declines steadily, and after five years becomes quite small.

* **If Premier Membership was an important part of securing revenue growth at the launch of Value Pricing, what happens when there are practically no Premier Members in the future?**

Premier Member revenue provided a critical foundation of revenue to allow the growth of Standard Membership to add incremental total Joint Membership revenue, rather than just cutting down the total revenue per member ANA and the C/SNAs received. Over time, the rapid growth of Standard Membership is enough to create total growth of membership revenue, and the reliance on Premier Membership revenue declines as it becomes a smaller and smaller percentage of total revenue. In the future, VPP states will have minimal reliance on Premier Membership revenue, and the continued gradual decline in the number of Premier Members will have minimal impact on total revenue. Below is a chart of expected future revenue mix of Premier (orange) and Standard Membership in the legacy states that launched in 2013.

**Frequently asked questions—Value Pricing**

**Dues Escalator**

* **What did the 2016 MA decide about the dues escalation planned for January 2017?**

At the 2016 MA, the MA approved a change in the ANA Dues Policy to defer the planned January 2017 dues increase. However, the language used was unclear on whether the intent was to postpone the dues escalation for a future time, or to permanently defer it so that it never is taken in the future. The VPP Advisory Group indicated that the intention of the 2016 MA was to permanently defer the 2017 dues escalation, so the language in the final recommendations clarifies that the 2017 dues escalation should never be executed.

* **What is the recommendation regarding the planned 2020 dues escalation?**

With the ongoing desire to not increase the dues price points that ANA and the C/SNAs have gained experience with during the VPP, the Advisory Group recommends that the planned January 2020 dues escalation not be executed when planned. The recommendation, if the 2019 MA votes to institutionalize Value Pricing, is to temporarily defer that increase until the VPP Advisory Group has had a chance to study the dues escalation process fully and propose any necessary changes to the ANA Board. That review is planned to be concluded by the end of 2020. If the 2019 MA does not institutionalize Value Pricing, the planned January 2020 dues escalation will occur as scheduled.

* **Will the dues escalation process be reviewed and reconsidered by the Board?**

The VPP Advisory Group noted some concerns with the current Dues Escalator practice. While the process of revising dues for increases in costs is a wise practice, the execution in place raises the entire dues amount by the increase in CPI-U, not just covering the increase in our expenses due to inflation. Over time, this process can generate large increases in dues pricing with no strategic considerations in the process. Based on a request from the ANA Board, the VPP Advisory Group will study the best practices in dues escalation and report their recommendations to the ANA Board by the end of 2020.

**Frequently asked questions—Value Pricing**

**2019 Membership Assembly Activities related to Value Pricing**

* **Will there be a hearing at MA to provide comments on the Board-recommended changes?**

The changes to the ANA Dues Policy will be discussed at a hearing conducted by the Committee on Bylaws (COB) on Friday, June 21. The hearing will be jointly chaired by the COB and the Professional Policy Committee (PPC), which has jurisdiction on all ANA policies (including Dues Policy). Membership Assembly representatives will be able to provide input on the proposed Dues Policy changes at this hearing. The PPC will review the comments and issue a report to the 2019 Membership Assembly of the discussion prior to the vote scheduled for Saturday, June 22.

* **What threshold of votes is needed to approve the changes to the Dues Policy?**

As with all changes that impact ANA dues, a two-thirds majority is needed for approval.

* **What happens if the MA chooses not to approve Institutionalization of Value Pricing?**

If the 2019 MA chooses to not institutionalize Value Pricing, then the existing VPP will be wound down according to the recommendations detailed in the VPP Advisory Group’s recommendation to the ANA Board in their November report.

**Frequently asked questions—Value Pricing**

**If Value Pricing is institutionalized, when can new C/SNAs start Value Pricing?**

* **What launch timing is being considered?**

If the 2019 MA institutionalizes Value Pricing, then C/SNAs that are not currently in the VPP will be able to execute Value Pricing. For Centrally-billed states where ANA executes the join and renewal, we are working to identify the launch windows. At this time, we believe there will be a launch window of 10/1/19 for those C/SNAs that can submit their completed applications by 7-15-19, and another launch window of 3/1/20 for those C/SNAs that can complete their applications by 10/31/19. A complete timetable, including the application process and timing a is being finalized. For non-centrally billed C/SNAs interested in executing Value Pricing, the technical burden of system changes would fall on the C/SNA, not ANA, so launch timing would need to be studied and will vary among C/SNAs.

* **What does a C/SNA need to do to participate in Value Pricing?**

If the 2019 MA institutionalizes Value Pricing, a complete application process will be delivered to the C/SNAs for them to follow to execute Value Pricing. This will include confirming the C/SNAs the intention to execute Value Pricing (with appropriate C/SNA Board or MA approval) and the signing of the ANA and C/SNA Dues Agreement with Value Pricing.

* **How does being centrally billed or non-centrally billed impact Value Pricing execution?**

For centrally billed C/SNAs, ANA executes the join and renewal processes, so the technical burden of changing prices falls on ANA. Therefore, ANA will deliver the planned timing for any new centrally billed C/SNAs wishing to execute Value Pricing. For non-centrally billed C/SNAs, all join, renewal, and collection of dues is handled by the C/SNA, meaning the changes will be driven at the C/SNA level. While ANA will consult with the technical team on experience with necessary changes, ultimately the change in timing will be determined by the C/SNA itself.