

The recently announced increase in FMCA dues, although regrettable, was very necessary to maintain one of the best benefits of FMCA membership. The increase in dues seems to be terribly large, especially when the numbers were stated as raw information — a \$.32/member/month increase in the [FMCAssist Medical Emergency and Travel Assistance Program](#) premium — but a deeper dive reveals the reason.

A large percentage of members of FMCA pay their dues well in advance. This is great for an organization, but it makes unexpected expenses difficult to absorb. As usual, a company, especially a non-profit, will anticipate increases in expenses and factor that into an annual budget. Also, a well-run organization will have a buffer fund. Both of those things were true of FMCA.

What wasn't anticipated was an increase in the premium from the insurer to a million dollars total! Yes, the money could have been taken out of the emergency fund, or the benefit could have been cancelled, but neither of those solutions was palatable to the Governing Board, for two separate, but important reasons. First, further reducing the emergency fund below one year's operating budget (\$9,000,000) would be fiscally irresponsible. Second, the benefit package provided by the insurer, the FMCAssist program, is one of the most cherished benefits of FMCA membership. This package, if bought independently, would cost a member approximately \$110/year.

The reality is that the FMCAssist package is only a part of the benefits that membership provides, but it only works with a large risk pool of a group policy. The insurer stated that claims and administrative costs were higher than their premium would cover and the increase was necessary to continue coverage.

Back to the numbers, and the dues increase. The best thing would have been to spread the increase over the whole membership of FMCA. Remember, though, that there is a time factor to consider, and a lot of those members pay their dues in advance, and they have paid for an

expected benefit package. That means that the members who are anticipated to renew will have to provide the necessary funds to cover the increase. Optimal answer? No. But if the promises made to those members that have already paid, as well as the people who are prepared to renew, are to maintain the great coverage of the FMCAssist package, the fee has to be passed on.

So, this is the reason for the big jump in dues. Everybody will eventually bear the cost, and it might end up funding other benefits in the future.

There will be a search for another provider, and there might be unintended consequences, such as decreased numbers of newer, younger members, or loss of current members. The only counter to this is knowledge. We, as a group, need to actively promote the benefits of membership among ourselves and to potential members. I'd be willing to bet that no potential and very few current members fully understand the whole benefits of basic membership. Please take a few minutes and look over the [FMCA website](#) and refamiliarize yourselves with all the things your dues provide. You will undoubtedly come away agreeing that \$75/year is a darn good deal!

Submitted by Scott Herrick, F478184