

ILLINOIS STATE MEDICAL SOCIETY

**Resolution 08.2022-11
(A-23)**

Introduced by: David A. Stumpf, MD, ISMS Member

Subject: Enabling Royalty Income for ISMS

Referred to: Council on Economics

1 Whereas, most professional medical societies derive about one-third of their
2 revenues from membership dues, often via affiliated for- and non-profit organizations;
3 and

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5 Whereas, ISMS receives non-sustainable annual gifts from organizations to help
6 the transition to our new governance structure; and

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8 Whereas, ISMS is largely dependent on membership dues revenues; and

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10 Whereas, ISMS does not have benefit offerings attractive to employed physicians
11 or the employers; and

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13 Whereas, ISMS has little funding for innovations; and

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15 Whereas, innovations creating new member resources are required to expand and
16 retain members, especially those in contracted roles; and

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18 Whereas, whereas there are opportunities in health information technology to add
19 impactful member benefits; therefore, be it

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21 RESOLVED, that the Illinois State Medical Society (ISMS) expand the role of
22 the Board Review Panel on Endorsements and Sponsorships from a reactive entity to a
23 proactive group developing legal and financial plans for generating additional royalty
24 income; and be it further

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26 RESOLVED, that the Panel or other entity develop a business plan for
27 proactively developing specific products with the dual goals of generating one third of
28 ISMS revenue and adding value to ISMS sponsors; and be it further

1 RESOLVED, that the Panel enter into discussions with large groups to discover
2 services which would encourage their membership in ISMS, such as automatic prior
3 authorizations, electronic credentialing, recruitment of clinical research subjects,
4 facilitating clinical research within their practices, etc.; and be it further

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6 RESOLVED, that ISMS invest or reallocate sufficient funding to launch an
7 innovation and royalty program.

Fiscal Note:

TBD

Existing ISMS policy related to this issue:

In July 2020, the Board of Trustees approved the creation of a Board-level committee to oversee the acceptance of endorsement, sponsorship and other non-dues revenue to support ISMS' mission and activities. The primary functions of the Board Review Panel of Endorsements and Sponsorships are 1) to develop criteria for evaluating and making decisions about the acceptance of non-dues revenue opportunities and 2) to vet all major non-dues revenue opportunities presented to ISMS and report a final decision to the Board for information.