

**Members Business Meeting Minutes
May 19, 2011 Clearwater Florida**

Roll Call for Voting Members

Veterinary Specialty Center of Tucson Jan Woods
Veterinary Referral Center of Colorado Lori Ramig
Georgia Veterinary Specialists & Emergency Care Mark Dorfman
Southeast Veterinary Specialists Rose Lemarie
Veterinary Medical and Surgical Group, Inc. Greg Stoutenburgh
Veterinary Specialty Hospital of the Carolinas Kevin Concannon
Veterinary Specialty and Emergency Center of Kansas City Jeff Dennis
Pittsburgh Veterinary Specialty and Emergency Center Ken Spokane
VetsNow Hospital Patricia Colville
Florida Veterinary Specialists Eric Mears
Michigan Veterinary Specialists Ned Kuehn
NYC Veterinary Specialists and Cancer Center Yadira Payne
Wisconsin Veterinary Referral Center Billie Fisher
Akron Veterinary Referral & Emergency Center Rod Ferguson
Seattle Veterinary Specialists Art Arnaiz
MedVet Memphis Todd Tobias
Veterinary Specialty and Emergency Center **Not Represented**

Fall Meeting and Agenda

Thursday October 6th 12:30pm – Saturday October 8th 4:45pm.
Location is the Olive 8 in Seattle - \$179 room rate.
Agenda complete and on VSPA website.
Reservations link is also ready and on the website.

Agenda Committee for 2012 – thank you volunteers!

- Billie Fisher
- Kenton Rexford
- Ned Kuehn
- Jennifer Weaver

Meeting Schedule

New Orleans May 15-18, 2012 - Contract Pending
Costa Rica September 26-29, 2012 – Four Seasons
Memphis May 14-17, 2013
Suggestions September 2013 and May 2014 – Montreal, Vancouver and Glasgow

Membership Report

2011 Who Are You Survey (WAYS). All members compliant with By-laws and Membership Standards except:

- One member (VSEC) not present • One Sister Satellite survey not returned (NYCVS)

RACE CE

VSPA is now a registered RACE provider. This will allow us to have Continuing Education Units (CEU's) for Veterinarians and Technicians. In addition the CVPM Board normally accepts RACE CEU's towards required hours. The goal is for RACE CE to contribute toward increased attendance at meetings.

RACE will increase the member benefits and also contribute toward the ability to recruit sponsors.

Members Meetings

Discussion of declining attendance trend and why attendance at this meeting so low <35?

Date	Number of Attendees	Location
Fall 2010	44	San Francisco
Spring 2010	59	Pittsburgh
Fall 2009	47	Portland
Spring 2009	39	Atlanta
Fall 2008	49	Punta Mita
Spring 2008	61	NYC
Fall 2007	54	San Diego
Spring 2007	56	Philadelphia
Fall 2006	53	Alexandria
Spring 2006	45	Michigan

The people that need to be asked this question are the ones not attending. Asked the attendees to poll individuals in their practice... What do you want from VSPA meetings? What will it take to get you back to the meetings? In addition to personal interviews we will distribute a survey via the list serve to poll members regarding their reasons for attending/not attending, current CE needs/interests and how to increase attendance.

The goal is to have 45-50 attendees per meeting.

Multiple tracks or other options geared toward administrators or clinicians to allow more tailored interests.

Discussion of having one longer meeting per year instead of two. This was not a favorable solution.

Possible webinars during the year for managers, owners and even front line staff (CSR/Technicians).

We will begin adding bulleted lists of meeting highlights on member's page of website.

The learning objectives for each session will be added to the agendas to inform and entice.

Features and Benefits of VSPA Membership

- CEU's
- List Serve
- Management Statement (11+ year history, largest collection of data in the country possibly the world)
- Member practices often improve their ROI
- Management and Business Education
- Operations and Clinical Surveys
- Price Surveys
- Salary Surveys
- Internship/Residency Discussions
- Human Resource Policies (website)

- Marketing Materials (web site)
- Meeting notes and resources (web site)
- Mentoring
- Networking

Agenda Suggestions for 2012

The following topics are from the Portland meeting evaluation. Are there additional requests for agenda topics? What are *you* interesting in hearing/discussing? Members are interested in all topics below.

- Compensation guidelines for non DVM administrative positions (HR, Hosp Mgr etc.)
- What tools are used for each practice, software, programs, collections, staff positions (type, FT/PT)
- Medical records – legal requirements
- Age and gender demographic impacts on the future of our practices
- Considerations for developing 2nd sites or businesses
- Finance/banking relationships
- Areas of expense reduction

Member Satisfaction Survey

Attendees were surveyed with the questions below regarding their thoughts on VSPA's growth and longevity potential. Results to be posted to VSPA website with the meeting notes.

- What value do *you* receive from VSPA?
- What is the growth potential for VSPA?
 - Where is it coming from?
 - How do we get it?
- What can *you* do to ensure VSPA longevity?
- What can we (Board and Members) do to get people back at the VSPA meetings?
 - Would CEU's increase the attendance and perceived value?

Veterinary Study Groups (VSG/VMG & VSPA)

Conversations between the Veterinary Study Groups (VSG) www.veterinarystudygroups.com and the VSPA were initiated by an unrelated third party who felt there may be mutual benefits for the two groups. VSG is a for-profit, private company that owns 13 Veterinary Management Groups (VMG). The VMG groups are similar to VSPA in that they have up to 20 practices per group with horizontal competition restrictions within each group. Each VMG meets twice per year and share financial data and best practices.

There were a number of phone calls and then a VSPA Board to VSG Board meeting earlier this year to explore possible collaboration. At this time the decision is that a more extensive relationship between VSPA and VSG is not practical. VSG is barely developed in the specialty/emergency area and the VSPA data collection and benchmarking capabilities surpass the current VSG data management. VSG does have an extensive GPO which was one of the initial reasons for conversation. Although a formal association is not desirable at this time, project based collaboration may be a possibility (see next topic).

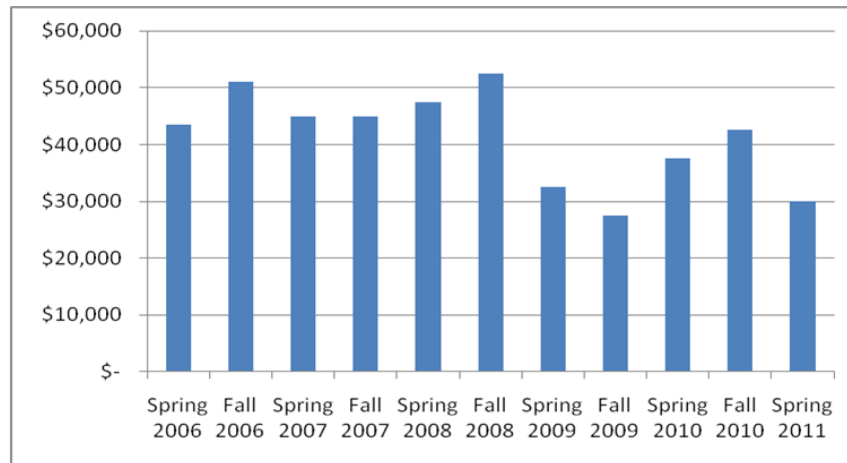
Potential GPO for Dental & Vision Insurance

There is a possibility of working with VSG on a joint GPO for dental and vision insurance. Unfortunately some recent changes in the health reform act prohibit this for health insurance. It is possible that professional liability and workers compensation insurance may be included in the GPO. The members in attendance were polled for their interest in this type of program and were not in favor regardless of VSG/VSPA collaboration.

Sponsor Relationships – Current and Future Actions

The sponsor visit cards, additional social event and ability to attend outside speaker sessions were well received by the sponsors for this meeting. There was a significant increase in sponsor/member interaction and we had fun with the gift cards and AVMA Safety Program drawings.

The future of sponsorship funds for VSPA is questionable. Over the past three years some of our major sponsors have discontinued or reduced their sponsorship due to budget and return on investment concerns. Here is a chart showing sponsorship funds for the past 11 meetings. The trend in sponsorship dollars closely parallels the economic events since fall 2008. Sponsors are required to justify their expense more than in the past. Their budgets have been cut and decisions are based on ROI. Our sponsors are looking for the opportunity to keep the lines of communication open and want to support the VSPA. Without sponsors the meeting expenses would be shared by member practices (\$60k - \$80k per year). The plan is to continue activities like the sponsor cards and drawings, provide plenty of interaction time and to ask the sponsors to talk to us about how we can help grow our respective businesses. We will also periodically survey our sponsors regarding their expectations and desired outcomes from participating in VSPA meetings.



Practice Consolidations and Blue Pearl Veterinary Partners Membership

Blue Pearl Veterinary Partners (BPVP) membership was discussed beginning with Darryl Shaw and Jeff Dennis following up from the fall 2010 San Francisco meeting. This led into group discussion and questions with all members present. BPVP practices then left the room for non BPVP members continued discussion. Finally the BPVP members rejoined the group for closing comments/questions. The goal today was not to make any decision at this meeting but to distribute a survey and collect opinions and votes from practice owners regarding BPVP membership after the meeting. This involves more than BPVP. It speaks to corporate ownership, member practice expansions, antitrust and the future of VSPA. Here is a brief recap of the discussion:

- Darryl and Jeff want to do the right thing – whatever is best for VSPA.
- BPVP would like to be involved with VSPA in a modified format.
- Due to expense considerations BPVP does not want each practice join as individual members or to send representatives from each practice to every meeting.
- BPVP is currently in compliance with VSPA By-laws and Membership Standards. The Chicago and Nashville BPVP practices are fully qualified for membership this year. BPVP will be out of compliance if these two practices do not apply for membership.
- Willing to report all data on all BPVP practices.
- No plans for IPO and no Venture Capital – 100% employee owned LLC.

Other Questions/Discussion:

- Are members interested in By-law changes to accommodate BPVP?
- BPVP membership vs. individual hospital memberships.
- What would the dues structure be for different types of membership?
- How many votes would corporate membership (BPVP) have?
- How many attendees would be required from BPVP per meeting?
- Executive Board to have no more than one person on the board from a common entity.
- What happens to the 125 mile horizontal competition rule for BP practices and satellites if BPVP (or other corporate entity) membership created?
- Do we increase the number of practices (if BPVP as corporate member vs. individual practices).
- Do we begin multiple VSPA “pods” similar to VMG groups?
- What about practices/entities that were asked to leave VSPA in the past; Southpaws - Brighthouse, Northwest & San Francisco – VCA and San Diego/MVRS – MOON.
- Would VSPA be required to allow VCA, Brighthouse, MOON etc. to become members?
- The reasons for not allowing VCA, Brighthouse etc. were vastly different than what BPVP represented. Is that changing? Will Antitrust regulations make the decision for VSPA?
- Transition Management Statement maintenance, collection and distribution to outside CPA.
- Networking with members from individual practices will be lost if every practice does not send representatives.
- Should all BPVP practices have access to VSPA data if they submit numbers (and surveys) but do not attend meetings?
- Need for VSPA to evolve (or have a plan in place to address) as BPVP will not be the first VSPA member to become a consolidator.
- Do we reformat the entire Alliance only to have BPVP eventually depart due to encroachment on another member’s horizontal competition area (even if changed from current 125 miles)?
- How can VSPA and BPVP continue to be mutually beneficial?
- Is this an opportunity for VSPA rather than a problem?

The intent for today’s meeting was to fully open the topic for discussion without resolution or decision. The group seemed to have individuals in favor of BPVP staying with VSPA, others that felt it was not practical in the long term and others that did not express an opinion. The long term, close relationships with BPVP’ people made this a challenging discussion. If you were not at this meeting please speak with your practice representative for additional insights and their thoughts. Consider the questions/comments above and respond to surveys and vote(s) over the coming weeks. This is a significant decision for VSPA and will determine its direction and fundamental operations.

Antitrust Review

Philip Homsey, Esq. is the attorney that rewrote the VSPA By-laws in 2009. The Board consulted him for a focused but brief opinion on BPVP membership and its effect on VSPA. The information was enlightening and clearly shows that a formal opinion from an Antitrust attorney is needed for VSPA. This opinion statement would specifically address the BPVP potential membership and also consider the needs of VSPA in general. Once an estimate is received the members will need to vote on this expense as it will be significantly more than the threshold for Executive Board approval.

Questions for Attorney:

- Ability to have corporate membership.
- Dues and voting structure for corporate membership.
- Formula for what defines a member and new member.
- What to do with the 125 mile perimeter and horizontal competition.

- Attendance for corporate members.
- Solutions – how does corporate membership affect VSPA.
- Data collection
- Due diligence process for denial or exclusion

Other than the first two items need to be answered for VSPA regardless of corporate membership.

Proposed By Law Amendments

In light of the potential changes to VSPA this summer it makes sense to postpone the annual member election (and dues renewal) until after the fall 2011 meeting. The following By-law amendment was approved by a vote of 16-yay and 1-absent.

ARTICLE 6

6.02 **Annual Election of the Members**-Each Member Hospital's membership term shall be for a period of one year commencing on July 1st of each calendar year and terminating on June 30th of the following calendar year. A Member shall be admitted to the membership only by a majority of "Yah" votes of the total membership, whom have cast their votes in such election. Thus, each June of each calendar year the Member Hospitals shall hold an election to elect the total Membership for the following year. **The 2011 Annual Election of Members to be held in December 2011.**

a. Election Procedures-

- (i) **Independent CPA Auditor**- Each year prior to the June Annual Election of the Membership, the Executive Board shall retain an outside independent Certified Public Accounting firm (CPA) firm to receive the voting ballots from the Designated Representatives of the Member Hospitals and to tally said votes and certify the Member Hospitals and non member hospitals, who have been elected to the Membership as Member Hospitals. The Member Hospitals so elected and certified shall serve in such capacity for the next term beginning on July 1st immediately following the June election and ending on June 30th of the following year. **The July 1, 2010 to June 30, 2011 election year to be extended to December 31, 2011. The 2011-2012 year to begin January 1, 2012 and end June 30, 2012.**

The dues will follow the schedule above. A vote is not needed as the election schedule determines the timing of dues payments. There will be a 6 month invoice to cover the 6 month extension to the current 2010-2011 year. The 2011-2012 year will be 6 months and invoiced to members January 2012.

Accountant/CPA for VSPA Management Statement (MS)

The call for Management Statement data was delayed until after the meeting today in order to discuss transitioning the MS to an independent CPA. Darryl Shaw is a CPA and has volunteered to all of the MS collection, compilation and assist newer members with the process since the beginning of the VSPA. The time commitment is 40-60 hours per year. Having an accounting firm take on all of the required tasks could cost 6k-12k. Alternately, the statement can be assembled by a VSPA individual and sent to a CPA for validation and interpretation. This would reduce the cost significantly. Darryl will work with the selected individual(s) to make the transition as smooth as possible.

Members approved the MS transition to an independent CPA by a vote of 16-yay and 1-absent.

CPA Review/Evaluation of Management Statement

The members were asked for their interest in having a CPA review the current Management Statement procedures and data points? Are they interested in looking at other metrics? Are there data points we don't currently collect that would improve the Management Statement? The results of a member poll regarding the Management Statement (see below) indicate interest in evaluating and expanding upon the current procedures. The Board will engage an accounting firm that can accomplish this review/evaluation in addition to the validation/interpretation mentioned above.

Members approved engaging a firm to evaluate the Management Statement by a vote of 16-yay and 1-absent.

Member Poll Regarding Management Statement (MS)

8 results – 3 Admin, 2 Owner/DVM, 1 DVM/Admin, 2 Owner/DVM/Admin

- What are the two top things you want to change about the Management Statement or its data collection?
 - Would like to be able to complete and submit MS on line.
 - More instructions to ensure all are reporting the correct information (multiple mentions).
 - Would like to see satellite hospitals broken out. (multiple mentions).
 - Visit information needs to return to the MS.
 - Collect data on Admin compensation and benefits.
 - We need tighter control on reporting/benchmarking. Data is all over the place now.
 - Have partial information (revenue, labor, drugs/supplies and fixed costs) reported midyear.
- How could you get more information out of the Management Statement?
 - Good discussion point with other members.
 - Disseminate basic information to practice team.
 - Look at it more often.
 - Have expenses (by service) uniformly broken out across practices.
 - Improved standardization of how data is reported.
 - Written narrative of someone's (VSPA expert member) take away from the MS. Both overall organizations trending etc. plus anything they may notice about the individual practices (a commentary).
 - More time to preview MS before meeting. Easier to find/get answers with more time.
 - Increased analysis of differences between practices. Good performers – how did you get there, lower performers or significant changes – what happened.

Member Recruiting

The practice identified to fill the vacancy left by San Francisco Veterinary Specialists was unable to be considered due to a geographic complication. They have a small satellite practice close to a VSPA member practice.

Please review the list of practices on the recruiting list for the current openings. If you know anyone in these practices or have pertinent information please contact Pam pam@specialtyvets.com. The full data base list is on the VSPA website. Do you know of any hospitals not on the list? If yes, please contact Pam with their name, city, state and any known contacts.

Practice	Pacific Veterinary Specialists and Emergency Service (see note below)	Charleston Veterinary Referral Center	Veterinary Emergency and Specialty Center of New England
Address	1980 41st Avenue	3484 Shelby Ray Court	180 Bear Hill Rd Ste A
City	Capitola	Charlestown	Waltham
ST	CA	SC	MA
ZIP	95010	29414	
Contact	Emma Sanchez, Business Mgr	Alan Green, DVM	
Web	www.pvses.com	http://www.charlestonvrc.com/	http://www.vescone.com/about-vescone/about-vescone.htm

Phone	831-476-2584	843-614-8387	
ER	Y	Y	Y
Sx	Y	Y	Y
IM	Y	Y	Y
Other 1	Onc	Onc pending	Rad
Other 2	Rad	Neuro	Oph
Other 3	Criticalist		
Notes	previously applied (2005), VSPA turned down because one owner would not report numbers. Contact to see if this has changed.	associate sitting for IM/Onc boards this summer	
Practice	Cincinnati CARE Center	Veterinary Specialty Services	Associated Veterinary Specialists
Address	6995 East Kemper Rd	1021 Howard George Drive	12462-G Natural Bridge Road
City	Cincinnati	Manchester	St Louis
ST	OH	MO	MO
ZIP	45249	63021	63044
Contact	sent e-mail to Erick Mears to ask	Nancy Schwarty, HA nschwartz@vssstl.com	Wayne Hause, ACVIM
Web	http://www.carecentervets.com/cincinnati/index.php	www.vssstl.com	http://www.avssstl.com/default.htm
Phone	513-530-0911	636-227-9400	314-739-1510
ER	Y	Y	Y
Sx	Y	Y	Y
IM	Y	Y	Y
Other 1	Neuro??	Cardio	Dent
Other 2		Onc	
Other 3		Rad	
Notes	Not sure about the neuro. It is not listed as a service but one of the surgeons lists Neuro in the bio? Eric Mears does i-131 there.	Can only have one of the two MO practices, this is the larger practice, fully qualified	may be a small practice, ER has a different phone #, may not be owned/connected to practice
Practice	Regional Institute for Veterinary Emergencies and Referrals	Veterinary Specialty Center of Utah	The Regional Veterinary Referral Center
Address	2132 Amnicola Hwy	1021 East 3300 South	6651-F Backlick Road
City	Chattanooga	Salt Lake City	Springfield
ST	TN	UT	VA
ZIP		84106	22150
Contact			
Web	http://www.rivervetemergency.com/index.php	-	www.vetreferralcenter.com
Phone	37406-2305	801-942-3951	
ER	Y	Y	Y
Sx	Y	Y	Y
IM	Y	??	Y
Other 1	Neuro	Onc	Cardio

Other 2	Oph		Derm
Other 3			Onc
Notes	> 300m from Memphis, look at ER/UT relationship, ER is owned by local RDVM shareholders	SX & Onc & ER Ophth & Derm not owned by practice (Eye Care for Animals & Dermatology for Animals) No IM?? May be worth a call.	
Practice	Ocean State Veterinary Specialists	Sugar Land Veterinary Specialists	Miami Veterinary Specialists
Address	1480 South County Trail	1515 Lake Pointe Parkway	8601 Sunset Drive
City	East Greenwich	Sugar Land	Miami
ST	RI	TX	FL
ZIP	02818	77478	33143
Contact	Cheryl Rizzo, Hospital Admin	Sheila Beutell	Juan Sardinas, ACVS
Web	www.osvs.net	www.slvetsspecialists.com	www.mvshospital.com
Phone	401-886-6787	281-491-7800	305-665-2820
ER	Y	Y	Y
Sx	Y	Y	Y
IM	Y	N	Y
Other 1	Rad	Onc	Derm
Other 2	Oph	Rad	
Other 3	Onc	Rad Onc	
Notes	SENT LETTER May 2009 , Avian/Exotic ABVP & behavior different owner, same building, Mark called 04/12/2010 LMVM , Greg introduced VSPA & owner direct e-mail, sent 2/18 copy Mark , blocked HA Cheryl Rizzo (again), Greg will contact Cheryl directly	SENT LETTER May 2009 , Recruiting IM - send letter w/note RE - when you get an internist...e-mailed fall 2009 still recruiting IM, very interested in VSPA! DVM failed IM boards 2010, consider as provisional member for 2011	SENT LETTER May 2009 , Eric Mears does 1131for them, no other affiliation
Practice	Circle City Veterinary Specialty	Northeast Indiana Veterinary Emergency & Specialty Hospital	Central Texas Veterinary Specialty Hospital
Address	6327 N Keystone Av	5818 Maple crest Road	4434 Frontier Trail
City	Indianapolis	Fort Wayne	Austin
ST	IN	IN	TX
ZIP	46220	46835	78745
Contact			approached previously - not interested??
Web	www.circlecityvets.com	www.nives24h.com	www.ctvh.com
Phone		260-426-1062	512-892-9038
ER	Y	Y	Y
Sx	Y	Y	Y
IM	NOT SURE	Y?	Y
Other 1	Rad	Derm -- shared w/Circle City	Oph
Other 2	Derm - shared w/NE Indiana		
Other 3	Oph and Dent		
Notes	Do they have IM? they do have an IM resident -- worth contacting - potential problem -- they share a dermatologist with NE Indiana	possibly qualified, a bit small, SENT LETTER 04-2010 , IM is listed on web as having "completed" her exam in 2008. Did she pass??	SENT LETTER May 2009 , Stephanie Beardsley, ACVS, Stephen Kersack, ACVS, Sherry Theisen, ACVIM - owners. Consider contacting again

Newly Discovered practice (actually practices from data base that merged into 1 entity w/4 locations)

**Sage Centers for
Veterinary Specialty
and Emergency Care**

Dublin A C <http://vmsmedicine.com/doctors.htm> Y Y Y Onc Neuro

renamed in 2011 to Sage Centers for
Veterinary Specialty and Emergency Care -
4 facilities, one fully qualified (Dublin, CA)

This practice is 50 miles from Pacific Veterinary Specialists (above) – only one can be considered.

Additional Recruiting Effort Possibilities

Discussion of having a booth in the exhibit hall of CE meetings where specialists go to increase awareness of VSPA. This would likely not be VSIPP or ACVIM but smaller meetings that have more specialists and few generalists.

In addition, VSPA may ask to provide a sponsored speaker at these meetings. VSPA would cover the honorarium if members approval the project and expense.

Other Items from Members

Brief discussion of looking at changing the required mix of services for membership qualification. Possibly not requiring the 3rd specialty. Will carry this topic forward to the fall meeting in Seattle.

End of Minutes

Submitted by: Pam Stevenson

Date: June 6, 2011

Approved by VSPA Executive Board June 10, 2011