

The American Orthopaedic Association
Friday, June 11, 2010
Business Meeting
San Diego, California

Welcome

Dr. Vincent Pellegrini, Jr., President of the American Orthopaedic Association called the meeting to order at 9:45am and welcomed all the members to San Diego. The first order of business was to offer thanks to the retiring members of the Executive Committee:

- Peter Stern, MD, 2nd Past President
- Scott Boden, MD, Secretary
- Valerae Lewis, MD, Delegate-at-Large
- Sandy Emery, MD, Program Committee Chair
- Richard Haynes, MD, 2010 Membership Committee Chair

He also acknowledged the retirement of:

- Louis Bigliani, MD, Nominating Committee Chair
- Kevin Black, MD, RLF Program Chair
- Denis Clohisy, MD, ORS/AOA Shands Award Committee Chair
- Douglas Dirschl, MD, AOA Distinguished Contributions to Orthopaedics Award Committee Chair
- Frank Eismont, MD, ELP Chair
- Herb Schwartz, MD, C. Howard Hatcher Pathology Fellowship Committee Chair

He thanked Greg Galano for his service as the AAMC ORR Representative who also was retiring from a committee position held within the AOA.

Secretary Report

Dr. Scott Boden reported to the group that membership has been relatively constant. He explained that this year AOA has paid particular focus to enforcing the long standing bylaw policy which requires attendance at one Annual Meeting, or other major educational offering, every 3 years. He made a point of mentioning that some members were not aware of the policy.

Treasurer Report

Dr. Serena Hu began by explaining that the Treasurer's report is essentially a summary of the results of the past year's audit. The total liabilities and net assets for our society is \$8.2 million which has been increasing gradually over the years. She explained that the funds from OMeGA are considered part of our funds; however we recently filed for a separate tax ID number, so in the future OMeGA will be separated out and OMeGA's funds won't inflate AOA's numbers. She reported that the excess revenue over expenditure is \$628,000 summarized over the sequence of the past five years and our net cash from operations (\$1.1M) has been consistently in the positive for the last several years.

The Smith Barney account funds are just under \$3 million and we had net earnings this past year of \$551, 000 for a net return of \$22.5 million. The fees for the Smith Barney account are 1%. Our total OREF endowment is at \$1.9 million and we had a return of \$259,000 for a net return of 15.2%; fees for OREF are 1.7%. She went on to summarize OREF and Smith Barney accounts over the past 5 years.

The bar chart revealed that the returns from Smith Barney have been consistently higher than the returns through OREF and the losses were somewhat higher for OREF compared to the losses that we had under Smith Barney.

Overall our total investment income this past year was \$811,000 a significant swing from the total losses from 2008, so our change in that asset is \$628,000.

Membership Committee Report

Dr. Richard Haynes began his report by thanking the Memberships Committee members, Louis Bigliani, Connie Chu, Chris Harner, Jim Kang, Andy Koman, Valerae Lewis, Bill Seitz, Peter Stern and Ken Yamaguchi for all their hard efforts at the two meetings and multiple conference calls that took place as they considered the next class. He explained that the future of our organization is in our members and encouraged the attendees to nominate appropriate future members to the AOA. He presented the recommendations for the Class of 2010 to be brought into the Association at next year's meeting. The slate was presented and a motion was made and seconded to approve the slate. There was no opposition, thus the Class of 2010 was approved.

Historian Report

Dr. Edward Hanley began his report by reminding the membership that a few years back Dr. Urbaniak compiled a history of the organization. He recommended members to stop at the registration desk and pick up a copy of the AOA History Book. He explained that the major task of the Historian is to report on prominent former members of the organization who recently passed. He made note that a large number of members have passed within the last two years. The following names were read:

J. Hamilton Allan (over 100 years old)	Vert Mooney
Henry H. Bohlman	Maurice Muller
H. Robert Brashear	James Nicholas
David L. Evans	Ignacio V. Ponseti
Edward Habermann	Robert Salter
Robert W. Jackson	Robert J. Schultz
Melvin Jahss	Joseph F. Slade, III
Richard E. King	Charles Sorbie
Alan M. Levine	Sadayoshi Toriyama
Lowell D. Lutter	Guy T. Vise
Gordon McFarland, Jr.	Peter Williams
Leslie Meyer	

Dr. Hanley asked for all to pause for a moment of silence in honor of the departed members of the American Orthopaedic Association.

OMeGA Report

Dr. C. McCollister Evarts provided background of OMeGA and shared that OMeGA was established just two years ago as a separate not-for-profit organization. He explained that OMeGA's mission is to provide a conflict of interest free process to distribute funds from industry to Fellowship and Residency Programs with a focus on GME.

He elaborated on the details of the organization, pointing out that it has a separate board with its own bylaws. Everyone on the Committee and on the Review Committee are unbiased and non-conflicted. He went on to explain that the applications are based on objective criteria, they're blinded and we award the grants on merit. It's to track orthopaedic GME trends and try to share some aggregate information to advance the profession.

OMeGA has been working with the Subspecialty Societies to understand what they would like to see for Fellowship Grant application criteria. This process will be done with all the subspecialties. The Review Committee reviews all of the grants on an annual basis and is comprised of non-conflicted Subspecialty experts.

He explained that OMeGA is only in the 2nd grant cycle, there were 218 applications received and reviewed. Of those, 71 grants were awarded to programs in the United States and Canada, both allopathic and osteopathic. 49 Fellowship Grants were in 9 subspecialties and 22 were residency general education grants. There are three industry donors contributing to the pool of funding. The grants are distributed geographically stretching across the border into Canada and across the United States; a majority being in the Northeast where most of the fellowship programs reside.

Dr. Evarts went on to explain that the past two years have helped develop demographics of the fellows, what the characteristics of each funded fellowship is, the procedures performed and the activities of the Fellows. He stated that this information is giving us feedback on the use of the funds and whether there is any particular impact on the Fellowship.

He reported that in the 3rd quarter of this last cycle, 27 programs reported on 70 presentations. There were 88 research projects; 10 programs reported 19 research projects. The number of different procedures increased in the third quarter with a great variability between the subspecialties in the number of procedures that were conducted. He went on to remind the members that OMeGA needs more funding and more donors.

He reported that in the fall of 2010 they'll take a different track with the general education grants, trying to promote innovation in orthopaedic education. Focus will be given to the six ACGME core competencies. The grants will reside between \$10,000 - \$20,000 and will be available for the 2010-2011 cycle. The grant application process will end in the fall with the grants being issued the following spring. He explained that the grant application cycle will be shifted to allow programs to receive their grant between 15 - 18 months before the fellowship begins. This significant change allows programs to know if their program will be funded for that particular year. He thanked the subspecialties group for their help in convincing companies to support fellowships and general education grants.

ABOS Report

Dr. Harry Herkowitz began by giving a report of the activities of the ABOS. He stated that presently the ABOS is working on the Part 4 of the Maintenance and Certification process. Part 4 is related to our performance and practice and they are developing modules to review aspects of your practice, i.e., carpal tunnel. They are piloting the carpal tunnel module although it has been developed through different components of the Hand Society. The Board members have performed a first draft of these modules. He explained that individuals will review approximately 10 cases and complete a data sheet. An analysis will be performed focusing on the benchmarks for complication, outcomes, etc. Then you do the same process again with another 10 patients to see if there is any improvement in your process

and/or treatments. This is something that has been mandated by the American Board of Medical Specialties in that we have to start assessing what we do in order to try to improve the way we practice. He stated that this is a very easy checklist that asks basic demographic information, preoperative information, symptoms, signs, procedures and outcomes.

He stated that the ABOS will work with the Specialty Societies through the Academy and the Board of Specialty Societies to develop each component for the different groups. He hopes to have a draft ready by the end of the year. Testing should begin in the first quarter of 2011 with roll out in late 2011.

He stated that in reference to Part 1 Certification, most people were aware of the computer-based exam in 2009 given at the Pro Metrics Center throughout the US. It was a very successful launch with no significant problems. There were no issues from individuals taking the exam on either coast. The exam was very well received, therefore this year we will continue with it.

He went on to say that they are going to have a new domain which is interpretation of musculoskeletal imaging which will allow orthopaedic surgeons to identify themselves as experts in reviewing musculoskeletal imaging.

He provided examples of the type of questions on the exam and shared that it will also include multimedia questions. There will also be physical exam questions where you'll click on a video, it will show you a patient's gait and it will ask you a question. It is more real world orthopaedics and more relative to actual practice.

In terms of the Part 2 oral exam, this year they are adding a shoulder panel, which they have not had in the past. This will allow those individuals who are confined to the shoulder, for at least a majority of their practice to be analyzed and tested by individuals with a significant interest in shoulders.

They are improving their process for case selection for the candidates so it reflects the practice rather than just selecting more randomized cases.

They are looking at digital imaging for the Part 2 exam and eventually for recertification. This year, an Alpha test will be conducted with the Directors of the Board, looking at a Pac system and a Power Point system. The examiner will select a case, and then the candidates can present cases side by side or in a stacked sequence. It is believed this will be much better for the candidates.

JBJS Report

Dr. Vern Tolo reported that the success of the JBJS is the work of Jim Heckman, Editor and Chief of the JBJS for the past 10 years. He stated that the number of pages published and original articles published have increased in 2009. He stated that the average submission time, 11.4 months is long and suggested that authors would like to get their research work into print more quickly. They received 1557 manuscripts last year. Acceptance rate overall is about 20%, with case reports being 10%; clinical and basic science articles slightly higher. He stated that they still have a contract with the AOA to publish more of the symposium that are being presented at the Annual Meeting.

He reported that the print subscriptions are just under 40,000. He explained that there has been a 25% drop in print advertising revenue. Also, classified ads have dropped significantly which may be a reflection of the recession and people holding back a little bit on adding new partners to their groups.

Dr. Tolo explained that when Jim Heckman, stepped down, to the position of consulting editor, the Board of Trustees decided to split his job into two. He shared that he will be responsible for editorial content, while Kent Anderson will be assuming the role of CEO publisher. He explained that Mr. Anderson was previously responsible for electronic publishing for the New England Journal of Medicine. The JBJS Board has charged them with looking into electronic publishing platforms for the distribution of orthopaedic information. He stated that the print Journal will be moving to 2 times a month beginning in July. The size of the Journal will be small, though the number of articles will remain the same. They are going to increase the use of online publications. The topics and training will be moved to online. He encouraged members to get access to their online version if they have not already done so, because there are more web commentaries than in the print edition. This change is being done based on reader surveys. Approximately 65% of the orthopaedic surgeons that receive JBJS, access the online version at least once a month; many of the younger orthopaedists read the online version exclusively.

He stated that the Orthopaedic Forum will be a one page "teaser" in the print version of JBJS with the remainder of the article appearing online. He explained that JBJS Express provides the opportunity to publish electronically before print; this way we can decrease the time from submission to publication for certain articles. If it makes sense to do this, we have the ability to do it but most of the articles will continue to be published initially in print.

At the present time a substantial amount of tables and figures have been printed only online and not included in the print edition; therefore to see further data tables or images, you have to go to the EJBJS.

He stated that there are plans to move the JBJS onto mobile site. The Kindle should be able to download this in a month and by the end of the year it will be available for iPhone and iPad. He thanked the Deputy Editors who provide great service in reviewing the manuscripts and the nearly 900 reviewers of manuscripts. He stated that they are the lifeblood of the Journal providing expert opinion and commentary and keeping the quality of articles that get published in JBJS at a high level.

OREF Report

Dr. Richard Haynes began by explaining that OREF raises funds for orthopaedic research and education to improve the orthopaedic care to our patients and the public; funding grants for research, education, fellowships and residency training, advancing the science of orthopaedic surgery. He stated that in 2009, OREF posted a total return of 22.3% compared to a loss of 36% in 2008. This exceeded our benchmark by 3.3%. For the last 10 years, 7 of the years the OREF exceeded the S&P 500.

This past year we retained a fee for service advisor, Elwood Associates, to evaluate and make recommendations regarding the two year OREF portfolio. As a result the costs have been lowered to .63%. The excellent returns for 2009 of the entire portfolio have been a benefit to all of the orthopaedic partners. Regarding the OREF management, he stated the expense reductions have been significant. Operating expenses for 2009 were reduced by \$280,000; \$300,000 (8%) less than the 2009 budget for the year. He stated that operating expenses, grants, administration, financial management, gift

accounting and internal operations were \$1.3 million, 6% of raised funds. Fundraising expenses were \$2 million, 10% of raised funds. For 2009, 84% of all funds raised, cash and deferred gifts, were available to support the mission of OREF.

Nominating Committee Report

Dr. Louis Bigliani started his report by thanking his committee members: Drs. Victor Goldberg, James Herndon, Terry Light, Stuart Weinstein and alternate, Dr. John Lubahn. He explained that the process used was to meet face to face at the AAOS and created a short list of potential candidates. From this "short list" the committee asked individuals if they were willing to serve and further examined these individual's credentials to make the final determination. The group was given the charge of naming 4 people for the ABOS. Those people are: Drs. R. Dale Blasier, James Carpenter, John Kirkpatrick and Kristy Weber.

Furthermore he stated that they were charged with finding the following positions:

- Treasurer – Dr. Sanford Emery
- Delegate-At-Large – Dr. William Levine
- Membership Committee Chair – Dr. Kevin Garvin

He then announced the position of the 2nd President-Elect, which was Dr. Terrance Peabody.

Dr. Pellegrini asked if there were any nominations from the floor for any of these positions. Hearing none, he requested a motion to approve the slate as presented. The motion was seconded and the membership voted. He then asked for any opposed; none voiced. At that time Dr. Pellegrini proclaimed the slate passed.

The next task was to assemble the Nominating Committee for the 2010-2011 year. Bylaws provide for selecting the Nominating Committee by ballot, which will be sent out to the entire voting membership. Dr. Pellegrini asked for nominations from the floor and asked for a minimum of eight members. The following were nominated:

- Paul Tornetta – by Bill Levine
- Jim Roberson – by Paul Tornetta
- Jody (Joseph) Buckwalter – by Kristy Weber
- Bill Robb III - by Vincent Pellegrini
- Matt Shapiro – by Shepard Hurwitz
- Mel Rosenwasser – by Lou Bigliani
- Andy Weiland – by Terry Light
- Peter Jokl – by Gary Friedlaender

Dr. Pellegrini asked the membership to accept a motion to close nominations. The motion was seconded and approved. A ballot of eight names will be distributed to voting members over the next several weeks.

Dr. Pellegrini then went on to the category of New Business. He stated that he and Dr. Bigliani have spent nearly two years with an ongoing process of evaluating the relationship of the AOA and OREF. He gave a brief history explaining in November the OREF notified the AOA that consistent with the very challenging investment environment in the preceding year, there would be no 5% distribution for

calendar year 2008. That initiated conversations between the two organizations. Under that context, they reviewed existing contracts between the AOA and the OREF (of which there are 2) as well as the previous Illinois Statutes that oversee distribution of endowment funds, and the ownership provisions of the endowment funds raised in the name of the AOA that exist with OREF.

He reported that at the AOA's Executive Committee established some critical parameters regarding what was believed to be necessary for an ongoing relationship during their meeting held in conjunction with the 2009 AAOS meeting. Both organizations' physician leadership has embarked on extensive and ongoing dialogue subsequent to that time to continue their relationship.

He explained that the goals that were established and held by the Executive Committee with respect to philanthropic and general reserve funds is that the AOA leadership sought to gain ownership control of the endowment monies and raised monies to achieve more effective use of those funds and ensure a needed annual support stream as these endowment monies largely support the marquee fellowships of this organization. He went on to state that at the Board Meeting two days prior, the Executive Committee unanimously voted to establish and promote a direct contribution option for donors wishing to support AOA initiatives. A written notification will go out to all members and others wishing to support AOA educational programs, leadership initiatives and those programs that have previously been supported through contributions to the AOA-OREF Endowments, for the ABC and NATF Traveling Fellowships, academic activities, resident leadership activities and general support are encouraged to contribute directly to the AOA.

There being no other matters of new business Dr. Pellegrini closed the Business Meeting and excused the membership to prepare for the installation of the new President.