

**American Academy of Orthopaedic Surgeons
Board of Directors Meeting
Monday, March 6, 2023
Venetian Conference and Expo Center
Las Vegas, NV**

APPROVED MINUTES

Members of the Board present for all or portions of the American Academy of Orthopaedic Surgeons Board of Directors meeting on Monday, March 6, 2023 were as follows:

Felix H. Savoie, III, MD, FAAOS, President
Kevin J. Bozic, MD, MBA, FAAOS, First Vice-President
Paul Tornetta, III, MD, FAAOS, First Vice President
Michael L. Parks, MD, FAAOS, Treasurer
Daniel K. Guy, MD, FAAOS, Past-President
Claudette M. Lajam, MD, FAAOS, Board of Councilors Chair
Alfonso Mejia, MD, FAAOS, Board of Councilors Chair-Elect
Joel L. Mayerson, MD, FAAOS, Board of Councilors Secretary
Alexandra E. Page, MD, FAAOS, Board of Specialty Societies Chair
Armando F. Vidal, MD, FAAOS, Board of Specialty Societies Chair-Elect
Adolph J. Yates, MD, FAAOS, Board of Specialty Societies Secretary
Chad A. Krueger, MD, FAAOS, Member-at-Large
Valerae O. Lewis, MD, FAAOS, Member-at-Large
Toni M. McLaurin, MD, FAAOS, Member-at-Large
Karen M. Sutton, MD, FAAOS, Member-at-Large
Lisa N. Masters, Lay Member

Council Chairs participating for all or portions of the meeting were as follows:

Douglas W. Lundy, MD, FAAOS, Advocacy Council Chair
David S. Jevsevar, MD, MBA, FAAOS, Research and Quality Council Chair
Elizabeth G. Matzkin, MD, FAAOS, Membership Council Chair
Andrew H. Schmidt, MD, FAAOS, Education Council Chair

Guests participating for all or portions of the meeting were as follows:

Matthew T. Provencher, MD, MBA, FAAOS, Annual Meeting Committee Chair

Staff participating for all or portions of the meeting were as follows:

Thomas E. Arend, Jr., Esq., CAE, Chief Executive Officer
Dino Damalas, MBA, Chief Operating Officer
Laura Abrahams, Chief Human Resources Officer

Rachel Bowers, CPA, MBA, Director, Finance
Nathan Gluskamp, MA, Chief Quality and Registries Officer
Donna Malert, CAE, Director, Governance and Affiliate Relations
Susan McSorley, Director, Vice President, Live Events
Anna Salt Troise, MBA, Chief Commercial Officer
Melissa Young, JD, General Counsel

I. Call to Order

The American Academy of Orthopaedic Surgeons Board of Directors meeting was called to order in executive session by Felix H. Savoie, III, MD, FAAOS, President, at 8:45 a.m. PT to discuss a number of topics. At 11:30 a.m. PT, Dr. Savoie moved the meeting into open session.

Dr. Savoie welcomed everyone to the meeting. He commented on several topics for the meeting today, and he reminded Board members on sensitivity of discussions held by the Board and the importance of keeping the discussions confidential. He added that Board materials are confidential and should not be shared outside of the BoardEffect portal.

As with all meetings of the Board of Directors, Dr. Savoie drew attention to the Ground Rules, Strategic Plan, Core Values and Governance Principles as resources for the Board to keep in mind when discussing the various agenda topics.

II. Disclosure of Conflicts of Interest

Dr. Savoie commented on the disclosure policy and the enhanced financial information that is required to be completed by the Board of Directors and Council Chairs. He noted that disclosures are reported in agenda books for Board meetings and made available to other AAOS members as well as to the public through the AAOS Orthopaedic Disclosure Program.

Dr. Savoie asked meeting participants to disclose any new conflicts and to update the AAOS Orthopaedic Disclosure Program as changes occur. No new disclosures were reported. He also reminded Board members to communicate with Ms. Malert if any new potential conflict of interest matters are identified. Ms. Malert will facilitate a discussion with the Committee on Ethics and Outside Interests (CEOI) as needed.

III. President's Report

A. *President's Schedule*

Dr. Savoie commented on several meetings held since his last report in September, including meetings with a number of state societies. He also participated in the monthly Board of Specialty Societies virtual meetings.

B. Letters to and From the Presidential Office

Dr. Savoie drew attention to the various letters that were included in the agenda book. He thanked the volunteers and staff for their efforts in preparing many of the responses. AAOS continues to be a very active participant in commenting to the various government entities.

C. Recognizing Deceased Members

Meeting attendees were asked to participate in a moment of silence to recognize recently deceased AAOS members. Dr. Savoie briefly commented on the recent passing of Augusto Sarmiento, MD, FAAOS, former AAOS President, and J. Wendell Duncan, MD, FAAOS, a Board of Councilors representative.

IV. Strategic Goal 4: Organizational Excellence

A. Financial Update

Dr. Michael L. Parks, Treasurer, provided an overview of the overall financial position of the AAOS.

Dr. Parks acknowledged the members of the Finance Committee and staff and thanked them for their efforts. He also recognized Ms. Bowers and the finance staff for their efforts.

Operations are currently reported at \$401,000 better than budget with investment income reported at a loss of \$20.9 million. Investment gain was reported in the OPLLC of \$1.5 million. Spending from reserves is currently reported at \$1.6 million.

Total assets reported as of December 2022 are \$204.7 million and is a 3.6% or \$7.2 million increase over December 2021. There is currently 253 days of operating cash on hand. Cash and short-term investments were reported at \$29,427. Dr. Parks commented on the spending from reserves to date and noted the Board will continue to be updated on the spending from reserves at future meetings. The current balance of the Board Contingency Fund was reported at \$88,000 for the 2022 cycle.

Long-term investments through December 2022 are reported at \$94.6 million, a loss of \$21.5 million) and are 168.7% of the Permanent Fund Target.

Dr. Parks reported on the forecast for year-end 2023 and indicated that overall, minimal change in net income from operations is expected. Spending from reserves is expected to be favorable due to lower staff time forecasts. The OLC is also expected to be favorable due to lower than anticipated staff costs.

Dr. Parks reminded the Board that Financial Dashboards are available for review in the BoardEffect Resource Library within the Finance folder. The future meeting dates for the Finance Committee were reviewed. Dr. Parks added that Board members are invited to join Finance Committee meetings to listen to discussions.

B. Funding Request – Board of Specialty Societies – Annual Meeting Reception

The Board was presented with a one-time funding request of \$7,000 to allow the BOS to host a social event to be held in conjunction with the 2023 AAOS Annual Meeting. There was overwhelming support from the BOS representatives for this event to be held following the BOS Business Meeting and prior to the Specialty Society Town Hall.

Dr. Parks presented the Finance Committee recommendation to approve \$7,000 from the 2023 Board Contingency Fund.

Motion

Upon a motion duly made and seconded, the Board of Directors approved the one-time funding request in the amount of \$7,000 from the 2023 Board Contingency Fund for the BOS social event.

V. Strategic Goal 1: Member Experience

A. 2023 AAOS Annual Meeting Update

Dr. Savoie welcomed Matthew T. Provencher, MD, MBA, FAAOS, Annual Meeting Committee Chair. Dr. Provencher highlighted several key aspects of the AAOS Annual Meeting. He indicated the theme of the meeting is “Experience It”, with a multi-year approach to re-imagine, re-engage and re-tool the AAOS Annual Meeting. Registration is trending higher than the 2022 Annual Meeting. He also noted the significant marketing efforts to elevate the meeting and brand experience as well as generate overall awareness for the meeting among AAOS members and non-members that are not likely to attend.

Dr. Provencher discussed the pilot of anchoring specialty sessions on Tuesday and Saturday of Annual Meeting and noted that a significant amount of work was accomplished to bring nine Specialty Societies onboard with the pilot program.

A number of key achievements with the AAOS Annual Meeting were highlighted including the streamlined agenda for Your Academy, immersive learning experience through the OrthoDome, focused education sessions in support of the 2023 Meeting of the Combined Orthopaedic Associations, expansion of the Medical Student Program and where possible, non-competitive content over specialty society sessions. Over 207,000 net square feet of exhibit space was sold with a 16% increase in exhibiting companies. Sponsorship revenue is reported to be approximately 10% higher than previous Annual Meetings held in Las Vegas. Dr. Provencher

added that a Happy Hour will be hosted on Thursday to provide an opportunity for further engagement with exhibitors.

Dr. Provencher concluded his report and indicated that the Annual Meeting Committee continues to explore opportunities to re-imagine education, exhibits, engagement and technology for future AAOS Annual Meetings.

VI. Consent Agenda

Dr. Savoie drew attention to the items listed under the consent agenda for approval. He reminded Board members of the opportunity to remove topics if further discussion is needed.

The Guidance Document for Service on the AAOS Board of Directors, as Council Chairs and Others was removed from the consent agenda and will be discussed separately.

- January 23, 2023 Board of Directors Meeting Minutes
- February 13, 2023 Executive Committee of the Board of Directors Meeting Minutes
- 2023 Strategic Plan Dashboard and Key Initiatives – Updated
- AAOS Appropriate Use Criteria: Treatment for Shoulder Osteoarthritis with Intact Rotator Cuff and Severe Glenoid Retroversion
- AAOS Appropriate Use Criteria: Humeral Component Design During Primary Anatomic Shoulder Arthroplasty

MOTION

Upon a motion duly made and seconded, the Board of Directors approved the recommendations for the Consent Agenda items as presented.

Dr. Savoie entertained questions from Board members on the revised Guidance Document for Service on the AAOS Board of Directors, as Council Chairs and Other (Guidance Document), relating to updated language to clarify the Board of Directors role in serving as AAOS fiduciaries while participating in advocacy delegations and other non-AAOS matters of other professional societies. Following discussion, the Board tabled approval of the Guidance Document and asked that the Committee on Ethics and Outside Interests provide more specific context of language on this matter.

VII. Other Business

A. *Reflections of the Year*

Dr. Savoie provided an opportunity for the Board members to reflect on the past year.

Board members expressed their gratitude in serving on the AAOS Board of Directors and remarked that it is truly a privilege to serve in this role.

B. Recognition of retiring Board Members and Council Chairs

At the conclusion of the meeting, Dr. Savoie recognized the following members of the Board and Council Chairs whose term will conclude as of March 13, 2023:

- Douglas W. Lundy, MD, FAAOS, Advocacy Council Chair
- Alexandra E. Page, MD, FAAOS, Board of Specialty Societies Chair
- Claudette M. Lajam, MD, FAAOS, Board of Councilors Chair
- Valerae O. Lewis, MD, FAAOS, Member-at-Large
- Karen M. Sutton, MD, FAAOS, Member-at-Large
- Daniel K. Guy, MD, FAAOS, Past-President

Dr. Bozic also recognized Dr. Savoie for his service as President, and on behalf of the Board of Directors, thanked him for leading the AAOS.

VIII. Adjournment

Prior to adjournment of the meeting, and as part of best governance practices, Ms. Malert provided a recap of the actions approved by the Board.

There being nothing further to come before the Board of Directors of the American Academy of Orthopaedic Surgeons, the meeting was adjourned at 2:50 p.m. PT.

Prepared by: Donna J. Malert, CAE, Director, Governance and Affiliate Relations