

**American Academy of Orthopaedic Surgeons  
Board of Directors Meeting  
Austin Proper Hotel  
Austin, TX  
May 19-20, 2023**

**APPROVED MINUTES**

Members of the Board present for all or portions of the American Academy of Orthopaedic Surgeons Board of Directors meeting on Friday, May 19, 2023 were as follows:

Kevin J. Bozic, MD, MBA, FAAOS, President  
Paul Tornetta, III, MD, PhD, FAAOS, First Vice-President  
Annunziato Amendola, MD, FAAOS, Second Vice-President  
Michael L. Parks, MD, FAAOS, Treasurer  
Felix H. Savoie, III, MD, FAAOS, Past-President  
Alfonso Mejia, MD, FAAOS, Board of Councilors Chair  
Joel L. Mayerson, MD, FAOS, Board of Councilors Chair-Elect  
Michael J. Leddy, III, MD, FAAOS, Board of Councilors Secretary  
Adolph J. Yates, MD, FAAOS, Board of Specialty Societies Chair-Elect  
Michael P. Bolognesi, MD, FAAOS, Board of Specialty Societies Secretary  
Evalina L. Burger, MD, FAAOS, Member-at-Large  
Chad A. Krueger, MD, FAAOS, Member-at-Large  
Toni M. McLaurin, MD, FAAOS, Member-at-Large  
Monica M. Payares, MD, FAAOS, Member-at-Large  
Lisa N. Masters, Lay Member

Armando F. Vidal, MD, FAAOS, Board of Specialty Societies Chair, was unable to participate.

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

Adam J. Bruggeman, 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

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

Sheila Dubin, LaunchBox

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

Thomas E. Arend, Jr., Esq., CAE, Chief Executive Officer (Ex-Officio)  
Laura Abrahams, Chief Human Resources Officer  
Dino Damalas, MBA, Chief Operating Officer  
Nathan Glusenkamp, MA, Chief Quality and Registries Officer  
Donna Malert, CAE, Director, Governance and Affiliate Relations  
Anna 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 by Kevin J. Bozic, MD, MBA, FAAOS, President, at 7:30 a.m. CT.

Dr. Bozic welcomed everyone to Austin. He commented on several topics for the meeting, 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. Bozic 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.

Dr. Bozic briefly commented on the importance of the Board's responsibility as a fiduciary to the AAOS, and the Board should keep this in mind during its discussions and when considering actions required by the Board of Directors.

Dr. Bozic informed the Board of a new concept that will be utilized during Board Meetings to capture topics that are tangential to the agenda and may require further discussion outside of the Board Meeting. He indicated that the Parking Lot concept would be utilized for this purpose.

## **II. Disclosure**

Dr. Bozic reminded the Board about 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. Bozic 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. Strategic Goal 3: Governance and Culture**

#### **A. *Leadership Development and Team Building***

The Board participated in an exercise on leadership development with the goals to:

- Build and deepen trust and relationships.
- Create conditions for more inclusive, open and transparent discussions.

Dr. Bozic introduced Ms. Sheila Dubin, an executive coach and leadership consultant, to facilitate the exercise. Dr. Bozic added that Ms. Dubin facilitated a similar exercise at the recent Officers' Retreat, and the session today will provide further opportunity for the Board to participate in healthy debates on agenda topics and coalesce as a Board in support of the AAOS.

Several breakout sessions were held throughout the session to engage the Board in discussion in support of the leadership development session goals. These exercises are intended to better prepare the Board for its service as fiduciaries of the organization as well as building upon trusting relationships among colleagues that will allow for healthy debates within a psychologically safe environment.

A number of common themes were identified by Board Members when asked the question, "If we are a highly effective Board, what will we be able to accomplish?"

- Disruptive force but not reactionary
- Change agents
- Be bold and courageous
- Develop strong Strategic Plan supported by appropriate governance
- Demonstrate value for members and member societies
- Navigate through change in orthopaedic environment using communication and transparency
- Utilize BOC and BOS – bidirectional communications
- Reduce member attrition – provide meaning for members and strengthen value proposition
- Re-engage with specialty societies
- Execute Strategic Plan with forward thinking
- Effective advocacy
- East coast meeting for members
- Evolve organization to grow and be courageous to make difficult decisions leading to change

At the conclusion of the session, there was agreement that psychological safety is of value at the Board table. Continued conversations to ensure a welcoming environment in support of

open and transparent discussions will help to support a highly functional Board of Directors. The Board will need to be open to change and receptive to risk. In order to do so, it will require a high level of engagement and vulnerability.

#### **IV. Executive Session**

At 12:00 p.m. CT, Dr. Bozic moved the meeting into executive session to discuss several topics.

#### **Recess**

At 2:00 p.m. CT, Dr. Bozic recessed the American Academy of Orthopaedic Surgeons Board of Directors Meeting until Saturday, May 20, 2023.

Members of the Board present for all or portions of the American Academy of Orthopaedic Surgeons Board of Directors meeting on Saturday, May 20, 2023 were as follows:

Kevin J. Bozic, MD, MBA, FAAOS, President  
Paul Tornetta, III, MD, PhD, FAAOS, First Vice-President  
Annunziato Amendola, MD, FAAOS, Second Vice-President  
Michael L. Parks, MD, FAAOS, Treasurer  
Felix H. Savoie, III, MD, FAAOS, Past-President  
Alfonso Mejia, MD, FAAOS, Board of Councilors Chair  
Joel L. Mayerson, MD, FAOS, Board of Councilors Chair-Elect  
Michael J. Leddy, III, MD, FAAOS, Board of Councilors Secretary  
Armando F. Vidal, MD, FAAOS, Board of Specialty Societies Chair  
Adolph J. Yates, MD, FAAOS, Board of Specialty Societies Chair-Elect  
Michael P. Bolognesi, MD, FAAOS, Board of Specialty Societies Secretary  
Evalina L. Burger, MD, FAAOS, Member-at-Large  
Chad A. Krueger, MD, FAAOS, Member-at-Large  
Toni M. McLaurin, MD, FAAOS, Member-at-Large  
Monica M. Payares, MD, FAAOS, Member-at-Large  
Lisa N. Masters, Lay Member

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

Adam J. Bruggeman, 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

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

Allison Abayasekara, Thruue  
Kirsten Clarke, Thruue  
Jennifer Krentel, Thruue

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

Thomas E. Arend, Jr., Esq., CAE, Chief Executive Officer (Ex-Officio)  
Laura Abrahams, Chief Human Resources Officer  
Todd Applebaum, MBA, Director, Strategic Planning  
Rachel Bowers, CPA, MBA, Director, Finance  
Dino Damalas, MBA, Chief Operating Officer  
Nathan Glusenkamp, MA, Chief Quality and Registries Officer  
Donna Malert, CAE, Director, Governance and Affiliate Relations  
Anna Troise, MBA, Chief Commercial Officer  
Melissa Young, JD, General Counsel

## **Reconvene**

The American Academy of Orthopaedic Surgeons Board of Directors meeting was reconvened in open session by Kevin J. Bozic, MD, MBA, FAAOS, President, at 7:30 a.m. CT.

### **V. Strategic Goal 4: Organizational Excellence**

#### **A. *Strategic Plan Working Session***

Dr. Bozic briefed the Board on the overall strategic planning process. A Strategic Plan Project Team has been appointed and is co-chaired by Dr. Bozic and Ms. Lisa Masters, Lay Board Member. A number of Board members and Council Chairs have also been appointed to the Project Team. The Board of Directors will play a critical role in developing our Strategic Plan and ultimately will be responsible for approving and implementing the Strategic Plan.

He informed the Board that the AAOS is once again working with a consultant, Thruue, to help guide the AAOS with the strategic planning process. Dr. Bozic welcomed the Thruue team, Ms. Allison Abayasekara, Ms. Kirsten Clarke, and Ms. Jennifer Krentel to the meeting.

The overall purpose of the working session today is to engage the Board in their leadership role of the strategic planning process with desired outcomes to include:

- Gather Board input that will shape AAOS' upcoming strategic planning process;
- Establish foundational alignment on guiding principles for the process and current state; and
- Gather Board guidance for the Strategic Plan Project Team on future state.

Ms. Jennifer Krentel addressed the Board and noted that effective strategy is developed when there is alignment around the current and future state and building a case for change. A refreshed Strategic Plan will set a path forward for the AAOS for the next five years. Guiding Principles will be established and offer accountability and guidance to the strategic planning efforts.

The Board offered feedback on the proposed Guiding Principles. Following a healthy discussion, the Board aligned on the following Guiding Principles:

- Center our patients in our vision
- Embrace change while still respecting our past
- Be bold and aspirational about the possible futures ahead
- Confront our implicit bias
- Uphold our fiduciary responsibility
- Be inclusive of stakeholders, both at the individual and group level
- Help the profession function at the highest standard

The Board received an overview of the current state of the AAOS where data was provided to help the Board make strategic decisions about its future. The AAOS is well positioned to embrace growth during its next Strategic Plan, and several conclusions about the current state of the AAOS were presented. The Board participated in an exercise to share feedback on the current state of the AAOS and provided varying thoughts as to where the AAOS is within the business lifecycle framework that indicates how organizations evolve over time.

An additional exercise on the future state of the AAOS was conducted with the Board Members. AAOS sits at the intersection of many changing ecosystems. During the exercise, several key opportunities for the AAOS to capitalize on were compiled.

The following are the key themes identified during the Board discussions relating to the AAOS in its current state, weighted future opportunities and overall excitement for the organization's future.

- AAOS sits at the intersection of many external trends, each of which represent threats and opportunities for the organization's future.
- AAOS is financially stable, although key business lines (membership, education, etc.) are threatened.
- The organization is at an inflection point, requiring investment and innovation.
- To remain relevant, the organization must make tough choices on topics around education, international, key audiences, sub-specialty societies, and more.
- There are many opportunities to capitalize on – building loyalty through engaging residents, leveraging registry data, using technology to build community, collaborating with sub-specialty societies, and more.
- The Board began to imagine an ideal future state for the organization. In it, AAOS has increased member engagement, new streams of revenue, a bigger influence on health policy, and is recognized as the expert in MSK health.
- Overall the Board is hungry for a new Strategic Plan that is bold and aspirational. There was optimism about the path forward to making that type of a Strategic Plan a reality.

The Board also offered feedback to the Strategic Plan Project Team on direction in moving forward with the development of the AAOS 2024-2028 Strategic Plan.

Dr. Bozic thanked the Board for its engagement in the session, and offered appreciation, on behalf of the Board, to the Thruue team for its efforts in facilitating a successful session today.

## **Action Items**

- **Thruue team to compile feedback and themes identified from the Board discussion and share with the Strategic Plan Project Team for its June meeting.**

### **B. AAOS Finances**

Dr. Michael L. Parks, Treasurer, addressed the Board on the overall financial position of the AAOS. He indicated that based on feedback from the Board of Directors, the format for reporting on the AAOS finances has been improved.

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.

Year to date operating results were reported at \$23.4 million, \$43,000 better than budget. Investment income was reported \$2.6 million and is a significant increase over the prior year investment loss due to market conditions.

Total assets reported to date are \$218,743 million and represent a 7.0% increase.

The Permanent Fund reported a \$906,000 gain in March with a year-to-date return of 3.01% compared to the benchmark of 5.04%. There are currently 192 days of operating cash on hand as of March 31, 2023. Cash reserves were reported at \$36.7 million. Dr. Parks highlighted 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 \$373,000.

Dr. Parks reviewed the various dashboards and drew attention to potential risks related to declining industry support for registries, the renewal of the WoltersKluwer contract and declining dues revenue based on conversion to Emeritus status and lower international acquisition. Dr. Parks reminded the Board that Financial Dashboards are available for review in the BoardEffect Resource Library within the Finance folder.

Dr. Parks encouraged the Board to share further feedback on the enhancements to the various financial dashboards and financial summaries.

### **C. Enterprise Risk Management**

Dr. Parks briefed the Board on the Enterprise Risk Management (ERM) approach and oversight by the Finance Committee to determine potential risks for the future. ERM is a business strategy that helps organizations to identify, assess and manage risks in a comprehensive and systematic manner. A standardized framework is utilized for identification, management and monitoring. The AAOS Strategic Plan and performance dashboard provide the required foundation for objective setting. Once ERM topics are identified, it is important to understand the impact the risk will have on the AAOS and the required action that will be needed.



Dr. Parks noted that there are currently 26 total risks tracked, and most recently, five additional risks have been added for further consideration, but due to timing the Finance Committee has not had the opportunity to consider these additions. Following the Finance Committee review, a formalized report will be provided to the Board and strategic discussions on these matters will be planned for future Board meetings.

Dr. Parks entertained questions from members of the Board of Directors, and a suggestion was offered to consider the concept of aligning risks in the areas of strategic risks versus operational risks. In addition, a proposal was made to elevate registries to the short list of ERM due to the uncertainty around registry revenue and data entry. Dr. Parks indicated these considerations will be discussed by the Finance Committee and reported back to the Board at a future meeting.

**D. 2023 Strategic Plan Dashboard**

Mr. Todd Applebaum, Director, Strategic Planning, addressed the Board and reported on a revised format to share high priority strategic initiatives in addition to the detailed dashboard that can be found in the BoardEffect Resource Library. Mr. Applebaum touched on the recent 2023 accomplishments to date, and also shared upcoming milestones that continue to be tracked to ensure that deadlines are met. Quarterly reports will continue to be shared with the Board.

**VI. President's Report**

**A. Recognizing Deceased Members**

Meeting attendees were asked to participate in a moment of silence to recognize recently deceased AAOS members. Dr. Bozic separately recognized Dr. Blair Filler who recently passed away and acknowledged his instrumental role in leading the Coding, Coverage and Reimbursement Committee for an extended period of time due to his extensive knowledge on this critical topic.

**VII. Consent Agenda**

Dr. Bozic drew attention to the items listed under the consent agenda for approval. He reminded Board members of the opportunity to remove topics in advance of the meeting if further discussion is needed. He commented on the Board of Directors Confidentiality Agreement and noted that each Board Member and Council Chair will receive an electronic copy for signature.

One agenda topic was removed from the consent agenda and will be discussed separately; Endorsement of American Orthopaedic Society for Sports Medicine (AOSSM) Team Physician Open Letter.

The following topics were approved / received via the consent agenda:

- President's Schedule
- Letters To/From President's Office
- March 6, 2023 Board of Directors Meeting Minutes
- April 3, 2023 Board of Directors Meeting Minutes
- Board of Directors Confidentiality Agreement
- Guest Nation Recommendations
- PROMs Workgroup Update
- PROMs Workgroup: Information Statement on Principles of PROMs Reporting
- PROMs Workgroup: PROMs User Guide
- Appropriate Use Criteria on ACL Injury Prevention
- Healthcare Safety Committee: Workplace Violence Toolkit
- Registry Oversight Committee (ROC) Update

### **MOTION**

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

Separately, the Board discussed the endorsement of the AOSSM Team Physician Open Letter. A court decision was made earlier this year that significantly impacts orthopaedic health care. Not only does this decision affect the care of athletes, but it also impacts people of all ages and abilities. As an organization dedicated to supporting the care of athletes and the orthopaedic surgeons that care for them, the American Orthopaedic Society for Sports Medicine (AOSSM) is leading the charge to protect athletes and the team physicians who care for them and the rising complexity and liability risk. The AAOS was presented with a request by the AOSSM to endorse the AOSSM Team Physician Open Letter. A growing coalition of organizations support the concerted effort to lower liability risk and ensure only physicians with subspecialized training and credentials are called as expert witnesses in cases when testimony is necessary.

Dr. Bozic indicated that the request was considered by the AAOS Medical Liability Committee and the AAOS Advocacy Council, and both governance units recommend to the Board of Directors endorsement of the AOSSM Team Physician Open Letter.

Dr. Bozic entertained questions from the Board. Discussion ensued. It was reported that two Board of Specialty Societies (BOS) organizations did not endorse the letter, and 11 of the BOS organizations currently support the initiative. Concerns were raised about whether the statement as currently written was too narrow and did not recognize the expertise that subspecialty orthopaedic surgeons who are not Fellowship trained in Sports Medicine bring to expert witness testimony. Dr. Bozic entertained a motion and second to endorse the AOSSM Team Physician Open Letter. The Board agreed on the importance of this topic, and it is likely that a symposium will be planned for the 2023 Combined NOLC/Fall Meeting on this topic. The

BOS will also appoint a work group to further discuss the topic and determine if an overall broader statement on the topic may be needed.

### **MOTION**

**Upon a motion duly made and seconded, the Board of Directors approved the recommendation to endorse the American Orthopaedic Society for Sports Medicine (AOSSM) Team Physician Open Letter.**

### **VIII. Recap of Actions**

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.

The following topics were added to the Parking Lot and will be considered further outside of the Board Meeting:

- Predetermined Board decisions
- Keep discussions open
- Fiduciary role / conflict of interest (COI) of Board members
- Definition of “public support”
- Define effect on members either in Strategic Plan or with actions
- Communicate Board Assessment process to membership

### **IX. Executive Session**

At 1:10 p.m., Dr. Bozic moved the American Academy of Orthopaedic Surgeons Board of Directors Meeting into executive session to discuss topics as needed.

### **X. Adjournment**

There being nothing further to come before the Board of Directors of the American Academy of Orthopaedic Surgeons, the meeting was adjourned at 1:20 p.m. CT.

### **XI. Check-In for New Board Members**

At the conclusion of the Board meeting, the new 2023 Board members participated in a brief check-in to share feedback on what could be shared to better prepare new Board members for future Board meetings. Favorable feedback was received. A suggestion was made to consider a transition meeting at the AAOS Annual Meeting where Board members concluding service could engage with new Board members to share context on decisions recently made by the Board.

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