

**American Academy of Orthopaedic Surgeons
Board of Directors Meeting
November 30-December 1, 2023
Waldorf Astoria
Chicago, IL**

APPROVED MINUTES

Members of the Board present for all or portions of the American Academy of Orthopaedic Surgeons Board of Directors meeting on Thursday, November 30, 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, MPH, FAAOS – BOC Chair
Joel L. Mayerson, MD, FAAOS – BOC Chair-Elect
Michael J. Leddy, III, MD, FAAOS – BOC Secretary
Armando Vidal, MD, FAAOS – BOS Chair
Adolph J. Yates, Jr., MD, FAAOS – BOS Chair-Elect
Michael P. Bolognesi, MD, FAAOS – BOS 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
Lilly Marks – Lay Member
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 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
Todd Applebaum, MBA, Director, Strategic Planning

Rachel Bowers, CPA, MBA, Director, Finance
Nathan Gluskamp, MA, Chief Quality and Registries Officer
Yasseline Knoke, MS, CAE – Assistant Director, Governance and Affiliate Relations
Donna Malert, CAE, Director, Governance and Affiliate Relations
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 by Kevin J. Bozic, MD, MBA, FAAOS, President, at 2:30 p.m. CT.

Dr. Bozic 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.

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. He reminded the Board of the importance of psychological safety and actively listening, welcoming differences, and bringing tough issues.

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 added that the Board will continue to utilize the parking lot concept during Board Meetings to capture topics that are tangential to the agenda and may require further discussion outside of the Board Meeting.

II. Disclosure of Conflicts of Interest

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. President's Report

A. *Recognizing Deceased Members*

Meeting attendees were asked to participate in a moment of silence to recognize recently deceased AAOS members.

B. *Board Fiduciary Role*

Dr. Bozic briefly commented on the importance of the Board's responsibility as a fiduciary of the AAOS. In their Board role, it means being an exclusive fiduciary and requires being bound both legally and ethically to act in the other's best interest. The Board should keep this in mind during its discussions and when considering actions required by the Board of Directors.

C. *Board Assessment Action Plans*

Dr. Bozic drew attention to the Board Action Plans provided in the agenda book. He highlighted progress to date on several action items. The Action Plans are also available in the Board Resource Library on the BoardEffect platform.

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.

Operations are currently reported at \$1.9 million better than budget with investment gain of \$2.6 million. Spending from reserves is currently forecasted at \$1.825 million.

Total assets reported as of September 2023 are \$198.3 million and is a 20% or \$32.6 million increase over September 2022. 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 \$373,000.

Dr. Parks reminded the Board that Financial Dashboards are available for review in the BoardEffect Resource Library within the Finance folder.

B. *2024 Annual Budget*

Dr. Parks presented the 2024 Budget for approval. The proposed budget, compared to the July 2023 Forecast, projects a \$815K (1.25%) increase in operating revenue, \$1.66M (2.64%)

increase in operating expenses and an overall decrease in operating income for 2023 of \$843K. Dr. Parks commented on several risks and opportunities for the proposed budget relating to Annual Meeting, industry support, and legal fees. Dr. Parks added that, with the new strategic plan, there may be a need to fund new initiatives. Councils and committees will be asked to revise their charges and initiatives to align with those of the new plan.

Dr. Parks presented the Finance Committee recommendation to approve of the 2024 Operating and Capital Budgets for the AAOS and OLC. Dr. Parks entertained questions. Discussion ensued.

Dr. Bozic thanked the Finance Committee for its efforts and entertained a motion to approve the 2024 Operating and Capital Budgets for the AAOS and OLC.

Motion

Upon a motion duly made and seconded, the Board of Directors approved the 2024 Operating and Capital Budgets as presented.

C. 2023 Strategic Plan Performance

The Board was provided with an update on the execution of the 2023 Strategic Plan Initiatives along with a preliminary year-end report. Performance is projected to exceed the 85% threshold across all strategic domains. The Board had opportunity to ask questions and indicated their appreciation on the progress made. Dr. Bozic indicated there was no action required by the Board.

D. 2024 Strategic Plan Key Initiatives

The 2024 Strategic Plan Key Initiatives were presented to the Board for approval. There are currently 42 initiatives, and 80 measures that will be tracked and reported to the Board on a quarterly basis. The Board agreed overall with the proposed initiatives.

Dr. Bozic entertained a motion to approve the 2024 Strategic Plan Key Initiatives.

Motion

Upon a motion duly made and seconded, the Board of Directors approved the 2024 Strategic Plan Key Initiatives.

Dr. Bozic reminded the Board that the 2024 Strategic Plan Key Initiatives may require minor changes following the approval of the new Strategic Plan in February 2024.

V. 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 if further discussion is needed.

There were no requests received to remove topics from the consent agenda.

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

- October 23, 2023 Board of Directors Meeting Minutes
- AAOS Awards Committee Recommendations
- AAOS Investment Policy – Revised
- AAOS Clinical Practice Guideline on the Management of Osteoarthritis of the Hip
- AAOS Clinical Practice Guideline on Osteochondritis Dissecans (Rapid Update)
- Endorsement of the AACE CPG for the Diagnosis and Treatment of Postmenopausal Osteoporosis
- Technology Overview on the Technology Behind Cell Therapy Augmentation of Fracture Healing: Concentrated Bone Marrow Aspirate
- AAOS Appropriate Use Criteria on the Prevention of Secondary Fracture
- AAOS Appropriate Use Criteria on Return to Play Following an ACL Injury
- AAOS Appropriate Use Criteria on the Treatment of an Isolated ACL Tear
- AAOS Board of Specialty Societies (BOS) Research Support Fund Awardees
- Kappa Delta and OREF Clinical Research Awardees
- Registry Oversight Committee (ROC) Report

MOTION

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

RECESS

At 4:30 p.m. CT. Dr. Bozic recessed the American Academy of Orthopaedic Surgeons Board of Directors Meeting until Friday, December 1, 2023.

**American Academy of Orthopaedic Surgeons
Board of Directors Meeting
November 30-December 1, 2023
Waldorf Astoria
Chicago, IL**

DRAFT MINUTES

Members of the Board present for all or portions of the American Academy of Orthopaedic Surgeons Board of Directors meeting on Friday, December 1, 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, MPH, FAAOS – BOC Chair
Joel L. Mayerson, MD, FAAOS – BOC Chair-Elect
Michael J. Leddy, III, MD, FAAOS – BOC Secretary
Armando Vidal, MD, FAAOS – BOS Chair
Adolph J. Yates, Jr., MD, FAAOS – BOS Chair-Elect
Michael P. Bolognesi, MD, FAAOS – BOS 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
Lilly Marks – Lay Member
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 Chair

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

Allison Abayasekara, Thruue
Katie Camargo, Thruue
Kirsten Clarke, Thruue

Ezekiel J. Emanuel, MD, PhD, MSC, Medical Ethicist (participated virtually)
Steven Haddad, MD, FAAOS, Chair, Live Courses
Joshua J. Jacobs, MD, FAAOS, Chair, Committee on Ethics and Outside Interests
Alexandra E. Page, MD, FAAOS, Strategic Plan Project Team Member
Matthew T. Provencher, MD, MBA, FAAOS, Chair, Annual Meeting Committee

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
Todd Applebaum, MBA, Director, Strategic Planning
Rachel Bowers, CPA, MBA, Director, Finance
Nathan Glusenkamp, MA, Chief Quality and Registries Officer
Yasseline Knoke, MS, CAE – Assistant Director, Governance and Affiliate Relations
Donna Malert, CAE, Director, Governance and Affiliate Relations
Anna Salt Troise, MBA, Chief Commercial Officer
Melissa Young, JD, General Counsel
Paul Zemaitis, MBA, Director, Live Events

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. ET.

VI. Strategic Goal 3: Governance and Culture

A. *Conflict of Interest – Strategic Discussion*

Dr. Bozic welcomed Ezekiel J. Emanuel, MD, PhD, MSc, and Joshua J. Jacobs, MD, FAAOS to the Board meeting. He introduced the discussion topic about the current AAOS Guidance Document for Service on the AAOS Board of Directors and others [Guidance Document]. The Board was tasked with providing guidance to the Committee on Ethics and Outside Interests (CEOI) relating to physician-industry relationships while serving on the AAOS Board of Directors.

Dr. Joshua Jacobs provided an overview of the history surrounding conflicts of interest, leading to the development of the Guidance Document. He reminded members that the Guidance Document applies to Board members, Council Chairs, Editor-in-Chief of AAOS publications, and Members of the Executive Leadership Team. Dr. Jacobs discussed the conflict of interest policy for Clinical Practice Guidelines (CPGs) and Appropriate Use Criteria (AUCs), aligning with standards set by the Institute of Medicine (IOM) and Council of Medical Specialty Societies (CMSS).

Dr. Zeke Emanuel provided an overview of conflicts of interest within the orthopaedic field. He reminded members that medicine is a profession that is dedicated to the ideal that the physician's primary objective is to promote the health and well-being of patients. The physician's income is always secondary. He stressed that conflicts arise when there is a perception that a physician's financial interests might compromise patient care. Dr. Emanuel discussed the importance of physician-industry relationships in advancing surgical practice and training, highlighting the need to balance these relationships with ethical considerations.

There was discussion around the stringent conflict of interest policy for AUC and CPG workgroups. Members questioned whether there should be separate sets of rules for members developing the AUCs/CPGs and those that approve them. Dr. Emanuel commended the AAOS for its AUC/CPG conflict of interest policies. He added that that Board has much broader responsibilities and separate rules are appropriate. He agreed with having more stringent policies as having a conflicted workgroup member may taint the product.

Concerns were raised about whether conflict of interest policies could discourage members from serving in leadership capacities. Dr. Tornetta questioned the perceived differences between consulting and intellectual agreements in the eyes of the public.

Dr. Amendola raised the issue of the organization relying on industry support for its educational mission, prompting a discussion on potential conflicts in this reliance. Mr. Arend clarified that the AAOS has established standards for managing industry support, ensuring that it does not influence the intellectual direction of education through a general fund.

Discussion ensued regarding relying on management and prohibition of participation. Board members should recuse themselves from discussions where there may be a conflict. Dr. Emanuel reminded members that service on a Board of Directors is a tremendous honor that comes with authority and trade-offs for certain situations. Dr. Emanuel emphasized the importance in setting policies and standards to manage conflicts in order to raise the perception of the organization and authority with which board members can speak. Members highlighted the infrequent discussion of compromised issues within the Board and also highlighted the challenges associated with recusal, emphasizing the importance of strong group leaders who can monitor and address potential conflicts.

Dr. Bozic acknowledged the compliments provided relating to the AUC/CPG process and questioned whether the AAOS should be more self-promoting regarding its rigorous process.

Dr. Bozic thanked the Board for its input in providing guidance to the CEOI on the AAOS Guidance Document.

ACTION: The Committee on Ethics and Outside Interest is charged with reviewing the current Guidance Document, specifically relating to physician/industry relationships and provide a

recommendation for change, if needed, to the Board of Directors for approval at a future meeting.

VII. Strategic Goal 4: Organizational Excellence

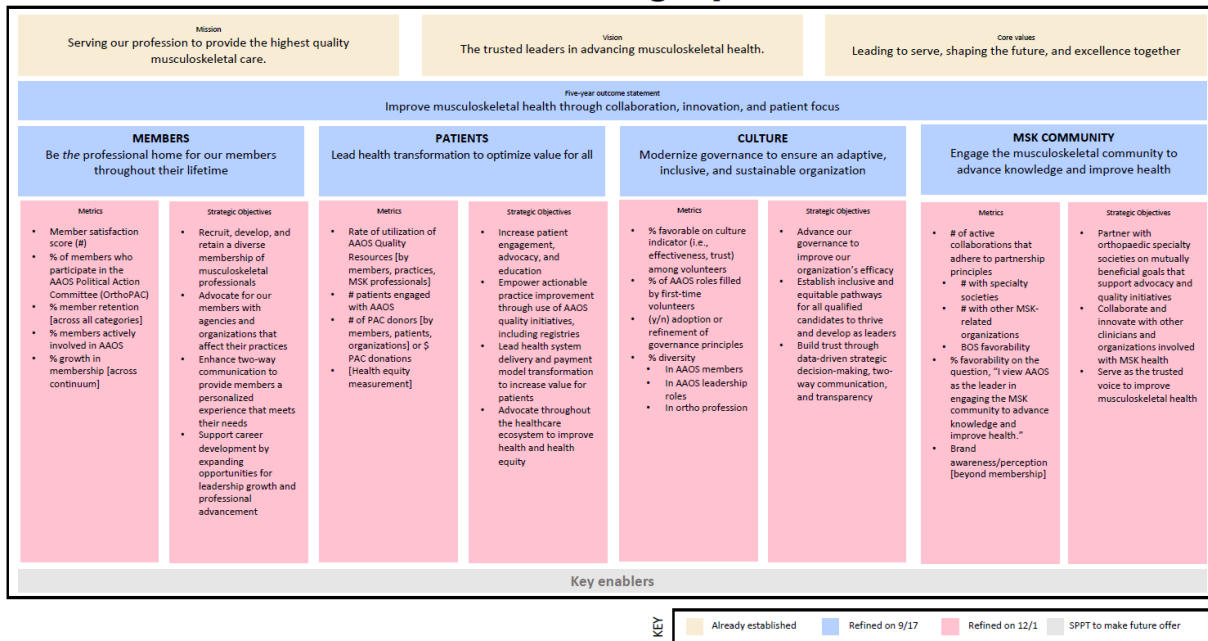
A. *Strategic Plan Working Session*

Dr. Bozic framed the overall purpose of the working session today is to engage the Board to finalize the strategic objectives and provide input into the strategic metrics.

Thruue staff provided an update on the development process for the new strategic plan. They informed the Board of conversations held with subject matter experts throughout the organization and shared their alignment with the goals and the five-year statement. Discussions revealed alignment with the presented ideas, but also noted how significant these changes will be. Emphasis was placed on the pivotal role of residents in implementing the new plan.

Members of the Strategic Plan Project Team presented the draft objectives for each of the four goals: Members, Patients, Culture, and MSK Community. The Board Meeting participants moved into break-out groups to share thoughts and upgrades to the draft strategic objectives and metrics. Full group discussions followed to advance the offers and align on next steps in preparation for the February 2024 Board Meeting. Several offers were agreed upon within the Strategic Plan framework.

View of the offers within the strategic plan framework



At the conclusion of the working session, Dr. Bozic reported that the Board drove many accomplishments during this session through continued engagement. He noted there was alignment on the desired objectives and metrics. The Strategic Plan Project Team will continue to meet and bring a draft of the AAOS Strategic Plan to the Board for feedback in February.

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:

- **Thruue team to compile feedback from the Board discussions to finalize the strategic objectives and metrics.**
- **The AAOS marketing team will be developing marketing materials for promotion of the new strategic plan once approved by the Board.**

VIII. Strategic Goal 1: Member Experience

A. Education Council Strategic Discussion – Navigating the New Normal: A Strategic Roadmap for AAOS Live Events Post-Pandemic

Dr. Bozic welcomed Dr. Steven Haddad and Dr. Matthew T. Provencher to the meeting.

Dr. Andrew Schmidt, Education Council Chair, highlighted the focus of the discussion today is on AAOS Skills Courses: Challenges and Vision for the Future; and AAOS Annual Meeting: 2024 Update and Steering for the Future. The landscape for live events has changed significantly post-Covid, and noted there are several key themes that impact these events, including:

- Attendance
- Hybrid/Virtual Event Expectations
- Economic Impact
- Increased Competition
- Shift in Work Dynamics
- Changes in Industry Support

Dr. Schmidt offered several questions for Board Members to consider and share feedback following presentations by Drs. Haddad and Provencher.

Dr. Haddad addressed the Board and shared the changing landscape relating to orthopaedic education and remarked that the behavior of live course attendees has shifted. There is a reduced willingness to travel, stronger emphasis on work-life balance and concerns over reimbursement. Overall, attendees prefer virtual options or free in-person events that are specialty specific. As a result, AAOS has attempted to adapt to the changing environment and will need to consider the distribution of courses per year, i.e. less in-person courses versus

more virtual courses. Dr. Haddad noted that data indicates generalists attend 2/3 of in-person skills courses.

Dr. Haddad indicated it is time for a paradigm shift in how AAOS presents live courses moving forward. AAOS will need to stop competing with specialty societies for advanced live in-person skills courses as well as competing with industry on specialty specific live in-person skills courses. The AAOS should focus on live in-person skills courses that will appeal to the AAOS member base as well as the generalists who remain interested, i.e. bring the courses to them. He presented a theory that would leverage the current OrthoDome trademark and would appeal to the younger/general orthopaedic surgeons. A universal course template would be created that could be utilized in four regions within the U.S. Each course will have identical content and be presented by well-known AAOS members in regional areas. He presented the advantages of developing regional programs, and also highlighted several key financial benefits.

Dr. Haddad concluded his presentation indicating that a survey was distributed to the Fellowship to solicit feedback on shaping the future content of AAOS educational live courses. He added that approximately 400 survey responses were received, and the CME Courses team will continue to review data to propose further recommendations for future AAOS educational courses.

Board members responded favorably and were in support of pivoting to a new format to further engage AAOS members in live courses.

Dr. Provencher addressed the Board and provided a brief overview of the 2024 Annual Meeting Dashboard. He spoke of the efforts of the Annual Meeting Committee to drive the AAOS Annual Meeting back to a 50% margin through diversified revenue streams, market expansion, cost-effective venue selection, and digital transformation and innovation. He added these efforts will align with the AAOS Strategic Plan and will help to charge the course for the next five years and beyond.

Dr. Provencher shared the work completed by the Annual Meeting Committee and staff to conduct a comprehensive analysis of the previous and potential future locations for the AAOS Annual Meeting. The purpose of the analysis was to utilize data and key performance indicators to ensure the sustainable financial footing of the AAOS Annual Meeting. Several variables were considered in the cost of the AAOS Annual Meeting in the different locations. AV, catering, facility rental, and labor unions were key variables that fluctuate greatly based on location. The most expensive cities for the Annual Meeting include San Francisco, Las Vegas and Chicago. The more economical locations include New Orleans and Orlando. San Diego was ranked middle of the pack.

Dr. Provencher reported on several key insights:

- There is no significant effect on total professional attendance if the meeting is held on the East or West Coast
- There are regional impacts for the Southeast if the meeting is in the West and Western Regions.
- Significantly fewer attendees over the age of 65 attend if the meeting is held in the East.
- There is no significant relationship with location for international attendees.
- The location by itself poorly explains various in attendance.

The Annual Meeting Team will continue to revisit the assumptions of several myths relating to the location of the AAOS Annual Meeting.

It is likely the AAOS will move to an anchor and rotate approach that would include San Diego as the anchor location and recommend a two-year or three-year rotation with other recommended locations. The Annual Meeting Committee will continue to finalize the future Annual Meeting strategy in Q1 of 2024 and present its recommendations to the Education Council in Q2 of 2024.

Dr. Provencher concluded his presentation indicating the AAOS strives to be the best medical meeting in the world.

Board Members commended the Annual Meeting Committee for its efforts in conducting a deep analysis of several myths relating to the meeting.

IX. Other Business

There was no additional business discussed.

X. Executive Session

At 2:50 p.m., Dr. Bozic moved the American Academy of Orthopaedic Surgeons Board of Directors Meeting into executive session to discuss a number of topics.

XI. 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 4:05 p.m. CT.

XII. 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. New Board Members shared that the meetings are extremely well organized, and the efforts to engage new Board Members are much appreciated.

Prepared by: Yasseline Knoke, MA, CAE, Assistant Director, Governance and Affiliate Relations