

**American Academy of Orthopaedic Surgeons  
Board of Directors Meeting  
JW Marriott Hotel  
Washington, DC  
September 16-17, 2023**

**APPROVED MINUTES**

Members of the Board present for all or portions of the American Academy of Orthopaedic Surgeons Board of Directors meeting on Saturday, September 16, 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  
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

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

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  
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

## **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 4:00 p.m. ET.

Dr. Bozic welcomed everyone to Washington, DC. He commented on several topics for the meeting, and he encouraged all to be engaged, active listeners, and open to different perspective. Dr. Bozic drew attention to the psychological safety exercise held at the Board Meeting in Austin as a reminder on the sensitivity of discussions held by the Board and the importance of keeping the discussions confidential. He added that Board materials are also 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 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**

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. 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 Benjamin Mauck, MD, FAAOS, who was tragically shot at the office of his Collierville, TN community in early July. Dr. Mauck was part of the Campbell Clinic family and AAOS continues to support efforts to address workplace safety. Dr. Bozic also recognized S. Terry Canale, MD, FAAOS, who recently passed away. Dr. Canale, an AAOS Past President, was a strong leader and mentor to many. He served the AAOS in many leadership roles including the inaugural Editor-in-Chief of *AAOS Now*.

#### **B. *Board of Directors 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 Project – Action Plan Check-In***

The Board Assessment Project – Action Plan Check-In remains a standard agenda item for each meeting of the Board of Directors as a reminder of the Board's commitment to improving Board engagement and being recognized as a high-performing Board.

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. He also noted that once the Governance Committee begins oversight, a timeline will be prepared for addressing specific actions.

### **IV. Strategic Goal 3: Governance and Culture**

#### **A. *Combined NOLC/Fall Meeting Business***

The Board of Councilors and Board of Specialty Societies will consider a number of proposed AAOS Resolutions and proposed AAOS Bylaws Amendments. While there is no action required from the Board at this time, the Board was provided a brief synopsis on the process for

considering the business during the BOC/BOS Open Hearing and the BOC/BOS Business Meeting.

Separately, Dr. Bozic acknowledged the efforts of the Combined NOLC/Fall Meeting Workgroup in developing an excellent program for the meeting with several key symposia topics that will benefit attendees.

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

**A. *AAOS Finances***

Dr. Michael L. Parks, Treasurer, addressed the Board on the overall financial position of the AAOS. He encouraged the Board of Directors to provide feedback on the reporting mechanism for AAOS finances.

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 \$15.6 million, which was better than budget by \$1.2 million but worse than the same time prior year. Investment income was reported a \$7.8 million gain and is a significant increase due to prior year investment loss compared to current year investment gain.

Total assets reported to date are \$207,235 million and represent a 16.0% increase.

The AAOS has 1.7 times the amount required in its Permanent Fund and the fund requirements increased due to higher expenses. The market continues to be volatile, and the risk is likely to continue through year-end 2023. Dr. Parks also reported the AAOS has more than adequate operating reserves and per policy, the excess dollars will be shifted to the Permanent Fund.

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 and highlighted opportunities as identified. 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.

**B. *Funding Requests***

Two funding requests were presented to the Board for approval.

***Carousel Funding Request*** - At its meeting in March 2023, the Carousel Representatives engaged in discussion that focused on managing Carousel activities including hotel accommodations and preparation for future meetings. Specifically, the group discussed the option of having the host organization for each Carousel Meeting secure and cover the cost of the hotel accommodations for five nights for each Carousel Representative. The rationale for this option is to avoid difficulties in transferring currency to the respective organization, and to ensure that all Carousel Representatives are housed in the same location for the meeting.

At the Carousel Meeting held in conjunction with the American Orthopaedic Association (AOA) Annual Meeting in June 2023, the Carousel Representatives reached consensus to move forward with the plan effective January 1, 2024 with the AAOS being the first organization to cover housing for the Carousel Representatives.

Given that this will be an annual expense for the Carousel activities, a request is made to add \$15,000 plus inflation into the annual operating budget to cover the housing expense for five nights for the Carousel Representatives.

The Finance Committee recommended approving \$15,000 plus inflation to be added to the 2024 Operating Budget and beyond to support the Carousel request.

#### **MOTION**

**Upon a motion duly made and seconded, the Board of Directors approved \$15,000 plus inflation to be added to the 2024 Operating Budget and beyond to support the Carousel housing at the AAOS Annual Meeting.**

***Action: Staff will monitor Carousel activities to ensure the remaining Carousel organizations adhere to the protocol.***

***Nominating Committee – In-Person Meeting Funding Request*** - Prior to 2019, the AAOS Nominating Committee would hold its final meeting in-person in Rosemont. Previous Nominating Committees discussed the rationale for meeting in-person versus virtual meetings and considered convening all future meetings virtually. During the last three selection cycles, due to COVID, the AAOS Nominating Committee held its final meeting virtually.

At its first meeting in July 2023, the AAOS Nominating Committee discussed the opportunity to meet in person and Committee Members felt it was quite important and would further enhance the discussion on the final selection process of future leaders. The Committee felt an in-person meeting at the AAOS headquarters office in Rosemont would be feasible and provide easy access for Committee Members to fly in/out in one day. A funding request in the amount of \$7,500 was presented to support an in-person meeting.

The Finance Committee considered the request and voted to reject funding \$7,500 for an in-person meeting of the AAOS Nominating Committee.

## **MOTION**

**Upon a motion duly made and seconded, the Board of Directors concurred with the Finance Committee recommendation and rejected funding \$7,500 for an in-person meeting of the AAOS Nominating Committee.**

### ***C. Leadership Review Group Recommendations***

The overall objective of the Leadership Review Group (LRG) is to review strategic alignment and financial sustainability of existing programs through the Annual Program of Work (APW). In 2022, the LRG moved towards an executive level focus in the areas of ROI of AAOS programs and identifying modifications / changes with recommendations provided to the appropriate governance unit and / or staff to address. A brief overview of the APW framework was provided.

As Chair of the LRG, Paul Tornetta, III, MD, PhD, FAAOS, presented several APW topics that were recently discussed by the LRG. The topics were categorized by:

- Annual Meeting (Discussion and vote required)
- Governance (Discussion and vote required)
- Information only (No discuss / vote required)
- Monitor only (No discussion / vote required)

Dr. Tornetta added that timelines for all recommendations will be developed to ensure that appropriate actions are taken.

#### ***Annual Meeting Social Events***

The AAOS has several key social events that are incorporated into the Annual Meeting, and these expenses increased to over \$189,000 from \$91,000 and \$134,000 in 2021 and 2022, respectively. Given the rising costs, the LRG recommended to incorporate the Guest Nation Reception into the President's Reception (beginning with the 2025 Annual Meeting), continue the New Member Recognition for 2024 and evaluate the 2025 Presidential events and overall Annual Meeting Social Event costs to stay within budget parameters from the Annual Meeting Committee.

#### ***Annual Meeting Allied Health Courses***

The program is low in cost and there is potential for growth. The Program has operated at a loss in previous years. The LRG recommended monitoring the program and assess the ongoing potential.

#### ***Annual Meeting Specialty Day***

The LRG discussed the value of Specialty Day given the losses and impact on the Annual Meeting Committee's ability to reach an Annual Meeting target of 50% margin. A recommendation was proposed to establish a policy for Specialty Day to be financially a break-

even event. After much discussion, the LRG recommended identifying creative opportunities to decrease expenses (closer to breakeven, if possible) and maintain support and ongoing communication about subsidies.

### ***Annual Meeting Overall***

The Annual Meeting Committee is charged with targeting a 50% margin for the overall Annual Meeting. While the AAOS Annual Meeting is mature and the highest driver of organizational revenue, other society annual meetings continue to see declines in attendance. The LRG discussed the Annual Meeting in detail and recommended the Annual Meeting Committee continue to look for opportunities to get closer to 50% margin and share its specific plans to raise margin and its progress at future Executive Committee meetings.

### ***Board of Directors***

Expenses for the Board of Directors events have grown significantly during the last five years. The LRG discussed establishing a policy that would require the Finance Committee to review and approve funding before exceeding budget for Board events. The LRG recommended to set inflationary adjustment to target for Board costs each year based on 2018 Board expenses and establish a policy that would require Finance Committee approval if the Board budget was exceeded.

### ***Board of Councilors (BOC)***

The LRG discussed the overall value of the BOC's activities and focused on the ROI of the activities for the AAOS. The LRG recommended that BOC spending and engagement going forward be monitored and determine reach over time.

### ***Committee on Professionalism***

The Committee on Professionalism is responsible for administering the Professional Compliance Program. The value of the program, given its high legal liability exposure and cost, was discussed by the LRG. The LRG recommended that discussion be held and members surveyed to reaffirm the value of the program. The value and cost of the program should be communicated to members.

### ***AAOS Leadership Institute (ALI)***

The AAOS Leadership Institute is a key program to help improve governance, strategic thinking and develop future leaders. The ALI Program is in its third year, and the intent was to be a mandatory program for serving on the AAOS Board of Directors and as Council / Committee Chairs. The LRG recommended developing metrics for success of the program and share current metric progress and any new metric recommendations in Quarter 4, 2023.

Following presentation of the recommendations, the Board engaged in discussion to further clarify the recommendations. Discussion ensued. Dr. Bozic entertained a motion to approve the Leadership Review Group recommendations.

## **MOTION**

**Upon a motion duly made and seconded, the Board of Directors approved the recommendations of the Leadership Review Group as presented.**

### ***D. 2023 Strategic Plan Dashboard – Strategic Risks***

Mr. Todd Applebaum, Director, Strategic Planning, addressed the Board and reported on the current status of the 2023 Strategic Plan Dashboard. He added the detailed dashboard 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. As part of the process, quarterly reports will continue to be shared with the Board.

### ***E. Review of Progress on 5-Year Strategic Plan***

Mr. Applebaum informed the Board about the progress of the current 5-Year Strategic Plan as the Board prepares for its upcoming working session on developing the new AAOS Strategic Plan.

Overall, the 2019-2023 AAOS Strategic Plan was successful and a strong foundation for building the next plan. There has been strong financial performance versus the prior five years. A continued increase in proactive strategic investment was noted. The Board continues to review the direct Metrics for each Goal to ensure effective measurements are achieved. There is opportunity to improve the Metrics moving forward when developing the next AAOS Strategic Plan.

Mr. Applebaum reviewed a number of accomplishments overall, indicating that 85% of the Strategic Plan Dashboard was achieved each year. To date, six of the 15 goals are complete or substantial progress has been made to deem them to be complete. Several of the metrics and initiatives will continue into the next Strategic Plan.

Several opportunities to build on the foundation of the current Strategic Plan were reviewed. Mr. Applebaum solicited feedback on objectives aligned with each of the Goals on the current Strategic Plan that should be kept and rolled into the new AAOS Strategic Plan. The exercise was meant to stimulate discussion for the Strategic Plan working session.

## **VI. 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. There were no requests received to remove any of the Consent Agenda topics.

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



- President’s Schedule
- Letters To/From President’s Office
- July 17, 2023 Board of Directors Meeting Minutes
- Recommendations on 2024 IDEA Grant Proposals
- Board Related Activities – Travel Policy
- AAOS 2022 Annual Financial Audit
- Education Council Workgroup on AR/VR Recommendation
- Education Council Workgroup on Middle East Conference Recommendation
- AAOS Appropriate Use Criteria for the Acute Treatment of Hip Fractures in Older Adults
- AAOS Appropriate Use Criteria for the Postoperative Rehabilitation of Low Energy Hip Fractures in Older Adults
- Endorsement of the Management of Metastatic Humeral Disease Clinical Practice Guideline of the Musculoskeletal Tumor Society
- AAOS Position Statement 1113: Osteoporosis/Bone Health in Adults as a National Public Health Priority – Revised
- AAOS Position Statement 1116: Prevention of Hip Fractures Due to Osteoporosis – Revised
- AAOS Preferred Set of Orthopaedic Patient-Reported Outcome Measures (PROMs)
- AAOS Patient Reported Outcomes (PROMs) Workgroup Update
- AAOS Registries 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.**

**VII. Executive Session**

At 6:15 p.m. p.m. ET, Dr. Bozic moved the Board of Directors Meeting into Executive Session to discuss any topics as needed. There were no topics identified.

**Recess**

At 6:20 p.m. ET, Dr. Bozic recessed the American Academy of Orthopaedic Surgeons Board of Directors Meeting until Sunday, September 17, 2023.

Members of the Board present for all or portions of the American Academy of Orthopaedic Surgeons Board of Directors meeting on Sunday, September 17, 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  
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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

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

Allison Abayasekara, Thruue  
Katie Camargo, Thruue  
Kirsten Clarke, Thruue  
Jennifer Krentel, Thruue  
Alexandra E. Page, MD, FAAOS, Strategic Plan Project Team Member  
Gerald R. Williams, Jr., MD, FAAOS, Strategic Plan Project Team Member

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

Thomas E. Arend, Jr., Esq., CAE, Chief Executive Officer  
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

### **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.

### **VIII. 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 in their leadership role of the strategic planning process, declare the future state of the AAOS with desired outcomes to include:

- Shared understanding and commitment to the desired future state
- Continue providing direction to the Strategic Plan Project Team on strategic choices
- Prepare to champion the Strategic Plan

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. Feedback from a pre-meeting survey was shared with the Board and helped to stress the importance of strategic alignment.

The Board participated in small group discussions to identify where Board members were today in relationship to the Strategic Plan as well as where Board Members would like to be at the end of the process. The Board was also reminded that the role of the Strategic Plan Project Team is to develop a data-driven Strategic Plan, and the Board's role is to upgrade, finalize and approve the new AAOS Strategic Plan.

The Strategic Plan Project Team has also used guidance from the Board to lean into the envision phase of the project which included developing a five-year outcome statement and goals for Board feedback. The five-year outcome statement is the first step in connecting the Mission and Vision to the strategy. The Goals will be the priority focus areas that will enable AAOS to achieve the five-year outcome statement.

The Board Meeting participants moved into break-out groups to share thoughts and upgrades to the draft five-year outcome statement and goals. Full group discussions followed to advance the offers and align on next steps in preparation for the December 2023 Board Meeting.

Following discussion, the Board aligned on the following draft five-year Outcome Statement:

Improve musculoskeletal health through collaboration, innovation, and patient focus.

The Board also upgraded and aligned around the following draft goal themes and goal statements.

#### **MEMBERS**

Be the professional home for our members throughout their lifetime\*

#### **PATIENTS**

Lead health transformation to optimize value for all

#### **CULTURE**

Modernize governance to ensure an adaptive, inclusive, and sustainable organization

#### **MSK COMMUNITY**

Engage the musculoskeletal community to advance knowledge and improve health

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 future state of the AAOS, five-year outcome statement, goals areas and near alignment on the goal statements. The Strategic Plan Project Team will continue to meet and bring a draft of the AAOS Strategic Plan to the Board for feedback in December.

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 discussions and share with the Strategic Plan Project Team for its October meeting.**

#### **IX. 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:

- Equity → Belonging

#### **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 3:45 p.m. ET.

**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. Feedback was provided on the BoardEffect portal, and Ms. Malert will follow-up with individuals to help navigate the platform.

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