Kin ON Willand

Fall 2013 / Volume 13 / Number 2 / www.soaassn.org

## **President's Message** William C. Andrews Jr, MD



ear Colleagues,

Our 2013 Southern Orthopaedic Annual Meeting at The Breakers Hotel in Palm Beach, Florida was

one of our most successful ever. Thanks to the work of Fred and Donna Flandry, close to 300 attendees enjoyed an excellent scientific meeting and a wonderful social program. Matt Matava and his Program Committee did an exceptional job assembling a scientific program with 70 abstract podium presentations, 5 symposia, and 38 poster presentations for a total of 28.5 AMA category 1 CME credits.

As well, this was the first meeting where we had available SAE credits for the MOC requirements for recertification. This program was very successful in its inaugural year, and we will continue it next year. Attendees of the Annual Meeting in July 2014 can also

earn 10 SAE credits toward the MOC requirements.

Our 2014 meeting will be in Beaver Creek, Colorado from July 16-19. The scientific committee, chaired by Dr. Richard Moore, is completing work on an exciting program, which will combine scientific papers and symposia, and offer exposure to new orthopedic ideas and research, as well as a number of current concept reviews for the practicing orthopedic surgeon.

The Presidential Guest Speaker will be Dr. James Urbaniak, Past Chairman of Orthopedic Surgery at Duke University, and a leader in microvascular surgery.

Beaver Creek is the perfect destination for a family vacation, with many outdoor activities, and is also a perfect place to escape the summer heat in the Colorado Rockies. The social program will offer a variety of choic-

Call for Abs



es, including rafting, hiking, biking, fishing, horseback riding, golf, and even a rodeo on the opening night which your family will thoroughly enjoy.

Mark your calendars and make your plans early to attend the 31st Annual SOA Meeting in Beaver Creek.

Sincerely,

## William Andrews

William C. Andrews Jr., MD President, Southern Orthopaedic Association

## Submit Your Abstract for the 31st Annual Meeting

he Southern Orthopaedic Association will present its next Annual Meeting on July 16-19, 2014 at Beaver Creek Village in Beaver Creek, CO. SOA's Annual Meeting is one of the premier meetings for orthopaedists practicing in the South. The Scientific Program will be developed to present timely reviews of practice-related techniques and clinical research findings in orthopaedic surgery through accepted key papers. Nationally recognized speakers will also be invited to present.

We invite you to submit one or more abstracts for the meeting, as this is an excellent opportunity to present a paper to your peers.

The submission

deadline is January 15, 2014. Abstract appli-

cations can be submitted online through the SOA's website. Visit us at www.soaassn.org and click on the "Submit your abstract" link.

We look forward to receiving your abstract(s) and to seeing you in Colorado next summer.

### INSIDE

Meet SOA's New Board Member	p. 2
Upcoming SOA Meetings	p. 2
Recap of the 30th Annual Meeting	p. 4
2013 Resident/Fellow Award Recipients	p. 4
Thank You Annual Meeting Grantors and Exhibitors	p. 5
Money Matters	p. 7

Southern Orthopaedic Association

### SOA Board of Trustees

**President** William C. Andrews Jr, MD

President-Elect Langdon A. Hartsock, MD

Secretary/Vice President Darren L. Johnson, MD

Treasurer Samuel I. Brown, MD

Immediate Past President Fred C. Flandry, MD, FACS

#### **Board of Trustees Members**

Jeffrey A. Guy, MD Spero G. Karas, MD Ryan M. Nunley, MD Ana K. Palmieri, MD Andrew A. Shinar, MD H. Clayton Thomason III, MD

(Ex-Officio) Historian James H. Armstrong, MD

(Ex-Officio) Editor L. Andrew Koman, MD

SOA BOC Representative Fred C. Flandry, MD, FACS

#### **SOA Central Office**

110 West Road, Suite 227 Towson, MD 21204-2136

Phone: 866-762-0730

Fax: 410-494-0515

E-mail: info@soaassn.org

Web Site: www.soaassn.org

Executive Director Chuck Freitag

Director of Operations Cynthia Lichtefeld

### **Meet SOA's New Board Member**



Jeffrey Guy, MD, a native of California, earned his bachelor's degree from San Di-

Jeffrey A. Guy, MD

ego State University where he also played for San Diego State's baseball team. He received his medical degree and residency training at Harvard University. While in Boston, he completed fellowships in trauma at Massachusetts General Hospital and pediatric sports medicine at Boston Children's Hospital. He finished his training with a fellowship in sports medicine under the direction of Drs. James Andrews and Bill Clancy at the American Sports Medicine Institute in Birmingham, AL.

Dr. Guy is currently an Assistant Professor within the Department of Orthopaedic Surgery and Sports Medicine at the University of South Carolina School of Medicine and Director of the University of South Carolina Sports Medicine Center. In addition, he serves as Medical Director of the College of Education's Athletic Training Education Program, and Adjunct Professor within the USC Arnold School of Public Health Department of Exercise Science. As Medical Director and Team Physician of the University of South Carolina Athletics, Dr. Guy oversees all of the University of South Carolina's athletic teams. In addition to USC, he is the Team Physician to more than 20 Columbia area high schools, 10 area middle schools, two professional dance companies and six colleges and universities. Dr. Guy's interest in improving the health of athletes in the community inspired him to establish University of South Carolina's the S.M.A.R.T. program, a community effort that reaches out to athletic programs in the greater Columbia area and provides free pre-participation physicals to schools and

their student athletes. He has served as Director of the S.M.A.R.T. program since its founding in 2001.

Dr. Guy currently sits on many professional associations including The American Orthopaedic Society for Sports Medicine, American Sports Medicine Institute Fellowship Society, Clinical Orthopaedic Society, and the South Carolina Medical Association. He has also presented at over 130 symposiums for professional associations including the American Orthopaedic Society for Sports Medicine, Southern Orthopaedic Association, College of Athletic Trainers Society, American College of Sports Medicine, and the National Athletic Trainers Association. In August of 2008, he was a team surgeon for the Olympic Games in Beijing, China. In 2011, he was honored by the South Carolina Medical Association with the Physician of the Year award.

### **Upcoming SOA Meetings**



**31st Annual Meeting** July 16-19, 2014 Beaver Creek Village Beaver Creek, CO

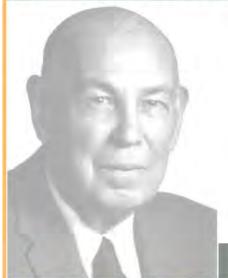


32nd Annual Meeting July 15-18, 2015 The Grove Park Inn Asheville, NC

#### The SOA

The Southern Orthopaedic Association (SOA) was founded in 1983 for physicians who are engaged in the specialty of orthopaedic and trauma surgery. Its mission is to develop and foster the art and science of medicine in the specialty of orthopaedic and trauma surgery. SOA operates exclusively for charitable, scientific and educational purposes.

## **REGIONAL CONTINUING MEDICAL EDUCATION (CME) EVENT**



Make plans to attend the **33rd Annual Oscar Miller Day Symposium on:** 

# "Shoulder & Elbow: Athletes to Arthritis"

## Friday, October 25, 2013

Registration opens at 7:15am, conference at 8:00am

## MAXIMUM OF 6.5 AMA PRA CATEGORY 1 CREDIT(S)™

#### Oscar L. Miller, M.D. (1887-1970)

Dr. Miller was one of the foremost orthopedic surgeons in the South and in the mid-twentieth century. He and his mentor, Dr. Michael Hoke opened the first Scottish Rite Hospital for Crippled Children. In 1921 Dr. Miller became Director and Surgeon-in-Chief of the N.C. Orthopaedic Hospital in Gastonia. He established the Miller Orthopaedic Clinic in 1923. In 1941 – 1942 Dr. Miller served as the 10th President of AAOS and was instrumental in starting the first Instructional Courses.

Dr. Miller became particularly well known for his foot work as well as spine and hips. He developed an operation called the "Miller Flatfoot Procedure." This was his thesis when he was elected to membership in the A.O.A.

Dr. Miller was one of the 10 doctors responsible for founding Charlotte Memorial Hospital (currently known as Carolinas Medical Center). He was also instrumental in starting its orthopedic residency program. REGISTER ONLINE: ORTHOCAROLINARESEARCH.ORG/EVENTS

hosted by the physicians of the

orthocarolina

SHOULDER & ELBOW

with Guest Faculty:



REGISTER

orthocarolinaresearch.org



Matthew Provencher, MD Chief, Sports Medicine Service Sports Medicine Orthopaedic Surgeon Massachusetts General Hospital Harvard Medical School (Boston, MA)

John Sperling, MD, MBA Professor of Orthopedics Mayo Clinic Department of Orthopedic Surgery (Rochester, Minnesota)



**The Blake Hotel • Symphony Ballrooms** 555 S. McDowell Street, Charlotte, NC • \$119/Night 704.372.4100

## \$125 Providers (MD, DO, NP, PA) • \$75 Allied Health • \$10 DVD

*\$25 late registration fee begins 10/1/13 Registration includes continental breakfast, lunch, afternoon snack, and parking.* 

## Questions ?: 704.945.7710 or ocresearch@orthocarolina.com

Accreditation Statement: This activity has been planned and implemented in accordance with the Essential Areas and policies of the Accreditation Council for Continuing Medical Education through the joint sponsorship of the Carolinas Center for Medical Excellence (CCME) and the OrthoCarolina Research Institute. CCME is accredited by the North Carolina Medical Society (NCMS) to provide continuing medical education for physicians.

CREDIT DESIGNATION STATEMENT: COME designates this Live CME activity for a maximum of 6.5 AMA PRA Category i Credit/s/\*



## Recap of the 30th Annual Meeting

The 30th Annual Meeting was a great success, with an outstanding scientific program. Program Chair Dr. Matthew J. Matava, MD along with the SOA Program Committee did an extraordinary job of putting together the 2013 Scientific Program. This year, an addition to the program provided all interested participants the opportunity to earn 10 SAEs (Self-Assessment Examination). Program highlights included a thought-provoking Presidential Address by Dr. Fred Flandry "Orthopaedic Immortality"; Presidential Guest Speaker Congressman Tom Price, MD of Georgia gave a fascinating and enlightening presentation "Health Care Reform: A Current Perspec-

he 30th Annual Meeting was a great tive;" and the Distinguished Southern Orsuccess, with an outstanding scientific thopaedist, renowned Dr. James R. ram. Program Chair Dr. Matthew J. Andrews's presentation, "Sports Medicine ava, MD along with the SOA Program and Success" was inspiring.

> The meeting kicked off with the Welcome Reception, which gave everyone a chance to visit with old friends and colleagues. Friday evening began with the Exhibitor and Poster Reception, which included a Silent Auction to raise money for the SOA Education Fund, followed by dinner and a concert by famous guitarist and recording artist Leo Kottke. The meeting was brought to a close with the wonderful Gala Dinner Dance.

It was a memorable meeting and we thank all who attended. If you missed it, view the 2013 Palm Beach pictures on the SOA website



at <u>www.soaassn.org</u> and see what a great time was had by all.

We look forward to seeing you next year, at the **31st Annual Meeting**, July 16-19, 2014, **being held at** The Beaver Creek Hyatt in Avon, Colorado.

## 2013 Resident/Fellow Award Recipients

Congratulations to the following 2013 SOA Resident/Fellow Award Recipients. The award papers were presented during the Scientific Program at the Annual Meeting.

#### SOA Presidents' Resident Award Winner

John S. Lewis Jr., MD, Duke University Medical Center, Durham, NC *Outcomes After Total Ankle Replacement In Association With Ipsilateral Hindfoot Arthrodesis* 

## Harley & Betty Baxter Resident Award Winners

Joshua Griffin, MD, Scott and White Memorial Hospital, Temple, TX

The Impact Of Age On Reoperation Rates For Femoral Neck Fractures Treated With Percutaneous Pinning And Hemiarthroplasty?

Adam Sassoon, MD, MS, Orlando Regional Medical Center, Orlando, FL

Muscle Visability Revisited: Are We Removing Normal Muscle? A Critical Evaluation Of Dogmatic Debridement

#### **SOA/OREF Resident Award Winners**

Mihir J. Desai, MD, Emory University School of Medicine, Atlanta, GA A Biomechanical Comparison Between All-Arthroscopic Knotless And Outside-In \Triangular Fibrocartilage Complex Repairs

Mark A. Tait, MD, St. Vincent Infirmary Medical, Little Rock, AR *Preoperative Patient Education For Hip And Knee Arthroplasty: Financial Benefit?* 

Robert Tracey, MD, Walter Reed National Military Medical Center, Bethesda, MD Pulmonary Function Following Adult Spinal Deformity Surgery: Minimum Two Year Follow-Up

## SOA Resident Travel Grant Award Winners

Michael Gottschalk, MD, Emory University School of Medicine/Grady Hospital, Atlanta, GA Surgical Site Infection: A Comparison Of Multispecialty And Single Specialty Outpatient Facilities

Kushal V. Patel, MD, Scott and White Memorial Hospital, Temple, TX

Hemoglobin Trends After Primary Total Hip And Knee Arthroplasty: Are Daily Post-Operative Hemoglobin Phlebotomies Necessary?

Elizabeth Polfer, MD, Walter Reed National Military Medical Center, Washington, DC Split-Thickness Skin Grafts For Residual Limb Coverage And Preservation Of Amputation Length

Rabah Qadir, MD, Ochsner Clinic Foundation, New Orleans, LA

Infection Rate In Total Knee Arthroplasty In "High Risk" Patients Using Antibiotic Bone Cement: Preliminary Results

## **Thank You Annual Meeting Exhibitors**

The Southern Orthopaedic Association would like to thank the grantors and exhibitors of the Southern Orthopaedic Association's 30th Annual Meeting. Without the unrestricted educational support of the companies listed below, we would not have been able to provide this conference.

## **PLATINUM** Arthrex, Inc. - Grantor

## GOLD Cadence Pharmaceuticals, Inc. ConvaTec

## SILVER

Zimmer - Grantor

## BRONZE

Medtronic Advanced Energy Stryker Orthopaedics – *Grantor* 

### COPPER

Aesculap Implant Systems Auxilium Pharmaceuticals, Inc. BioMarin Pharmaceutical Inc. Brainlab CeramTec Medical Products ConforMIS DePuy Synthes Joint Reconstruction DePuy Synthes Mitek Sports Medicine DJO Global Exactech, Inc. Ferring Pharmaceuticals, Inc. Lumitex MD MAKO Surgical Corp. Nutramax Laboratories, Inc. Orthosonice Ltd. Paramed Medical Systems ProScan Reading Services Smith & Nephew, Inc. SuccessEHS Synthes Tornier, Inc.

American Association of Orthopaedic Surgeons (AAOS) American Surgical Specialties Co. Automated Healthcare Solutions BBL Medical Facilities Biocomposites BioD, LLC Bloxr Corporation DeRoyal Industries, Inc. EOS Imaging

#### **EXHIBITOR**

Exscribe, Inc. HCA Physician Recruitment JJ International Instruments Kinex Medical Company, LLC MDPO, LLC Medical Compression Systems, Inc. Medical Protective MXR/SourceOne OREF Ortho-Preferred Orthotechnik, LLC Pacira Pharmaceuticals, Inc. Pivot Medical Precision Spine Shukla Medical Skeletal Dynamics SUN Teleradiology Systemedx VirtaMed AG Wright Medical Technology



## The Financial Contract Every Practice Must Have...And Very Few Do

David B. Mandell, JD, MBA & Jason M. O'Dell, MS, CWM

A medical practice owner should spend some of his/her time working ON the practice, not just IN the practice. We know this because we have our own practice ourselves. However, even if the owner works "on" the practice; if they ignore one fundamental legal contract, all of his/her work may be in jeopardy – as a single bad event could wipe out everything they have worked so hard to build.

When a physician dies, their family members will only get that doctor's share of the outstanding accounts receivable, if that. Their family members will get nothing from a physician's hard work in building the practice – as they typically can't even own the medical practice shares and thus have no way to negotiate any buyout at all. If you're concerned about this for your family, this contract is crucial.

Even if you're not concerned about your family...what about the practice itself? Consider what would happen to the practice if a key partner becomes disabled – suddenly, the practice is a lot less profitable – as it has the same expenses but less income because one partner can't treat patients.

Unless these issues – and other important ones -- are addressed in advance, financial havoc can ensue any time a partner dies, becomes disabled or even retires. The way to address these issues is through a properlyfunded buy-sell agreement.

#### **Buy-sell basics**

There are various types of buy-sell agreements, which will be discussed below. Nonetheless, there are some basics regarding all buy-sell agreements that can apply to any type of business – specifically the benefit that different stakeholders can gain when one is in place. Buy-sells can be used for corporations (both S and C corporations), partnerships, limited partnerships, limited liability companies (LLC) and other forms as well. For these discussions, we will use the words "business owner" generically to mean any type of business owner (i.e., shareholder in a corporation, partner in a partnership, member in a LLC, and so on).

## A. Benefits to the business and remaining owners

From the standpoint of the business and remaining partners, a properly planned buysell agreement will provide the orderly continuation of the ownership and control of the business upon the happening of certain events, including:

- A death or disability of any owner
- The desire of any owner to sell his/her ownership share
- Divorce of any owner
- Bankruptcy of any owner, or other situation where creditors may have rights to ownership

The buy-sell agreement can prevent unwanted outsiders from becoming owners and eliminate the need for negotiation with surviving spouses and/or children. The agreement may also perform the role of a succession plan, providing for continuity or orderly succession of business management. Furthermore, as discussed below, the buysell agreement is often used in conjunction with life and disability insurance policies to effectively provide liquidity for the business to purchase outstanding ownership interests.

This in effect guarantees that the remaining owners will continue to control the business and be able to participate in the future growth of the business while also preventing a competitor from purchasing ownership interests from a retired, disabled or deceased owner, or their families. This guarantees continuity of management in the business, which makes the business more attractive to customers, creditors, and employees alike.

#### B. Benefits to each owner

From the standpoint of a living business owner, the agreement can provide the individual partner with an opportunity to negotiate and obtain the fairest and best price for his or her share of the business. Furthermore, in the case of retirement or disability, the agreement can be a source of additional funds for each owner.

#### C. Benefits to family members

For a deceased owner's family, the existence of the buy-sell can assure the family or estate a liquid asset rather than an interest in a private business. In a medical practice, physicians cannot leave it to their families unless they too are physicians, essentially not leaving their family any interest in the business. This is the only business that has this consequence. This is why a practice owner *must* have a buy-sell agreement in place with their partners clearly stating what each partner's family will receive from the surviving partner upon time of death or disability. This is fair and it is the right thing to do.

#### **Funding the Agreement**

Where the agreement contemplates a buysell transaction at the time of an owner's death or disability, insurance policies are generally recommended to fund the transaction. There are many reasons for this, including the following:

- Insurance policies pay a pre-determined amount, with proceeds available at exactly the time when they are needed as a funding source
- Proceeds will be available regardless of the financial state of the practice at that point (so long as premiums have been paid)
- The business "leverages" the cost of premiums to create the proceeds; thus, it costs the business less to buy insurance than to save money in a special buy-out fund

### Money Matters continued

- The economic risks of early death or premature disability of any owner are shifted to the insurer
- Insurance proceeds are paid to the family income-tax free
- If retirement is also a contemplated buyout event, whole-life or universal-life policies can allow large cash values to accumulate, providing the retiring owner with a cash-out

If the payment contemplated under the agreement is not a lump sum cash payment at closing or is a periodic payment other than through a disability insurance policy, it is important to consider some type of security arrangement for the departing owner. These might include personal guarantee from remaining owners, mortgages or security interests in real estate, a bank standby letter of credit, or even collaterally assigned life insurance. The key here, of course, is what is negotiated upfront between the various owners-ideally-before there is an idea of who may die, be disabled, retire, or divorce first. This way, each owner will be unprejudiced in determining a fair buy-out.

## Disability: The overlooked reason for the buy-sell

Buy-sell agreements receive a lot of attention when used to deal with the death of a business owner. However, something equally important and much more likely is that before any owner dies, he or she will become permanently disabled.

Business owners may need two-way protection in the event of disability. First, they have to consider providing for adequate income to meet routine personal expenses including increased medical expenses through a disability income program. Then, they must protect the value of their ownership interests, which can most easily be accomplished by expanding a buy-sell agreement to cover the risk of total disability.

An owner's disability may jeopardize the continued existence of the business. Similar

to a death or retirement that has not been adequately provided for; the loss of a business owner due to total disability can create the following hardships:

- Impair credit standing and cause forced sale at a distressed price
- Necessitate sale to parties not compatible with the interests or philosophies of remaining management
- Reduce employee morale because the future of the business may be in doubt
- Cause economic hardships to the business if a totally and permanently disabled owner continues as an employee
- Create future problems if a totally disabled owner retains a decision-making position
- Impose adverse tax consequences

#### The need for a coordinated team

Creating a buy-sell arrangement that fits a particular business requires expertise and experience. Expertise in areas of corporate and business law, tax law, insurance products, health care law and valuation are all absolute requirements. Just as important is experience in dealing with different owners and being able to negotiate and draft an agreement that meets the needs of all parties involved.

Too often, doctors make two key mistakes in deciding who should oversee the creation of a buy-sell arrangement. First, they chose their "lawyer friend" to create the strategy and draft the document rather than an expert in the area. Second, they do not have a coordinated team to implement the plan. Ideally, a coordinated buy-sell team would involve an attorney experienced in creating these arrangements and a life or disability insurance professional who has worked on these issues before—especially with first-todie life insurance.

#### **Plan early**

As with any legal or insurance planning, the early bird is richly rewarded. No place is this more true than in buy-sell planning. The reason is not economic, but political. If this planning is done before an owner is close to disability, divorce, retirement or death, then all owners are in the same position relative to each other. That makes the negotiation of a standard deal for all owners a much easier and smoother process. On the other hand, if owners wait until one wants to retire, is very sick, or is about to get divorced, then these negotiations can be acrimonious. To avoid these problems, consider a buy-sell arrangement as soon as possible and begin the process with an experienced advisory team. Physicians and their practice will be much better off for your efforts.

David B. Mandell, JD, MBA, is an attorney and author of five national books for doctors, including *FOR DOCTORS Only: A Guide to Working Less & Building More*, as well a number of state books. He is a principal of the financial consulting firm OJM Group (www.ojmgroup.com) along with Jason M. O'Dell, MS, CWM, who is also a principal and author. They can be reached at mandell@ojmgroup.com or 877-656 4362.

Disclosure: OJM Group, LLC. ("OJM") is an SEC registered investment adviser with its principal place of business in the State of Ohio. OJM and its representatives are in compliance with the current notice filing and registration requirements imposed upon registered investment advisers by those states in which OJM maintains clients. OJM may only transact business in those states in which it is registered, or qualifies for an exemption or exclusion from registration requirements. For information pertaining to the registration status of OJM, please contact OJM or refer to the Investment Adviser Public Disclosure web site (www.adviserinfo.sec.gov).

For additional information about OJM, including fees and services, send for our disclosure brochure as set forth on Form ADV using the contact information herein. Please read the disclosure statement carefully before you invest or send money.

This article contains general information that is not suitable for everyone. The information contained herein should not be construed as personalized legal or tax advice. There is no guarantee that the views and opinions expressed in this article will be appropriate for your particular circumstances. Tax law changes frequently, accordingly information presented herein is subject to change without notice. You should seek professional tax and legal advice before implementing any strategy discussed herein.



Southern Orthopaedic Association 110 West Road, Suite 227 Towson, MD 21204-2136 E-mail: info@soaassn.org

## Do You Know a Qualified MD or DO Orthopaedic Colleague Who Is Not a SOA Member?

### New Member Incentive

Refer and sponsor **one** new member and receive 1/2 off the registration fee for the next annual meeting.

Refer and sponsor two new members and the registration fee for the next meeting is waived.

Completion of an accredited residency program and privileges to practice as an orthopaedist in a local hospital are the requirements for both MD and DO candidates.



Apply for membership online at www.soaassn.org or call 866-762-0730 and ask for an application.

## **Member Benefits:**

- » 24 FREE CME credits per year through the Journal of Surgical Orthopaedic Advances (JSOA)
- » Free subscription to the Journal of Surgical Orthopaedic Advances (JSOA)
- » Free 10-credit Self Assessment Exam
- » Eligibility to participate in Ortho-Preferred®, a professional liability insurance program exclusively for orthopaedic surgeons
- » Substantial member discounts to SOA annual meetings
- Registration fee discounts to other regional society meetings
- » Free subscription to official SOA newsletter— *The Tibia Tribune*
- » Awards and professional recognition