

Tibia-Tribune

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President's Message

Fred Flandry, MD, FACS



Dear Colleague,

Congratulations to T. Moorman for a job well done this past year. The Annual Meeting at the Greenbrier was an incredible

success and Lynne organized a fantastic social program that was enjoyed by everyone. Alison Toth and her program committee put together a tremendous scientific program, with 66 abstract podium presentations, 4 symposia, and 44 poster presentations for a total of 27.75 available AMA category 1 CME credits.

The 30th Annual Meeting of the Southern Orthopaedic Association will be held at The Breakers, in Palm Beach, Florida, July 17-20, 2012 and I would like to take this opportunity to extend to you and your family my

personal invitation to attend. I have been affiliated with SOA since its founding in the early 1980s and am truly honored to have been chosen to serve as this year's President. The 30th Anniversary, our "Pearl" anniversary, should be a milestone for any organization and I pledge that our Annual Meeting this year will be a pearl to remember.

Matthew Matava, MD is this year's Program Chair and together we are off to a great start in crafting a program of high scientific merit. The program will be a balance of practical information for the surgeon in private practice, and a variety of thought provoking seminars. Also, with the leadership of T. Moorman, we plan to offer the inauguration of our annual program to facilitate the completion of SAEs necessary for your MOC requirements.

James R. Andrews, MD will be honored as this year's Distinguished Southern Ortho-



paedist. Dr. Andrews name is synonymous with sports medicine and he has truly reshaped the discipline of arthroscopy and care of the throwing athlete. Tom Price, MD an orthopaedic surgeon and the 5th ranking Republican in the US House of Representatives, will be my Presidential Guest Speaker. His insights on federal initiatives to reshape healthcare are revealing. Reinhold Schmieding, the founder of Arthrex Inc. and a man who has helped refine the practice of arthroscopy, will speak on the evolution of an industry leader.

The Breakers is rich in history and long on luxury. Every room and corridor is a work of

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Self-Assessment Exam Available at Annual Meeting

The SOA is working extremely hard to bring a very valuable benefit to its members and all attendees at the SOA Annual Meeting. The SAE (Self-Assessment Examination) Team, chaired by Dr. Claude T. Moorman III, is preparing a program that will provide 10 SAE CME credits that are required for every doctor's MOC (Maintenance of Certification).

In fact, SOA can help you navigate through *all* of the necessary educational requirements to satisfy your MOC obligations. For each three-year cycle, you need 120 Category 1 CME credits, 20 of which are SAE credits. Your yearly SOA membership provides over 40 Category I CME credits

through the complimentary *Journal of Surgical Orthopaedic Advances*, and the Annual Meeting, as well as 10 SAE credits through the Exam. The first six years of MOC requirements can be satisfied just by using your membership benefits and participating in the SOA meeting!

The SAE program will be embedded in the Annual Meeting Scientific Program. This means you can earn valuable CME credits while attending the meeting sessions and prepare for the exam at the same time. So come to the Annual Meeting prepared to satisfy your MOC requirements. The cost is significantly less for SOA members than other programs!

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John McGraw Elected AAOS Vice Chairman Board of Councilors

We are pleased to announce that John J. McGraw, MD, Past President of the Southern Orthopaedic Association, has been elected to serve as the Vice Chairman of the AAOS Board of Councilors. Dr. McGraw has served as Secretary of the Board of Councilors and was regional representative for the Southern Orthopaedic Association for three years.

Dr. McGraw received his medical degree from the University of Mississippi Medical School in 1978. He completed a surgical residency at Spartanburg General Hospital

in South Carolina in 1979 and an orthopaedic residency at St. Louis University Hospital in 1985. He currently practices with the Knoxville Orthopedic Clinic in Jefferson City, Tennessee. Dr. McGraw also serves as a Colonel in the Armed Forces and has spent some time serving in Kosovo. Dr. McGraw belongs to numerous professional associations and was President of the Southern Orthopaedic Association in 2007-2008. He has several academic appointments and is very involved with his community. He and his wife, Ann, have two children and two grandchildren.

President's Message continued

art and the service is sublime. Only minutes from the airport, travel couldn't be easier. The resort boasts something for everyone. Built literally on the beach, the ocean and waterfront activities are only steps away and the waterfront cabanas are a perfect retreat for your family for a day on the beach. Golf and tennis facilities are excellent. Dining is multifaceted and there is even a children's club. Though excellent boutiques abound on site, the famed Worth Avenue in Palm Beach is only a short cab ride from the hotel and should more than satisfy any shopping desires. My wife, Donna, is busy at work on a spouse hospitality program to include a spouse and family welcome reception and a Lilly Pulitzer fashion show.

The meeting will kick off with a Welcome Reception on Thursday night. Traditionally a family event, join us for an abundance of Feast and Fellowship as old acquaintances

are renewed and new ones formed. Capping off the evening, we will feature a return of the Southern Orthopaedic Band, or SOB as they prefer to be called. Friday night we will toast our vendors with a wine and cheese reception in the exhibit area. Saturday night, we will conclude with our traditional Gala Dinner Dance, always a spirited event. A host of daytime social activities are also available, including golf, tennis, skeet, scuba, snorkeling, deep-sea fishing, sailing, and a variety of tours and local events.

Donna and I look forward to a successful year, and seeing everyone at the Annual Meeting.

Sincerely,

Fred Flandry

Fred Flandry, MD, FACS
2012-2013 President

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.

Meet SOA's New Board Members



Ana K. Palmieri, MD

Dr. Ana Palmieri has been a member of SOA since 1999 when she finished her residency at Campbell Clinic with the University of Tennessee. She completed her undergraduate work at the University of Tennessee in physical therapy. She completed her medical degree and her internship in general surgery, both at UT. She is presently in solo practice in Collierville, Tennessee as a general orthopaedic surgeon and is honored to be the first

female on the SOA Board. She has continued to teach as a clinical professor at the University of Tennessee Department of Physical Therapy and mentors to college and high school students. She is presently involved in studying the use of amniotic stem cells for treatment of tendonopathy. She enjoys family, travel, and her community. She has been married to Richard Neel for 16 years and has a daughter, Eva Marie, who is 13, and loves going to the Annual Summer SOA Meetings!



H. Clayton "Clay" Thomason III, MD

H. Clayton Thomason III, MD "Clay" is president of Carolina Orthopaedic and Sports Medicine Center, PA, in Gastonia, North Carolina. He completed medical school at the University of North Carolina at Chapel Hill, and followed with his residency in orthopaedics there as well. He joined his current practice in 2000, after completing his residency. He has numerous publications and presentations.

Dr. Thomason is a general orthopaedic surgeon in private practice whose focus is on adult reconstruction. The majority of his

case load consists of hip and knee arthroplasty, shoulder arthroplasty, revision hip and knee arthroplasty, and computer assisted knee arthroplasty. The rest of his practice consists of fracture care, sports medicine including knee and shoulder arthroscopy, and minor hand surgery.

He is very involved in local and state organizations, and is president-elect for the North Carolina Orthopaedic Association. Dr. Thomason is also extremely active within his local hospital, serving in such leadership roles as Chief of Orthopaedics, Chief of Surgery, and most recently Chief of Staff in 2010. He is currently involved in a pilot program for bundled knee payments with Gaston Memorial Hospital and local indus-

Upcoming SOA Meetings



Southern at the SEC: Sports Injury Update 2013

March 14-16, 2013
Sheraton Music City Hotel
Nashville, TN



30th Annual Meeting

July 17-20, 2013
The Breakers Hotel
Palm Beach, FL

James A. Nunley II, MD Elected SOA AAOS Board of Councilors



James A. Nunley II, MD was elected during the Annual Meeting at The Greenbrier to serve as the Southern Orthopaedic Association's AAOS Board of Councilors Representative for the next three years.

He will be included in the AAOS BOC orientation at their Annual Meeting this March in Chicago.

Dr. Nunley is currently the Chairman of the Department of Orthopaedic Surgery at Duke University Medical Center in Durham, North Carolina. He received his medical degree from Tulane University Medical School in 1973. He completed an internship and general surgery residency at UCLA Hospital in 1975, followed by an orthopaedic residency and hand and microvascular surgery fellowship at Duke University Med-

ical Center. Dr. Nunley has received numerous awards, belongs to several professional associations and was President of the Southern Orthopaedic Association in 2008-2009.

He and his wife, Elise, have three children, Ryan, Stephanie and Jefferson. He enjoys hunting, golf, and fishing.

Southern at the SEC: Sports Injury Update 2013

You are invited to attend "Southern at the SEC" presented by the Southern Orthopaedic Association. Leading orthopaedists will present the latest clinical findings and techniques in treating sports injuries and related conditions. Through the combination of lectures, panel discussions, and audience involvement, you will be able to earn 9.25 Category 1 CME credits.

The program is scheduled to take place March 14-16, 2013 at the Sheraton Music

City Hotel in Nashville, Tennessee during the SEC Men's Basketball Tournament. SOA has reserved SEC Basketball Tournament Tickets for registered attendees staying at the Sheraton Music City Hotel. Make your reservations early, as tickets are limited.

Visit the SOA website at www.soaassn.org to register. Hotel group rate is available until February 15, 2013. Call 615-885-2200 to make reservations.

2013 Program Committee

Scott D. Mair, MD, Chair
Jeffrey A. Guy, MD, Vice Chair
Darren L. Johnson, MD
Champ L. Baker Jr., MD
Robert G. Hosey, MD



Featured Speakers



John E. (Jed) Kuhn, MD

Dr. John E. (Jed) Kuhn is Associate Professor of Orthopaedics and Rehabilitation and Chief of Shoulder Surgery at Vanderbilt University Medical School in Nashville, Tennessee. He received his medical degree from The University of Michigan Medical School.

His residency training and internship took place at The University of Michigan Health System. Dr. Kuhn did two fellowships, one in Ilizarov techniques in Lecco, Italy and a fellowship in orthopaedic sports medicine and shoulder surgery at The Steadman Hawkins Clinic in Vail, CO.

Dr. Kuhn is team physician, Vanderbilt University Athletics and team physician, Nashville Sounds Baseball Team, AAA affiliate of Milwaukee Brewers, Nashville, TN. He is National Football League Players Association consulting physician and head team physician, Nashville Predators Ice Hockey Team, NHL in Nashville.



J. W. Thomas Byrd, MD

Dr. J. W. Thomas Byrd has been practicing his passion, orthopaedic surgery, for the last two decades. Dr. Byrd's specialty in arthroscopic techniques emphasizes less invasive surgery for a potentially easier and quicker recovery. He received his undergraduate degree from the University of Miami, graduating magna cum laude. He obtained his medical degree from Vanderbilt University and performed

his orthopaedic training at the University of Louisville. Dr. Byrd participated in fellowship training programs in two specialty areas of orthopaedics. The first, sports medicine and arthroscopic surgery under Dr. James Andrews in Birmingham, Alabama, has remained the focus of Dr. Byrd's career. Additionally, Dr. Byrd gained fellowship training in joint replacement and reconstructive surgery at New England Baptist Hospital in Boston.

Dr. Byrd is team physician for the Tennessee Titans and has served as physician for the U.S. Olympic Team. He is a consulting orthopaedic surgeon for numerous professional sports franchises from the NFL, NHL, NBA, WNBA, and MLB, as well as the ATP professional tennis tour. For twenty years, Dr. Byrd also served as team physician for area universities including Trevecca Nazarene University and Martin Methodist College, in addition to numerous high schools, and attending physician to the Nashville Ballet.



Angus M. McBryde Jr., MD, FACS

Dr. Angus M. McBryde Jr. currently practices at the University of South Carolina in Columbia, SC. He received his medical degree from Duke University in 1963. An internship and junior assistant residency followed at the University of Pennsylvania. He then served two years in the U.S.

Navy, including a year in Vietnam, followed by a residency at Duke. From 1977-1979 he was Medical Director of The North Carolina Orthopaedic Hospital (NCOH) in Gastonia, NC. In 2000, he joined the University of South Carolina faculty as a professor. As USC Sports Medicine Director, he initiated and developed sports coverage for the University and surrounding areas.

Dr. McBryde served as team physician at the World Games in Zugreg, Yugoslavia, in 1987, the Summer Olympic Games in Seoul, Korea in 1988, and the Olympic Games in Atlanta, GA in 1996. He was Chairman of the North Carolina Governor's Council on Physical Fitness from 1989-1991 and received the prestigious North Carolina 'Order of the Long Leaf Pine' from Governor Jim Martin.

Southern Orthopaedic Association *presents*



Southern at the SEC: Sports Injury Update 2013



March 14-16, 2013
Sheraton Music City Hotel
Nashville, TN

FEATURED SPEAKERS

*J.W. Thomas Byrd, MD
John E. (Jed) Kuhn, MD
Angus M. McBryde Jr, MD, FACS*

www.soaassn.org

Recap of the 29th Annual Meeting

The 29 Annual Meeting was an fantastic success, with an excellent scientific program. Program Chair Dr. Alison P. Toth and the SOA Program Committee did an exceptional job of creating the 2012 Scientific Program. Highlights included an interesting and informative presentation by Presidential Guest Speaker Richard T. Hawkins, MD, "The Journey;" Dr. Claude T. Moorman III's Presidential Address, "Signposts from the Adventure" was revealing; and the Distinguished Southern Orthopaedist Dr. Angus M. McBryde Jr.'s presentation, "The Then and Now" was fascinating.

The meeting kicked off with a Welcome Reception in the historic Bunker that is carved deep into the mountainside, which gave everyone a chance to visit with old friends and colleagues. The following evening began with the Exhibitor and Poster Reception before everyone went off on their own to enjoy all The Greenbrier had to offer for the evening. The meeting was brought to a close with a fantastic Gala Dinner Dance.

It was a sensational meeting and we thank all who attended. If you missed it, view the 2012 West Virginia pictures on the SOA



website at www.soaassn.org and see what a great time was had by all.

We look forward to seeing you next year, at the 30th Annual Meeting, July 17-20, 2013, being held at The Breakers in Palm Beach, Florida.



29th Annual Meeting • July 18-21, 2012 • White Sulphur Springs, WV



Thank You Annual Meeting Exhibitors

The Southern Orthopaedic Association would like to thank the grantors and exhibitors of the Southern Orthopaedic Association's 29th Annual Meeting. Without the unrestricted educational support of the companies listed below, we would not have been able to provide this conference.

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How to Overcome “LCD” Planning in a Group Practice

Carole C. Foos, CPA

Jason M. O'Dell, MS, CWM

In today's medical economic environment, many physicians are attracted to the seeming “comfort” of a large group practice. However, larger groups often fail to react quickly and plan against challenges. In the vast majority of group practices with more than 3 or 4 physicians, they suffer from what we will call “lowest common denominator” or “LCD” planning. LCD planning occurs when the practice will only implement the asset protection, tax-reduction, qualified or non-qualified planning techniques that everyone can agree on. This is not surprising -- as doctors are notoriously independent, intelligent and very busy. There are often too many opinions and distractions for a group of doctors to unanimously agree on anything other than the simplest (and least beneficial) strategies.

We have spoken to thousands of doctors who are frustrated with their practice's LCD planning. The very physicians who want to implement more advanced and beneficial planning ideas are usually the same ones who are doing most of the work and generating most of the revenue for the practice. They are often “caught in the middle” in their practices. Their younger partners are usually busy paying off student loans or paying for a big new house. They can't afford to fund retirement tools that may reduce taxes because they need every dollar they earn. The older doctors have the “if it ain't broke, don't fix it” mentality. The problem is that under the new medical economic environment, it is “broke.” The old ways cannot continue to be standard operating procedure.

If you are a physician who would like your group to consider more proactive planning, this article is for you. It introduces a few concepts that can be implemented to help

you avoid LCD planning and address these significant financial threats. We have seen these techniques work for solo practitioners up to very large groups. If any of these techniques are of interest to you and you would like to know more about how it may work for you, please do not hesitate to contact us for a free consultation.

1. Use a “Hybrid” Benefit Plan

If you are in a LCD situation, you should consider using a hybrid benefit plan in addition to a traditional qualified plan (401(k), profit-sharing plan, money purchase plan or defined benefit plan). The main attraction of a hybrid benefit plan created under new pension rules is that each physician can choose the amount he or she wants to contribute in the plan formula. This can vary from \$150 to \$100,000 per year.

This simple plan can be implemented for a one-entity medical group with one, two or even dozens of doctors. Other benefits of this type of plan include:

- Utilization of the plan in addition to a qualified plan like pension, profit-sharing plan/401(k) or SEP IRA;
- Contributions can qualify for current tax deductions;
- The plan acts as an ideal “tax hedge” technique against future income AND capital gains tax increases;
- Balances can grow in a top asset protected environment;
- Employee participation requires a minimal funding outlay; and
- There are no minimum age requirements for withdrawing income (no early withdrawal penalties).


2. Employ a More Flexible Corporate Structure

The plan above is the only significant plan a practice with a “one entity structure” (P.C., P.A., etc.) can utilize. This one entity structure promotes LCD planning gridlock. A common way to solve this problem is to alter the practice's legal structure so that it allows individual physicians their own planning flexibility, without disrupting their day-to-day operations or requiring new insurance contracts or Medicare provider numbers.

In the typical medical group structure, there is one legal entity – like a corporation, LLC, or professional association (PA). Physicians are either owners of the entity (informally referring to themselves as “partners”) or non-owner employees. In all such cases, the physicians have no ability to separate themselves from the central legal entity. If the central entity does not adopt a planning strategy, no individual doctor has any flexibility to adopt beneficial corporate planning strategies for his or her benefit.

If this is the case in your practice, you might consider a superior structure. Doctors can own their share of the practice through their own professional corporations (PCs) or PAs. In this way, the group is paid by the insurers, pays its bills and overhead and then pays the physicians' PCs – best through 1099 independent contractor income. For the physicians who want to implement planning strategies beyond LCD, they may do so through their own individual PCs without any impact to partners' planning or operations. The strategies will be implemented at each doctor's PC level, leaving the central entity and its operations unchanged. We have seen this strategy

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Southern Orthopaedic Association's 30th Annual Meeting

July 17-20, 2013
The Breakers Hotel
Palm Beach, FL

Register online at www.soaassn.org today

Money Matters continued

used successfully in some of the largest medical practices in the United States.

3. Bring in an Expert

In our interactions with over 1,000 physicians each year, we find the most common hurdle to implementing advanced planning to be planning gridlock. Unfortunately, most find no solution to this dilemma as their practice planning gridlock is what stops them from creating a structure that allows them to avoid gridlock – a Catch-22. Because of practice politics, the doctors who are able to navigate past the gridlock generally have the help of outside experts (with whom none of the partners or other legal or tax advisors have any negative history). Experts in the fields of tax, benefits planning and corporate law have the credibility and expertise that increase the probability that you will be able to convince your partners to “see the light” in a way that fellow physicians cannot. These advisors can often explain the suggested structure from

attorney-to-attorney or CPA-to-CPA so that the local advisors are on board, agreeable and involved in the planning. Often, we are asked to play such a role and are honored to be chosen to help physician practices. Whether you contact us or another advisor or firm that specializes in this type of planning, we strongly urge you to consider bringing in an expert to speak to your group to initiate productive discussions.

Conclusion: Push Your Partners Now!

Financial success in the practice of medicine is harder than ever. Even if you are grappling with financial gridlock in group practice, you can explore advanced planning options to address these challenges. Share this article with your partners and order them a free copy of our new book (see below) so they can become aware of the threats and potential solutions. The authors welcome your questions. You can contact them at (877) 656-4362 or through their website www.ojmgroupp.com.

***SPECIAL OFFER:** For a free (plus \$10 S&H) copy of the second edition of For Doctors Only: A Guide to Working Less and Building More, please call (877) 656-4362.*

Jason O'Dell is a consultant, author of two books for doctors, and principal of the financial consulting firm OJM Group, where Carole Foos works as a CPA and tax consultant. They can be reached at 877-656-4362.

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Smart Retirement Planning for Physicians

Brought to you by Somerset CPAs, P.C.



It's never too early to think about retiring. Even if you are still struggling to pay off your medical school loans or are wondering where the money will come from to send your own children to college, retirement planning is important. As a physician, you are probably well aware that people are living longer, more active lives. It makes sense to start as early as possible to plan, save and invest for what could be a very long retirement.

To assist you in your planning, here's an overview of tax-favored retirement plans that may be practical for a medical practice.

Defined Benefit Plan

A defined benefit plan, usually referred to as a traditional pension plan, promises to pay a specific monthly retirement benefit to participants for as long as they live. The employer has to make annual contributions to the plan that will be sufficient to fund the promised benefits, which may be calculated based on a formula that includes such factors as age, years of service with the employer and salary. For example, a pension benefit may be equal to a stated percentage of your average salary for the last five years of employment times your total years of service.

One of the primary attractions of a defined benefit plan is that it permits higher contributions for participants who are older since there is less time to fund the promised retirement benefit. This can be a plus for physicians who may have held off starting a retirement plan until their practice became more firmly established. The maximum annual benefit that can be funded under a defined benefit plan is currently \$200,000 (2012 inflation-adjusted limit).

One potential negative associated with a defined benefit plan is that the regulatory, filing and actuarial requirements are significant, making this type of plan relatively expensive to administer.

Opting for Flexibility

Unlike a defined benefit plan that promises a fixed retirement benefit to participants, the benefits that a participant in a defined contribution plan receives at retirement will be determined by the participant's individual plan account balance. This amount is based on employee or employer (or both) contributions to the plan and account gains or losses. Maximum "annual additions" (generally employee and employer contributions) to a defined contribution plan account for 2012 are \$50,000.

There are several types of defined contribution plans. Some of the more common ones are:

- Profit sharing plans. This type of plan allows discretionary annual employer contributions.
- 401(k) plans. This popular plan allows employer contributions and employee salary deferrals. The 2012 elective deferral limit is \$17,000, plus a \$5,500 limitation on catch-up contributions for those age 50 or older.

Other Types of Retirement Plans

- SIMPLE IRA plans. A Savings Incentive Match Plan for Employees can be an attractive option if you have 100 or fewer employees and want to offer employee pretax salary deferral contributions. Generally, SIMPLE plans

have low administrative costs and start-up expenses compared to other retirement plans. They also have minimal filing and compliance requirements.

- Simplified Employee Pension IRA (SEP-IRA) plans. As the employer, you can make annual contributions for each eligible employee that are generally tax deductible. However, the SEP-IRA gives you flexibility to change the amount you contribute based on your practice's financial performance. This type of flexibility allows you to conserve your cash when practice revenue is in a downturn and resume contributions in years when business improves.

Health Care Commentaries is provided by Somerset's Health Care Team for our clients and other interested persons upon request. Since technical information is presented in generalized fashion, no final conclusion on these topics should be made without further review. For additional information on the issues discussed, please contact a member of our Health Care Team. This document is not intended or written to be used, and cannot be used, for the purpose of avoiding tax penalties that may be imposed on the taxpayer.

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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.

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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.