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2012 Annual Report



AAO-HNS



AMERICAN ACADEMY OF
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HEAD AND NECK SURGERY



AMERICAN ACADEMY OF
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HEAD AND NECK SURGERY
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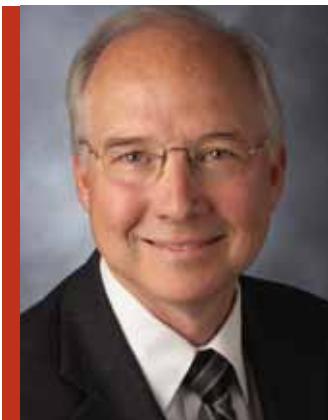
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A Message from the Leadership: Accelerating Through Advanced Technology



Rodney P. Lusk, MD
AAO-HNS/F President



David R. Nielsen, MD
AAO-HNS/F EVP/CEO

In March of my presidential year, I could already see that the year would be a productive one. I commented on the development of a new clinical practice guideline on sudden hearing loss, the expert outreach materials we developed for World Voice Day 2012, and the planning of a new scientific miniseminar on sleep disorders that was to be offered during our AAO-HNSF 2012 Annual Meeting & OTO EXPO. I wrote in my *Bulletin* column that, “Exciting things are happening...that reflect both a powering up of planned strategic activity and an ongoing progression to deliver quality programs and services for our members.”

About six months later, at the conclusion of my year, I could indeed say the Academy and its Foundation made good on their commitment to bring you products and services, those resources that you need to provide safe, effective, patient-centered, timely, efficient, and equitable care for patients. I proudly announced at our annual meeting that “Acceleration through Advanced Technology” resulted in a long list of tools to help physicians and patients.

My colleague and partner, AAO-HNS/F EVP/CEO **David R. Nielsen, MD**, speaks eloquently about the success of the AAO-HNS/F this year, stating, “We have experienced unprecedented success in this last year, financially, operationally, and strategically. The confluence of changes in our healthcare delivery environment, the advancements in science and technology, and the explosion of social media have created an unparalleled opportunity for our organization to push strategically forward.”

He acknowledged that while the opportunity to push forward has come from the dramatic increase in digital and electronic media and technology accelerators, the organization made use of those tools to significantly influence the Academy’s effectiveness in communications, in new product development, and in fostering more connectivity among us.

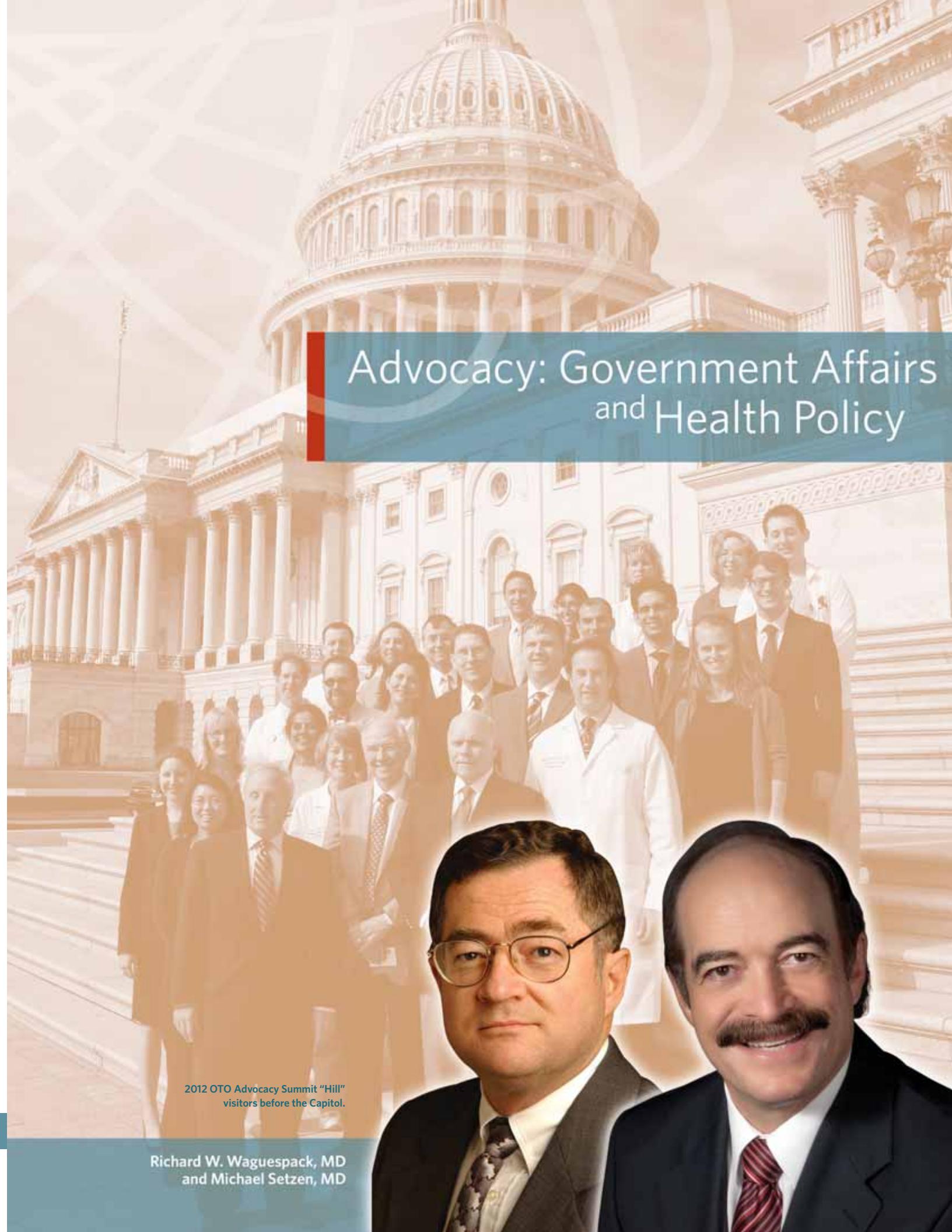
Dr. Nielsen and I stand together to attest that the essential element to provide the impetus for such major accomplishment, that may be less obvious and yet most important, is and has been the incredible guidance and trust of our leaders and members that motivate, inspire, and drive us forward.

The leadership, members, and our professional staff of this organization have created an environment for embracing strategic empowerment and innovation. In these next pages, you will see a small representation of these wonderful leaders linking them to the strategic areas they have influenced.

It is these leaders and those not shown who power the movement forward. The leaders and the products that emerged from their vision together on these pages form the centerpiece of this report.

The accomplishments and tangible products we refer to follow this introduction.

Rodney P. Lusk, MD



Advocacy: Government Affairs and Health Policy

2012 OTO Advocacy Summit "Hill"
visitors before the Capitol.

Richard W. Waguespack, MD
and Michael Setzen, MD



Advocacy: Government Affairs and Health Policy

Government Affairs

Working with our strategic goals, your AAO-HNS Government Affairs team has enhanced our legislative outreach efforts to policymakers to advance the Academy's legislative priorities and increase the general awareness of the specialty by the public. As part of this effort, more than 99 position letters were delivered to state and federal legislators on key legislative issues. We have also revised grassroots activities to recognize and incentivize involvement and leadership in our legislative and political initiatives. With the implementation of new strategic programs and the incentivized activities, we have seen positive advancement of, and increased member involvement in, a number of our legislative priorities as detailed below.

State Legislative Affairs Update

The AAO-HNS tracked nearly 800 bills at the state level, 53 of which were identified as being of particular importance to your practices and your patients. Throughout the year, the AAO-HNS, often collaborating with other national and state societies, has communicated our position in letters, testimony, and with member action alerts in the following areas:

- Protecting patient safety and opposing harmful scope-of-practice expansions by nonphysicians: 14 letters and two Action Alerts (CA, CO, NY, SD, and WV).
- Alerting state health officials and consumers about the potential dangers of online hearing aid sales: 50 letters (all states).
- Eliminating archaic prohibitions on physician dispensing of hearing aids: four letters and an Action Alert (MA and NY).

- Opposing ill-advised changes to hearing aid licensure laws: three letters (AZ).
- Defeating unfair cosmetic surgery/medical procedure taxes: two letters (CA and NJ).
- Strengthening enforcement and oversight of med spas: two letters (CA).
- Protecting effective medical liability reforms: two letters and an "Action Alert" (CT)
- Ensuring "truth-in-advertising" and transparency in patient interactions: one letter (WA).

Status Report on Federal Priorities

During each Congressional session, numerous bills are introduced at the federal level that affect the specialty or your patients. Throughout the 112th Congress, your federal team has focused on the following key areas:

Medicare Physician Payment: The AAO-HNS joined others in the physician community to lobby successfully to halt



Save the Date!

BOG & **OTO**

Board of Governors SPRING MEETING & Otolaryngology ADVOCACY SUMMIT

May 5-7, 2013 * Alexandria, VA/Washington, DC

www.entnet.org/bog&summit

a 27.4 percent cut to Medicare physician payments scheduled for January 1, 2012. Unfortunately, unless Congress acts, physicians providing care within the Medicare program will again face a 27 percent cut in payments on January 1, 2013. The effect of this cut could be compounded by an additional two percent cut in payments due to the Super Committee's failure last November to identify defense and non-defense savings (sequestration). As a result of Congress' inability to develop a permanent or longer-term solution regarding Medicare physician payments, the issue now requires additional consideration during this year's lame-duck session in November.

Repeal of the Independent Payment Advisory Board (IPAB): The AAO-HNS and others in the physician community worked to increase legislators' support for repeal of the IPAB, which was established by the Patient Protection and Affordable Care Act (ACA). As a result, 234 members of the U.S. House of Representatives co-sponsored legislation (H.R. 452)

to repeal the IPAB. The legislation was included in a package that passed the House in March, but has since stalled in the U.S. Senate. Similar repeal efforts are expected in 2013.

Truth in Advertising (TIA): H.R. 451, the Healthcare Truth and Transparency Act, continues to garner more interest and support than in previous Congresses. As of September 15, the bill has bipartisan support and 64 co-sponsors—a 700 percent increase.

Audiology Direct Access: In 2012, legislation (S. 3242) was introduced in the U.S. Senate to provide audiologists with unlimited direct access to Medicare patients without a physician referral. The bill is identical to the 2011 bill (H.R. 2140) introduced in the U.S. House. The AAO-HNS strongly opposes S. 3242/H.R. 2140 and continues to be proactive in communicating our position to Congress to successfully defeat this ill-advised legislation.

Healthcare Reform: In June, the U.S. Supreme Court released a landmark decision on the ACA. The Court's five-four decision upheld the law including the individual mandate as a tax. However, the Court limited, but did not invalidate, the Medicaid provisions insofar as the federal government cannot withhold existing funds if a state chooses not to participate in the law's new expansion requirements. Shortly after the Court's ruling, the U.S. House again voted (244-185) to fully repeal the ACA. While the U.S. Senate is not expected to consider the House-passed bill, the swift renewal of repeal activity underscores the polarity that still exists on Capitol Hill regarding healthcare reform.



By the Numbers...

AAO-HNS Legislative Advocacy in 2012

Secured **234** sponsors of legislation to repeal the Independent Payment Advisory Board (IPAB).

Lobbied successfully to halt a **27.4%** cut to Medicare physician payments scheduled for January 1, 2012.

Increased sponsorship of federal truth-in-advertising legislation by **700%**.

Delivered **99** position letters to state and federal legislators.

Spearheaded support from **116** medical groups in opposition to audiology's "direct access" efforts.

Distributed **152** updates to **1553** members of the ENT Advocacy Network.

Tracked **773** state legislative bills impacting the specialty.

Other Federal Issues: The AAO-HNS is also involved in a number of other key legislative initiatives, including protecting Graduate Medical Education (GME) funding, promoting Medicare private contracting, ensuring FDA regulation of tobacco products, and funding pediatric loan repayment programs.

Year-End Legislative Forecast: Since the 112th Congress has failed to resolve several major legislative issues, this year's lame-duck session of Congress will be intense. Congress will face numerous legislative battles, including efforts to avoid the pending sequestration cuts, avert the Medicare physician payment cut, and find consensus regarding the extension of current tax cuts.

Politics at Its Best – ENT PAC

To bolster our federal legislative advocacy efforts and enhance our influence on Capitol Hill, the AAO-HNS utilizes its political action committee, ENT PAC as one of our most effective advocacy tools. In

2012, ENT PAC launched a fresh look, including a new video, logo, and re-designed website (www.entpac.org). Thanks to the generosity of our U.S. members, ENT PAC has raised approximately \$135,000 as of September 15. These funds have been put to good use, enabling bipartisan contributions to nearly 70 fundraisers this year, and allowing staff and Academy members to affect needed policy changes.



The Political Action Committee of the American Academy of Otolaryngology—Head and Neck Surgery, Inc.

OTO Advocacy Summit

The first annual BOG Spring Meeting & OTO Advocacy Summit was held May 6-8, 2012, in Alexandria, VA, and Washington, DC. The Summit agenda included an "Insider's" analysis of the 2012 elections, a legislative briefing, remarks from Congressional and Administration policymakers, and a legal analysis of the Supreme Court's review of the ACA. The conference culminated with attendees representing 27 states and the District of Columbia participating in more than 130 Capitol Hill meetings. Save the date for next year's BOG Spring Meeting & OTO Advocacy Summit – May 5-7, 2013!

Spreading the Word through Legislative Grassroots

As of September 15, more than 150 grassroots communications have been sent to AAO-HNS members highlighting our legislative and political activities this year. Thanks to your efforts and responses to our “calls for action,” more than 3,400 messages were sent to Capitol Hill and state legislatures via our online advocacy center. Our key advocates, namely members of the ENT Advocacy Network, currently stand at nearly 1,600 strong, and their tireless efforts are greatly appreciated.

As a strategic initiative this year, we increased our ability to communicate quickly and effectively with our members through social

media platforms such as LinkedIn, Facebook, and Twitter. In addition, we are continuing to increase our participation in local/regional events hosted by elected officials, by alerting the ENT Advocacy Network of opportunities, such as townhalls, fundraisers, and campaign events. Also, at the AAO-HNSF 2012 Annual Meeting & OTO EXPO, we engaged hundreds of our members by having them sign our “Declaration of Independence from the Sustainable Growth Rate Formula” petition.

Again, thank you to all AAO-HNS members who support our legislative and political activities. We will continue to be a voice for you and your patients on Capitol Hill and in the state legislatures. To become involved or learn more about our legislative and political efforts, email govtaffairs@entnet.org or visit www.entnet.org/advocacy.

Health Policy

The Health Policy Department employs a flexible, multi-factor approach in advocating for the collective interests of all otolaryngologist-head and neck surgeons. It maintains a powerful voice in influencing regulatory, health policy, and third-party payer policies, leading to increased member awareness and involvement in these critical advocacy activities.

Outlined below are brief summaries of our most significant regulatory and socioeconomic efforts this year related to the Health Policy strategic objectives.

STRATEGY ISSUE 1

Advocate for appropriate reimbursement and fair policies with Medicare and private payers, providing members with information and guidance on reimbursement issues encountered at the state and local level.

- Successfully advocated for coverage of sinus ostial balloon dilation by Humana
- Joint effort with other hearing societies to oppose United Healthcare’s Direct-to-Consumer Hearing Aid program
- Met with Centers for Medicare and Medicaid Services (CMS) on two issues: clarifying CMS policy on referral of rehabilitative services in the outpatient department and physician supervision of stroboscopy
- Increased communications through quarterly HP Update e-newsletter with high unique open rate
- A template appeal letter drafted on balloon sinus ostial dilation
- Eleven sign on letters with coalitions advocating for appropriate policy as it relates to otolaryngology
- Five comment letters to CMS
- Nine regulatory articles published in the *Bulletin*

Federal Regulatory Advocacy Efforts

Strategy 1 Actions:

The Academy provided feedback to CMS on:

- Health policy payment and quality incentive and penalty programs, including value based payment modifier, e-prescribing, and Physician Quality Reporting Systems (PQRS) in the Calendar Year 2013 Medicare Physician Fee Schedule (MPFS) proposed regulations;
- Hospital Outpatient and Ambulatory Surgical Center payment system (HOPPS and ASC) proposed regulations for 2013; and
- Stringent CMS program requirements in the Meaningful Use Electronic Health Records Stage two criteria.

Private Payer Advocacy Efforts

Strategy 1 Actions:

Contesting Direct-to-Consumer Hearing Aids: The AAO-HNS continued ongoing third party payer advocacy efforts in support of patient safety and publicly opposed UnitedHealthcare’s (UHC’s) direct-to-consumer hearing aid sales program by:

- Submitting written comments to and meeting face-to-face with UHC and hi HealthInnovations executives at the Academy office;
- Issuing a Joint Statement with other hearing societies;
- Authoring letters to all state Departments of Health; and
- Expressing concerns about the program in a letter to the FDA and Federal Trade Commission (FTC), Bureau of Consumer Protection.

Policy on Balloon Sinuplasty: In response to comments from the AAO-HNS, Humana modified its policy on sinus ostial dilation from “Investigational/Not Medically Necessary,” to supporting physician choice when treating chronic sinusitis. The Academy continues to support members with advocacy efforts at the state level with local Blue Cross Blue Shield (BCBS) plans, and any other payers with similar policies, to allow the balloon to be used as a tool to complement a procedure. The joint advocacy efforts and collaborative efforts among the Academy’s executive leadership and physician leaders from the state Board of Governors

chapters, state otolaryngology societies, and Association of Otolaryngology Administrators has resulted in successful overturn of restrictive policies in a dozen private payer plans across the country.

STRATEGY ISSUE 2

Integrate health policy-specific priorities, using input from the Physician Payment Policy (3P) Workgroup, to maintain our visibility and credibility with national representatives regarding socioeconomic and federal regulatory issues.

- 18 responses provided to Third Party Payer medical policies, a 360 percent increase from 2011
 - Nine requests (reflected in those above) received by payers for the Academy to review draft policies
 - Nine responses to Member requests
- 20 codes RUC surveyed and presented
- Six Code Change Proposals (CCPs) submitted to AMA's CPT Editorial Panel and two CCPs commented on
- Three RUC and three CPT meetings attended by physician and staff representatives
- 18 coding guidance responses to AMA requests
- 260 responses to member inquiries on health policy related issues by Health Policy staff
- Three Health Policy Miniseminars for Annual Meeting: 3P miniseminar; ICD10 transition miniseminar; CAC miniseminar

Socioeconomic Affairs Advocacy Efforts

Strategy 2 Actions:

Template Appeal Letters: In response to Member outreach regarding private payer denials of an entire surgical session where a balloon is used for sinus ostial dilation as a component of that session, we drafted a template appeal letter to assist with these denials. In working with BCBS plans, we were able to successfully point out to BCBS Association staff that there is no reference or "common usage" policy for denying an entire session, even though CPT 31295, 31296, or 31297 were reported as components. This has proven to be a successful grounds for appeal for many of our Members and as such, the Academy has provided a template response to assist Members in appealing these types of denials. The template letter can be located at http://www.entnet.org/Practice/upload/31295_31297-Appeal-Template-Letter.docx.

Code Change Proposals (CCPs) Submitted to the AMA's CPT Editorial Panel: Since the last annual report, the Academy submitted six CCPs for the February, June, and October CPT meetings and commented on two CCPs. These included pediatric polysomnography, complex repair services, soft tissues family of codes, cerumen removal (to clarify the descriptor and reiterate that this is intended to be a unilateral procedure), laryngeal chemodenervation proposal (to divide CPT 64613 into two codes, one for spasmotic dysphonia and one for spasmotic torticollis), and dilation of esophagus codes. All of these CCPs involved joint effort with one to numerous other specialty societies.

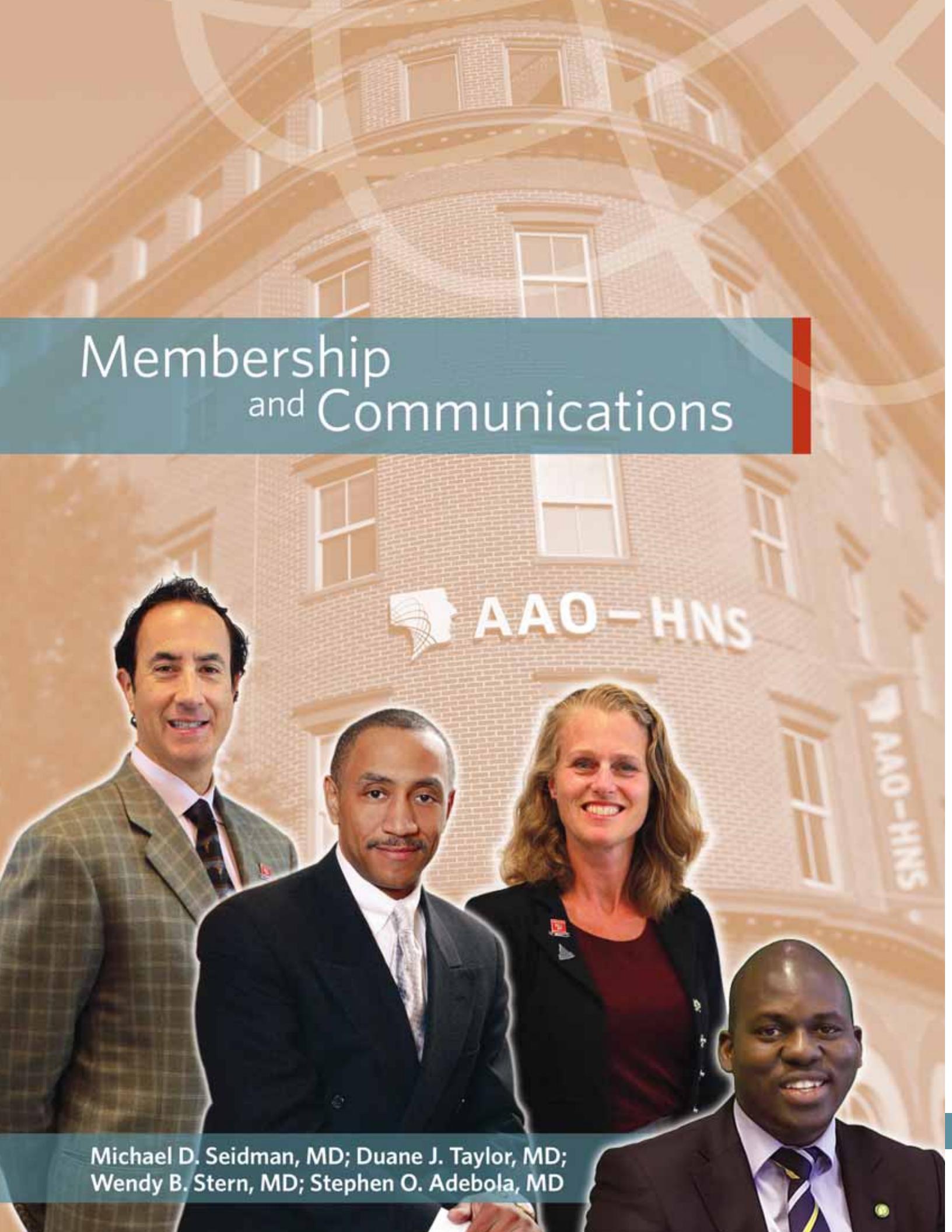
AMA/Specialty Society Relative Value Update Committee (RUC) Surveys:

In the past year, the work associated with RUC surveys and reviews increased considerably for the Academy. This is in large part due to the change in policy requiring families of codes to be surveyed, rather than individual CPT codes, when a code is identified by CMS as requiring review. As a result, the Academy surveyed 20 CPT codes during the course of the three 2012 RUC meetings and anticipates the high level of work in this area to continue into 2013. Specifically for 2012, the Academy:

- Achieved an extremely high response rate for the RUC survey for diagnostic nasal endoscopy (31231), which resulted in the successful submission of recommendations at the January 2012 RUC meeting. Final relative values for this code will be released in the 2013 final Medicare Physician Fee Schedule this November.
- Successfully submitted recommendations at the April 2012 RUC meeting for a family of four Complex Wound Repair codes and for a single CPT code, Chemodenervation for Chronic Headache (64613 chemodenervation/spasmotic dysphonia). Final relative values for the complex wound codes will also be released in the 2013 final rule. CPT 64613 was subsequently referred back to CPT for the October 2012 meeting.
- Completed RUC surveys for 12 esophagoscopy codes and two dilation of esophagus codes and submitted recommendations for the values to the AMA for presentation at the October 4-7, 2012 RUC meeting.

Clinical Indicator Updates: In May, after detailed review by numerous Academy Committees and the 3P workgroup, we released nine updated Clinical Indicators, including: Endoscopic "Sinus Surgery;" "Nasal Endoscopy;" "Canalith Repositioning;" "Tonsillectomy, Adenoidectomy, and Adentonsillectomy;" "Septoplasty;" "Adenoidectomy;" "Laryngoscopy/Nasopharyngoscopy;" "Endoscopic Sinus Surgery: Pediatric;" and "Neck Dissection." To access, see the Clinical Indicator page at <http://www.entnet.org/Practice/clinicalIndicators.cfm>.

2012 Annual Meeting Educational Miniseminars: We also continued efforts to provide Members with a high level of practice management and health policy content during the Annual Meeting, as this is one of the many ways the Academy provides information to optimize practices' operations. As a result, we organized the Physician Payment Policy (3P) miniseminar titled, "Academy Advocacy for Physician Payment: 2012" to inform attendees about new Medicare payment and quality programs that will impact physician reimbursement in the next few years, including bundled payment initiatives, Accountable Care Organizations (ACOs), and the adoption of the Value Based Payment Modifier Program. We also organized miniseminars on the importance of the local Medicare Contractor Advisory committees with a local medical director and a representative from the Centers for Medicare and Medicaid Services (CMS), Division of Recovery Audit Operations (RAC) as guest speakers and the transition hurdles Members can expect to face during the transition from ICD-9 to ICD-10.



Membership and Communications



AAO-HNS

• SAWH-OWN



Michael D. Seidman, MD; Duane J. Taylor, MD;
Wendy B. Stern, MD; Stephen O. Adebola, MD

Membership Overview

Maximize Your Membership

In line with the Strategic Plan, the Membership Unit has been focusing our efforts on improving the member experience through the promotion of engagement opportunities. The new ‘Maximize your Membership’ campaign will serve as an umbrella for all of our engagement activities.

Recruitment Activities

We have had great success with our increased efforts in recruitment activities. Our approach has been to clearly and effectively define member value for our diverse member segments and key targets.

Here are two of them:

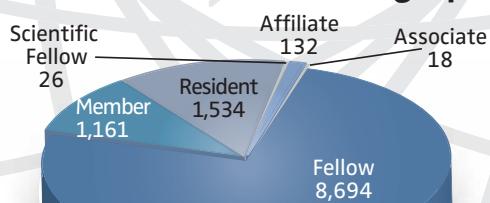
A new toolkit—containing a multi-media slide presentation, brochures, and applications promoting the value of Academy membership for residents is a prime example of our efforts. Sent to all Resident Training Program directors, it outlines how residents might benefit from, and engage in, Academy activities.

We also put significant focus on recruiting our annual meeting nonmember attendees, both before the meeting and onsite in Washington, DC.

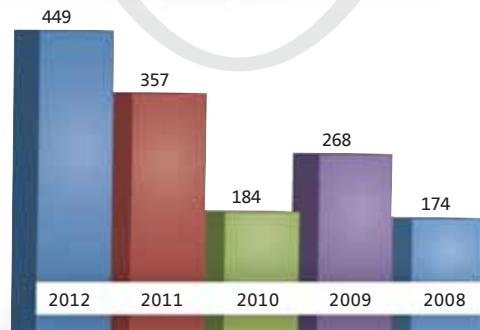
Component Relations

The Boards of Directors continue to make strengthening society and constituent relations a strategic priority. The Component Relations groups of Membership offer mentoring pathways and opportunities to identify interests, and niche groups to enhance and grow voluntary Member involvement with the Academy—from residency to the community practices.

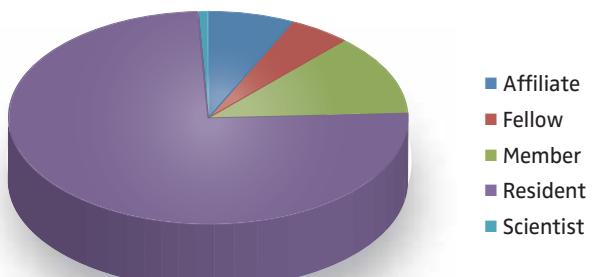
Current Member Demographics



New Members 2008-2012



449 New Members as of July 27, 2012



Board of Governors (BOG)

Sujana S. Chandrasekhar, MD, chair;
Denis C. Lafreniere, MD, chair-elect

For more than 25 years, the BOG has functioned as an advisory body to the Board of Directors (BOD) by serving as a grassroots communication vehicle between the BOD and the local, state, regional, national, and international otolaryngology–head and neck surgery organizations.

The BOG Spring Meeting held in conjunction with the OTO Advocacy Summit proved a great success in achieving the BOG's outreach goal. Conducted in Alexandria, VA, the meeting gathered more than 100 attendees. Highlights from the two-day meeting included information sharing and presentations from peers on relevant issues, campaign speeches from the AAO-HNS candidates for president-elect; and the announcement of the slate of candidates for BOG chair-elect and member-at-large.

The BOG fall meetings conducted during the 2012 AAO-HNSF Annual Meeting & OTO EXPO included reviewing the status of current socioeconomic and legislative issues. The BOG Socioeconomic and Grassroots Committee announced plans to regionalize BOG representation to help share information particularly in regions where BOG societies aren't active. The 2012 BOG Model Society was awarded to the Connecticut Ear, Nose, & Throat Society (CENTS) and individual members who had provided exemplary service to the BOG and the Academy were recognized. The BOG Executive Committee sponsored a popular miniseminar on hot topics.

Section for Residents and Fellows-in-Training (SRF)

Jayne R. Dowdall, MD, chair; Nikhila Raol, MD, vice chair

The SRF advises the BOD and helps forward two-way communication on issues of interest to residents and fellows in otolaryngology. Representatives and leaders from SRF were engaged in the Spring Meeting/OTO Advocacy Summit. During the SRF Governing Council meeting, they selected their resident appointees and delegates to our external medical society partners and made their selection for the 2012 Adam T. Ross, MD, Leadership Excellence Grant and the Holt Leadership Award.

During the recent annual meeting in Washington, DC, Monday was once again officially recognized as "Resident's Day."

Women in Otolaryngology (WIO) Section

Shannon P. Pryor, MD, chair;
Susan R. Cordes, MD, chair-elect

The Section for Women in Otolaryngology (WIO) is an advisory body to the BOD supporting and fostering women otolaryngologists. During this transitional year, the Section ramped up its communication and fundraising efforts to build its endowment

and operations. During the annual meeting, the Section conducted its annual Luncheon/General Assembly that featured Kevin Pho, MD, AKA KevinMD, the renowned social media expert, as guest speaker.

Specialty Society Advisory Committee (SSAC)

The Specialty Society Advisory Council's areas of collaboration for this year have been critical. In addition to its semi-annual meetings, the SSAC worked with the AAO-HNS PSQI committee to develop a list of tests and/or procedures that might be considered in the AAO-HNS process for contribution for the Choosing Wisely Campaign.

Society representatives have also solicited support for the RUC survey process. The group agreed that when a survey goes out, SSAC representatives will contact their membership to ask them to participate in surveys.

International Activities

International Member Recruitment, Retention, and Engagement—Thanks to the International Steering Committee's Regional Advisors reaching out to international members to renew before they lapsed, current international membership stands at 1,068 from 84 countries.

Global Health Symposium—A cornerstone of our international program at annual meeting was the 3rd Global Health symposium, entitled "Our Academy around the World," addressing socioeconomic themes such as workforce issues.

Four Caucuses Conducted at the Annual Meeting—The Academy held its first Latin American Caucus, hosted by Pablo Stolovitzky, MD, at this year's annual meeting in Washington, DC. Gregory



Kevin Pho, MD, speaks about social media and healthcare during the Women in Otolaryngology (WIO) luncheon at the 2012 annual meeting.

Randolph, MD, Coordinator for International Affairs and Merry E. Sebelik, MD, hosted the third Africa Caucus, and **G. Richard Holt, MD**, Regional Advisor for the Middle East, hosted the second Middle East Caucus. Dr. Randolph and **Eugene N. Myers, MD, FRCSEd (Hon)** hosted the second annual, high-level International Members' Caucus, an opportunity to meet with Academy leaders and learn the benefits of membership.

New International Corresponding Societies (ICS)

This past year we welcomed two newly affiliated societies, those of El Salvador and South Africa, bringing the total to 51. Academy leaders met with these society leaders at the annual meeting to discuss future collaboration and joint meetings.

International Visiting Scholars (IVS)—Launched in 2008, the intent of the International Visiting Scholar Program is to bring rising academic stars to the United States from developing countries to attend the AAO-HNSF Annual Meeting & OTO EXPO and take part in short-term observerships. The IVS's are currently funded through individual gifts. Below is a list of the 2012 International Visiting Scholars.

- **Sowrabh K. Arora, MBBS, India**, American Association of Otolaryngologists of Indian Heritage IVS
- **Muluken Beleke, MD, Ethiopia**, Gregory W. Randolph, MD, IVS
- **Gustavo Bravo Cordero, MD, Chile**, Antonio De la Cruz IVS
- **S. Sudha Maheshwari, India**, Vijay K. Anand, MD, IVS
- **Trung Quang, Nguyen, MD, Vietnam**, Raghuvir B. Gelot IVS
- **Ngoc Dung Thi, Nguyen, MD, Vietnam**, Nancy L. Snyderman, MD, IVS
- **Prashant C. Sharma, MS, India**, Dinesh Mehta, MD, IVS

Humanitarian Efforts

Humanitarian work is not only disaster relief; it includes a wide range of service opportunities to improve medical care or education that benefit under-served populations. This year, the AAO-HNSF recognized several humanitarians for their tireless work, both domestically and overseas. The 2012 Distinguished Award for Humanitarian Efforts went to **John M. Hodges, MD**, of Memphis, TN, for his skilled and compassionate



Get Involved with AAO-HNS/F

The logo for the American Academy of Otolaryngology—HEAD AND NECK SURGERY (AAO-HNS) features a stylized profile of a human head composed of interlocking puzzle pieces. To the right of the head are three smaller photographs of medical professionals. Below the head is the text "AMERICAN ACADEMY OF OTOLARYNGOLOGY—HEAD AND NECK SURGERY" and the tagline "Ensuring physicians to deliver the best patient care".

care in the Philippines and Vietnam, and his dedication to surgical training and education of residents and local physicians throughout Asia and Egypt. The Arnold P. Gold Foundation 2012 Award for Humanism in Medicine recognizes **Howard S. Kotler, MD**, of Chicago, for his sympathetic care of patients from varied cultural backgrounds and ethnic diversity in his community. The Jerome C. Goldstein, MD, Public Service Award was given to **David L. Witsell, MD, MHS**, Duke University Medical Center, for his tireless efforts addressing practical research applications.

2012 Humanitarian Travel Grants—During the past year, 25 grants were awarded to residents and fellows-in-training to exam and deliver medical services to patients desperately in need of care in developing countries around the globe. These countries include: Guatemala, Cambodia, Philippines, El Salvador, Peru, Mongolia, Thailand, Nicaragua, Dominican Republic, Haiti, Vietnam, Palau, Zimbabwe, Honduras, Marshall Islands, and Kenya.

Humanitarian Efforts Member Engagement Portal—To facilitate matching critical needs with medical specialty expertise, the Foundation created a Member Engagement Portal: <http://www.entnet.org/HumanitarianPortal>.

Communications

The Communications Business Unit—through print and online publications, public relations, mini campaigns, media outreach, social media, patient leaflets, and creative services—delivered vital messaging and editorial products in support of the 2012 Strategic Plan.

With an eye toward providing “exceptional value to a diverse group of members, stakeholders, and patients,” we remained committed to practicing well-grounded tactics and to introducing new, and more effective ways of communicating.



This year we launched a video and photographic service that included a major project at the annual meeting to enhance member engagement and highlight the specialty in our print and online publications. This will allow us to add high-quality photo and video services to our exceptional graphic design work and the in-house approach will result in cost savings.

For the first time, we assembled a social media team—drawing on talent from multiple business units—to encourage social media during the 2012 Annual Meeting & OTO EXPO. Multiple social sites pushed out the latest information on miniseminars, hot topics in otolaryngology, free instruction courses for residents, how to claim CME, and more. In turn, hundreds of members engaged in stories of interest, discussions, and events. This robust exchange formed a basis for extending AAO-HNS/F's online presence.

Otolaryngology-Head and Neck Surgery, the monthly scientific journal, had a banner year. The journal earned its highest ever impact factor (1.718, up from 1.565). The journal continues to strengthen its online presence, with the launch of a new mobile app, which can be used on iPhones and iPads and has more than 6,000 users. All scientific content published in the journal is now searchable through the Academy's website, and 14 new podcasts were produced in the last year alone. Four Cochrane grant recipients were identified and will submit a systematic review to the journal in the next year. The first two Portuguese language editions have been published, featuring translations of selected articles and abstracts from the journal.

The Bulletin has served readers reliably for more than 25 years and remains a valued benefit. Expanded online Bulletin content addresses Member needs in new ways—its attractive platform and mobile user features continue to increase the already dynamic readership and fundamentally change this once monthly publication to a truly digital publication. Reading the *Bulletin* online allows live linkage to additional information and helps readers to read more deeply on many complex topics such as the new guideline summary articles that integrate with the publishing of new guidelines and consensus statements in otolaryngology-head and neck surgery.

The News, our weekly e-newsletter, has been redesigned to better serve member needs and the Web Content and Meetings staff developed a new annual meeting e-newsletter personalized to targeted audiences. It digitally promoted the annual meeting's unique value. Creative Services, Web Content, and Meetings developed an annual meeting e-bookshelf, which is one of the many advanced technology tools produced.

The Media and Public Relations Committee and committee staff created mini-campaigns that included: World Voice Day; Oral, Head and Neck Cancer Awareness Week; Better Hearing and Speech Month; Paranasal Sinus Disease; and Patient Safety and Quality Assurance.

**ONLINE
LECTURE
SERIES**

AAO-HNSF
Annual Meeting
& OTO EXPO

2012
JULY 6-9
WASHINGTON, DC



Education and Knowledge

e
BOOKS

ACADEMYU[®]
YOUR OTOLARYNGOLOGY EDUCATION SOURCE

COOL



John H. Krouse, MD, PhD; Eduardo M. Diaz, Jr., MD; Sonya Malekzadeh, MD

Not shown: Coordinators-Elect: Eben L. Rosenthal, MD, Scientific Program; and Sukgi S. Choi, MD, Instruction Courses

Education and Meetings

As the premier source of otolaryngology education and knowledge, the AAO-HNS Foundation provides resources and educational activities that address gaps in care and improve the knowledge and competence of otolaryngologist-head and neck surgeons, residents, medical students, non-otolaryngologist physicians, and allied healthcare professionals.

The Foundation's Education Coordinator, **Sonya Malekzadeh, MD**, leads the efforts of hundreds of expert committee members, faculty, and authors who develop quality, evidence-based, and practical professional education activities. In addition to a sharp focus on the Foundation's core education activities, special emphasis was placed on developing the next generation of knowledge resources, providing resources for areas of specific need and improving member awareness and access to the full depth and breadth of Foundation education offerings.

AcademyU® Your Otolaryngology Education Source



Academy members can now access *AcademyU*® the gateway to all Foundation education, without an additional login from the member website. Members can browse the expanded catalog, launch an online lecture or course, and find easy access to specific education activities from the hundreds of offerings available. In 2012, there were 20,000 participants in 200 educational activi-



ties, with nearly 400 hours of continuing medical education made available. The Foundation's university, AcademyU, enhanced to improve access and ease of use, remains critical to the next generation of education and resources.

Delivering the Resources Needed Most

The Foundation delivered on the commitment to provide resources for board certification preparation, resident education, trauma, robotic surgery, and surgical simulation.

Two major undertakings focused on lifelong learning and support for preparation for accreditation and reaccreditation. *AcademyQSM: Otolaryngology Knowledge Assessment Tool*, a mobile application for the iPhone, iPad, and iPod Touch, enhances physician and resident knowledge with access to hundreds of study questions across all specialty areas to test recall, interpretation, and problem solving skills. The multiple-choice format includes images, videos, and sound as well as question level feedback with the correct answer, an explanation, and references. The long awaited update to the 2001 *Maintenance Manual for Lifelong Learning* is underway for release in late 2013. The primary goal of the updated manual is to address issues of practical importance to otolaryngologist-head and neck surgeons to improve patient care.



Support for residents as another top priority was reflected in the enhancement and update of the *Comprehensive Otolaryngologic Curriculum Learning through Interactive Approach* (COCLIASM), a teaching tool to help residents learn otolaryngology-head and neck surgery. Residents using COCLIA gather weekly to review the discussion questions from more than 100 major otolaryngology topics.

*The Resident Manual of Trauma to the Face, Head, and Neck*SM e-book was developed and written by the Academy's Trauma Committee, providing a thorough, concise, and easily accessible quick-reference tool for the evaluation of a trauma patient and in the planning of surgical repair and/or reconstruction.



The new *ENT Exam Video Series*SM demonstrates how to perform a thorough examination of the ear, oral cavity, face, nose, neck, nasopharynx, and larynx. Images and video of normal anatomy, normal variances, and common abnormalities are included to enhance the learning experience.

The *Surgical Simulation Task Force* and the *Robotic Surgery Task Force* continue to represent the specialty and advise the AAO-HNS/F in these key emerging areas. Surgical simulation interest meetings took place at the AAO-HNSF Annual Meeting & OTO EXPO and Combined Otolaryngology Spring Meetings (COSM). The Task Force submitted a manuscript on the state of simulation otolaryngology for publication and is developing a survey to gather additional data. A Simulation Fair took place in conjunction with several miniseminars during the annual meeting. The Robotic Surgery Task Force is developing a comprehensive robotic surgery curriculum.



Increase Member Awareness of Educational Opportunities

New educational activities and enhancements to existing activities were regularly reported in member communications, with increased coverage in the *Bulletin* throughout the year. A 24-page *Education Opportunities* brochure was sent to all members in a supplement to the February *Bulletin* and is available online as a PDF download.

Annual Meeting & OTO EXPOSM

The 2012 Annual Meeting & OTO EXPO in Washington, DC, reported total attendance of 8,464. One fourth of the 5,727 pro-

fessional attendees came from outside the United States with representatives from more than 80 countries, including Honored Guest Countries of Chile, Israel, Spain, and Vietnam. For the first time, CME credit was provided for international physicians. A special discount was offered for Lifetime and Retired AAO-HNS members.

Miniseminars, Oral Presentations, Scientific Posters, and Instruction Courses at the annual meeting were organized into tracks aligned with the Maintenance of Certification (MOC) specialty areas. Tracks were identified in the online itinerary planner, in print and online publications via the annual meeting bookshelf, and included within the annual meeting mobile app. The new mobile application improved attendees' ability to search the program and identify exhibitors who offer products and services of interest.

The availability of annual meeting programming continues year round. Webcasts of selected sessions are available for purchase as one package or as individual sessions. In addition, Academy members have complimentary access to their choice of six free miniseminar webcasts from the meeting. Posters are accessible at no charge from the Academy website.

Both John H. Krouse, MD, PhD, and Eduardo M. Diaz, Jr., MD, completed their terms as Foundation coordinator for scientific program and coordinator for instruction courses respectively on September 30, 2012. Under their leadership, the Foundation expanded the annual meeting's education program to include additional miniseminars co-supported by specialty societies and more stringent evaluation of the instruction course program to ensure the highest quality education. The Foundation's new scientific program coordinator, Eben Rosenthal, MD, will guide the program into the future with a focus on targeting each learner group effectively and making full use of emerging educational technology. The Foundation's new instruction course coordinator, Sukgi Choi, MD, introduced two instruction courses for the 2012

program specifically designed to meet the ABoto's Maintenance of Certification (MOC) Part III requirements for Clinical Fundamentals and will continue to enhance the Instruction Course program for the 2013 Annual Meeting.

While in Washington, DC, 92 companies pre-selected their booth space for the 2013 Annual Meeting & OTO EXPOSM in Vancouver, BC, Canada, September 28–October 2, 2013.



Research and Quality Improvement

Evidence Analysis and Outcomes Research

Knowledge Products/
EBM Practice Improvement Tools

Advocacy and Policy

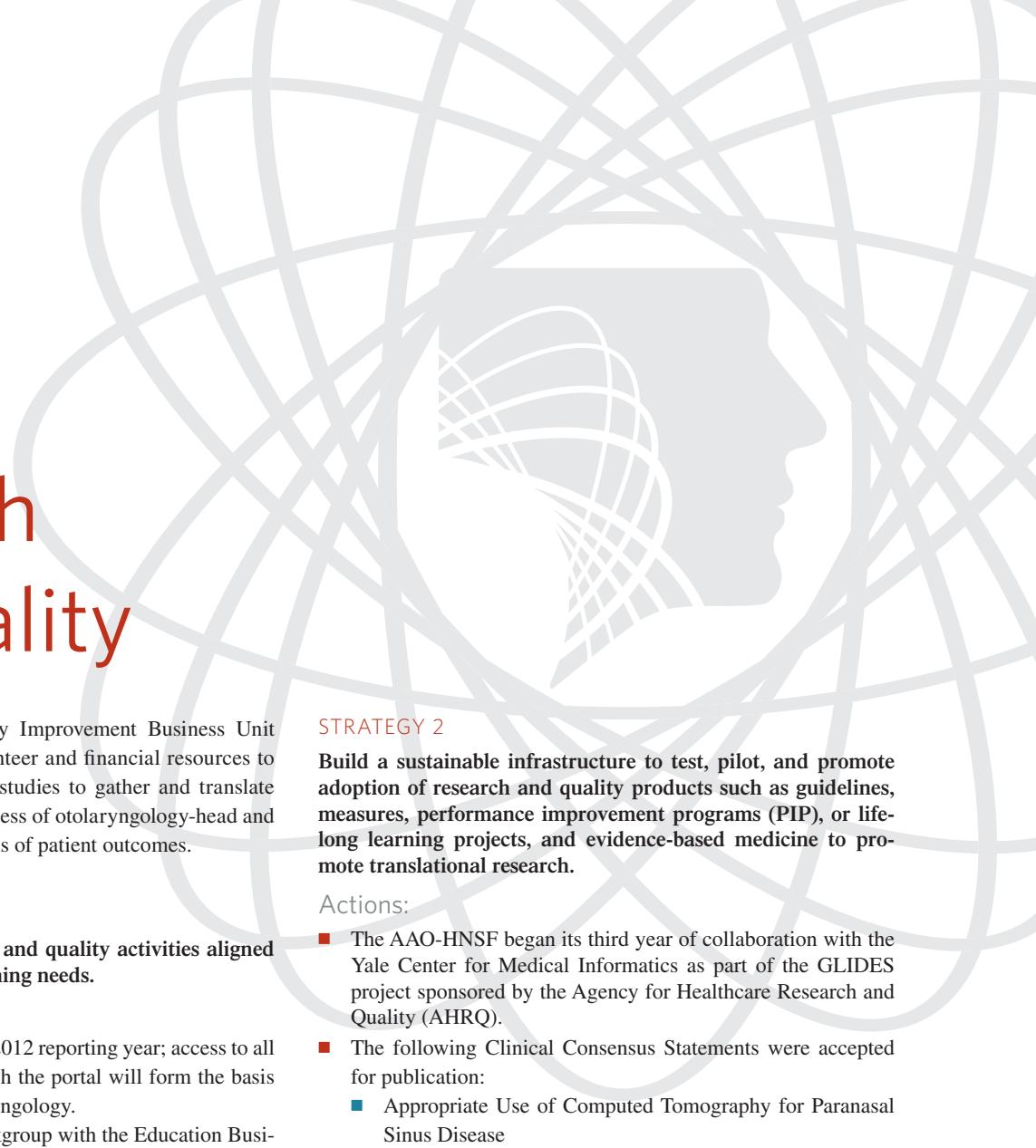
Dissemination and Education

Outcomes

Practice Improvement



John S. Rhee, MD
Coordinator, Research and Quality



Research and Quality

The Research and Quality Improvement Business Unit continues to deploy volunteer and financial resources to facilitate and engage in studies to gather and translate evidence of the effectiveness of otolaryngology-head and neck surgery interventions in terms of patient outcomes.

STRATEGY 1

Create a continuum of research and quality activities aligned with education and lifelong learning needs.

Actions:

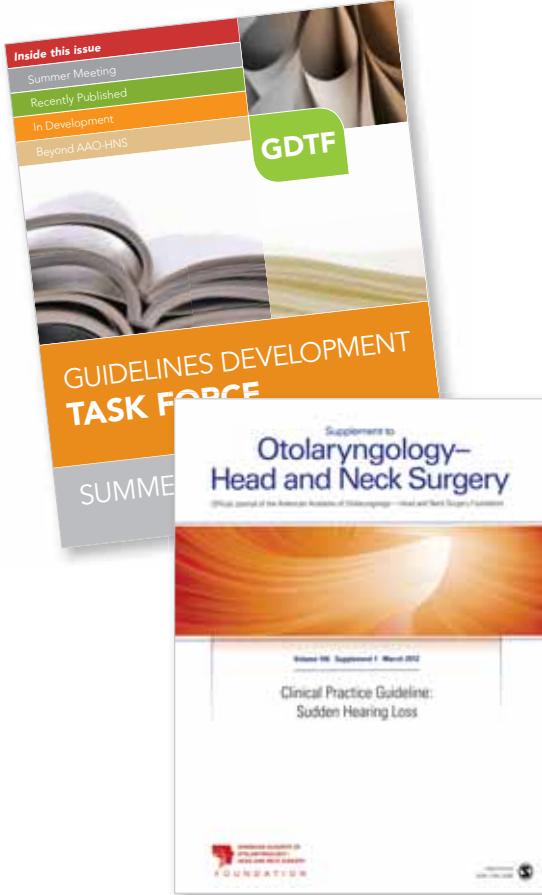
- PQRI*Wizard* launched for the 2012 reporting year; access to all member data submitted through the portal will form the basis of an initial registry for otolaryngology.
- Staff implemented a joint workgroup with the Education Business Unit and started the development of a Performance Improvement Project to meet Part IV of the Maintenance of Certification (MOC) requirements.
- A patient safety web link will soon be launched on www.entnet.org to capture de-identified safety event information from members in a secure environment to utilize in identifying future topics of focus for the Patient Safety Quality Improvement Committee (PSQI).
- David Roberson, MD, and Richard M. Rosenfeld, MD, MPH, were appointed to the Joint Commission and the AMA-Convened Physician Consortium for Performance Improvement® (PCPI™) Summit on Overuse.
- Amy C. Hessel, MD's nomination was accepted to the National Quality Forum (NQF) Oral Health Measures Workgroup.
- Gavin Setzen, MD, was nominated to the AMA PCPI Diagnostic Imaging Work Group.
- Edward B. Ermini, MD, was nominated to NQF's Health Information Technology Advisory Committee (HITAC).

STRATEGY 2

Build a sustainable infrastructure to test, pilot, and promote adoption of research and quality products such as guidelines, measures, performance improvement programs (PIP), or lifelong learning projects, and evidence-based medicine to promote translational research.

Actions:

- The AAO-HNSF began its third year of collaboration with the Yale Center for Medical Informatics as part of the GLIDES project sponsored by the Agency for Healthcare Research and Quality (AHRQ).
- The following Clinical Consensus Statements were accepted for publication:
 - Appropriate Use of Computed Tomography for Paranasal Sinus Disease
 - Tracheostomy Care
- The following Clinical Practice Guidelines are under development:
 - Improving Voice Outcomes after Thyroid Surgery
 - Tympanostomy Tubes in Children
 - Bell's Palsy
- The 3rd edition of the *Clinical Practice Guideline Development Manual: A Quality Driven Approach for Translating Evidence into Action* has been submitted to *Otolaryngology—Head and Neck Surgery*.
- Voice Therapy: An administrative supplement to the Creating Healthcare Excellence through Education and Research (CHEER) grant was submitted to the National Institute on Deafness and Other Communication Disorders (NIDCD) and awarded in May 2012.
- With funding from AAO-HNS, the CHEER Network will explore awareness of and barriers to implementation of the recently published AAO-HNSF Sudden Hearing Loss Guideline.
- A measures set was developed for Adult Sinusitis in conjunction



with the AMA-Convened PCPI. These measures were submitted to Centers for Medicare and Medicaid Services (CMS) in September 2012 for inclusion in the Medicare Physician Quality Reporting System (PQRS).

STRATEGY 3

Demonstrate the value of strong research and quality education and granting programs to the specialty.

Actions:

- Forty-five CORE grants awarded by AAO-HNSF and sub-specialty society leadership and sponsors totaling \$737,471 (up 17 percent from 2011); \$264,332 awarded solely by AAO-HNSF (down five percent from 2011).
- Based on the 2011 Annual Meeting & OTO EXPO survey of participants:
 - Clinical Practice Guidelines were the most requested topic.
 - Two of the AAO-HNSF quality knowledge products (Clinical Practice Guideline: Improving Voice Outcomes after Thyroid Surgery and the Clinical Consensus Statement: Tracheostomy Care) were presented at the 2012 Annual Meeting & OTO EXPO.
 - Sleep Medicine ranked fifth. The 2012 Neel Research Lecture and Basic & Translational mini-program focused on Sleep Medicine.
- The Patient Safety and Quality Improvement Committee survey on adverse events in tonsillectomy resulted in a manuscript “Mortality and Major Morbidity after Tonsillectomy: Etiologic Factors and Strategies for Prevention” which was published in *Laryngoscope*.

Outlined below are brief summaries of our most significant accomplishments this year.

Full-Text Accesses	Age in days	Article
6,642	122	Stachler RJ, et al. Clinical Practice Guideline: Sudden Hearing Loss Mar 2012; 146:1-35
2,486	547	Baugh RF, et al. Clinical Practice Guideline: Tonsillectomy in Children Jan 2011; 144:1-30
1,832	366	Roland PS, et al. Clinical Practice Guideline: Polysomnography for Sleep-Disordered Breathing Prior to Tonsillectomy in Children. Jul 2011; 145:1-15
1,779	1,338	Bhattacharyya N, et al. Clinical Practice Guideline: Benign paroxysmal positional vertigo. Nov 2008; 139:47-81
1,446	1,765	Rosenfeld RM, et al. Clinical Practice Guideline: Adult sinusitis. Sep 2007; 137:1-31

SOURCE: Top 10 requested articles from January 2012 through June 2012 on HighWire

Patient Safety Quality Improvement Committee

This committee continues to set the direction for the specialty with regard to quality and patient safety.

- The Catastrophic Outcomes with Tracheotomy survey was designed to gauge the experience of otolaryngologist-head and neck surgeons in caring for tracheotomies and potential complications as mentioned above. The final results were published as a four-part series.
- The Tonsillectomy Disasters Survey was designed to determine the variation in post-tonsillectomy admission practices and create a better understanding of the likelihood of apneic death on post-op day one. The final manuscript was submitted for publication.

Guidelines

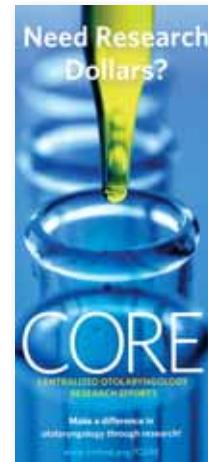
The Research and Quality Improvement Business Unit continues to refine and expand the guideline development process as illustrated through the September submission of the third edition of the *Clinical Practice Guideline Development Manual: A Quality Driven Approach for Translating Evidence into Action* to the *Otolaryngology–Head and Neck Surgery* journal. The new manual has incorporated the Institute of Medicine and Guideline International Network standards and how the AAO-HNSF development process has been modified to meet those standards. The Academy guideline products continue to be among the most viewed articles in *Otolaryngology–Head and Neck Surgery*. The “Clinical Practice Guideline: Sudden Hearing Loss” was published in March 2012. Two more guidelines products have recently been accepted for publication including: “Clinical Consensus Statement: Appropriate Use of Computed Tomography for Paranasal Sinus Disease” and “Clinical Consensus Statement: Tracheotomy Care.”

SCAHPs

The Surgical Consumer Assessment of Healthcare Providers and Systems (SCAHPs) was a pilot project to test a survey tool to measure patient experience with surgical care. The final results were published in the July issue of *Otolaryngology–Head and Neck Surgery*.

CHEER

Creating Healthcare Excellence through Education and Research (CHEER) is a practice-based research network in otolaryngology that includes 12 academic and 12 private-practice sites throughout the United States and more than 200 ENTs, 100 audiologists, and 50 speech-language pathologists in 16 states. CHEER is funded through an NIDCD infrastructure grant and collaboration with the AAO-HNSF. CHEER offers free education and regulatory support to sites participating in network and/or other coordinated research studies. Current studies include 1. Sudden Hearing Loss: To explore awareness of and barriers to implementation of the recently published AAO-HNSF Sudden Hearing Loss Guideline (AAO-HNSF funded) and 2. Voice Therapy: On usage of Voice Therapy and perceptions and barriers from both the patient and provider perspective (NIDCD funded).



CORE

Our strategy in the area of supporting CORE grants was to demonstrate the impact of strong research, quality education, and granting programs to the specialty. The following table shows increased interest over five years.

CORE High Level Metrics	2008	2009	2010	2011	2012
Total # of letters of intent	214	193	219	218	262
Total # applications received/reviewed	161	150	163	152	189
Total # reviewers	61	77	85	77	100
% Residents on Study Section	3%	11%	15%	14%	18%
% Females on Study Section	31%	28%	28%	26%	29%
% Reviewers Sponsored by Subspecialty Societies	21%	24%	23%	25%	30%
Total # grants awarded	45	37	47	38	45
Total dollars awarded	\$775,208	\$767,457	\$878,313	\$629,067	\$737,471

Hal Foster, MD ENDOWMENT

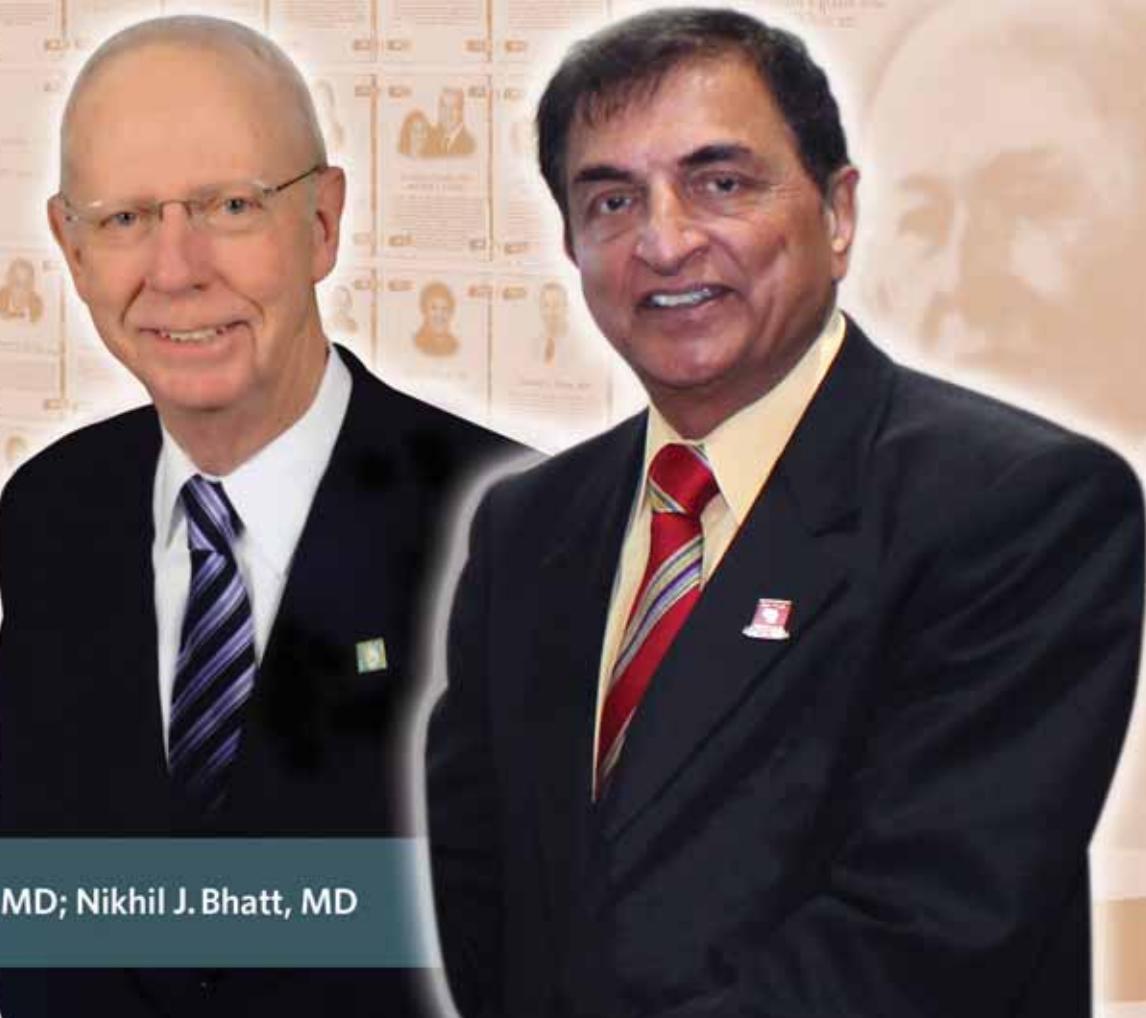
FOUNDERS

Deep thanks to the following individuals who committed financially to support this endeavor to achieve the finest of care for the ear, nose, throat and neck.

HAL FOSTER, MD

In 1965, Dr. Hal Lovelace Foster called the first meeting of the world's best head and neck

Sustainability: Development, Information Technology and Finance



Background:
Hal Foster, MD
Endowment Wall of
Honor at AAO-HNS/F
headquarters.

John W. House, MD; Nikhil J. Bhatt, MD

Development

A Year of Excitement and Challenges

Fiscal Year 2012 saw exciting changes for the development area. **Nikhil J. Bhatt, MD**, was selected as Coordinator for Development. Under Dr. Bhatt's leadership, a committee was being formed, with the expectation that the committee's inaugural meeting would be during the 2012 Annual Meeting & OTO EXPO. As Chair, Dr. Bhatt will lead the committee and staff to direct the fundraising efforts in support of achieving AAO-HNS/F mission, goals, and programs. The development committee will serve as an extension of the development staff, working to create interest in becoming involved and donating to the Foundation.

Volunteer leadership and staff are continuing to build a culture of philanthropy at the AAO-HNS/F.

This, coupled with the realization that a strong AAO-HNS/F plays a vital role in the otolaryngology community, has lead to increased support of our mission.

Corporate and individual donations, in the forms of cash, planned gifts, and pledges, directed to the AAO-HNS/F totaled more than \$3.6 million in FY2012. While donations overall were lower than during FY2011, much of this decrease was due to the weaker economic environment, leading to decreased corporate support, as well as the elimination of the Millennium Society Life Member donation window. (During the 2010 Annual Meeting, it was announced

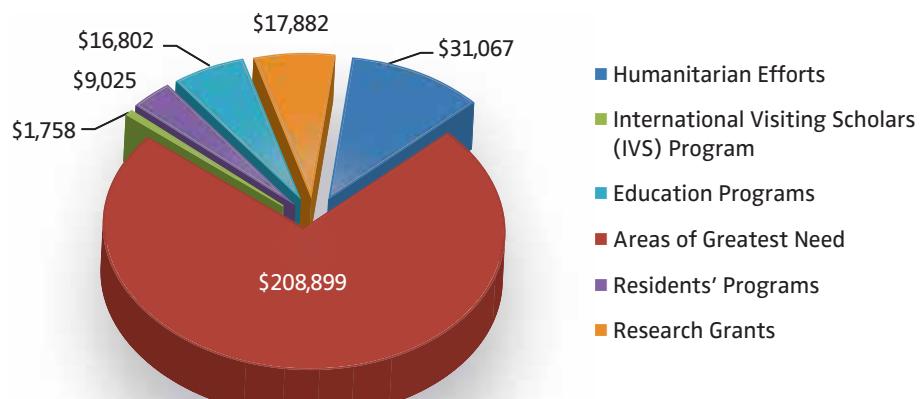
that the Millennium Society Life Membership donation would increase from \$25,000 to \$50,000 immediately following the meeting, creating a markedly increased level of activity.)

CHART OF REVENUES BY SOURCE

Diversified Fundraising Strategies Provide Strengthened Funding

- Individual giving FY2012:
 - Unrestricted \$285,433
 - Restricted \$1,511,985
- Partners for Progress: 2012 Fiscal Year: \$265,000
- Industry Round Table/Grants/Sponsorship (Total IRT, grants and sponsorship support in the 2012 Fiscal year: \$467,169)
- Academy Advantage: Fiscal Year 2012: \$392,000

FY12 Unrestricted Gifts & Pledges

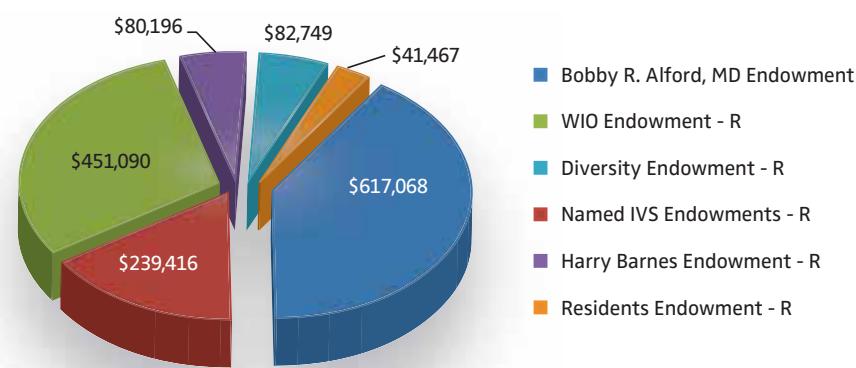


The Millennium Society—Continuing to Attract New Donors

The Millennium Society built upon the success from the previous two years and membership now stands at 466. Life Membership continued to grow with a total of 98 Life Members.

The members of the Millennium Society have embraced the concept of donating either annually, or becoming Life Members.

Restricted Endowment Funds



They have realized the value of this source of support to the mission of the AAO-HNSF, as well as the physical benefits of the Millennium Society Donor Appreciation Lounge during annual meetings, where members have a place to relax, unwind, enjoy complimentary breakfast and lunch, as well as computer and Internet access.

Women in Otolaryngology—"I Am Woman Hear Me Roar"

The Women in Otolaryngology (WIO) Endowment was created two years ago. In that short amount of time, the endowment has grown to more than \$450,000 in cash and pledges. In FY2011/2012, the endowment grew by more than \$32,000 and is still growing, thanks to the hard work of the WIO Section. FY2012/2013 is the first year that funds will be available for distribution to successful proposals that will address issues of promoting the professional development of women in otolaryngology.

Harry Barnes Society Endowment for Resident Leadership—The Gift that Keeps on Giving

The Harry Barnes Society Endowment for Resident Leadership was started during the 2010 Annual Meeting & OTO EXPO to provide

much-needed funding for young residents of African descent. This funding will enable residents to avail themselves of educational opportunities such as the Board of Governors Spring Meeting and the annual meeting. Under the leadership of **Duane J. Taylor, MD**, the Endowment has grown to nearly \$83,000. FY2012/2013 is the first year that funds will be available for awarding grants. Watch the website for further information, including information on applying for these grants.

Hal Foster, MD Endowment—From Dream to Reality

In October 2009, the AAO-HNS/F Boards of Directors initiated the Hal Foster, MD Endowment Campaign, with the goal of raising \$30 million to provide a sustained source of funding for the future. The Endowment is named in honor of **Hal Lovelace Foster, MD**, who in 1896 called the first meeting of what would later become the American Academy of Otolaryngology—Head and Neck Surgery. During the 2010 annual meeting, we announced a 10-year campaign with a \$15 million goal. Less than three years later, the Hal Foster, MD Endowment has raised nearly \$9 million in cash and pledges to advance the specialty. The Founding Donors phase, which ended December 31, 2011, includes 45 visionary members who donated to this important effort. Recently, the Hal Foster, MD Endowment Campaign Wall of Honor was completed. The wall, located in the lobby of the AAO-HNS/F headquarters building in Alexandria, VA, recognizes these Founding Donors to this effort. In addition, we will be continually adding and recognizing subsequent donors to the endowment who want to ensure the legacy of leadership and delivering the best patient care continues well into the future.

Partners for Progress—Engaging ENT Group Practices in the AAO-HNS/F Mission

Launched in 2010, Partners for Progress presents an opportunity to address the challenges of our specialty better, through partnership and leveraged resources working together for improved patient care. Twenty seven institutions and practices have signed on to this program because they believe so strongly that the work of the AAO-HNS/F must continue to thrive. Philanthropic participation of members plays a significant role in our ability to provide the highest standards of ear, nose, throat, and head and neck care worldwide. MedStar Georgetown University Hospital is our most recent Partners for Progress member and the first university-based

academic department and represents a new area of support. It is also one of the strategic areas for increased involvement in Partners for Progress in the coming fiscal year.

Partners for Progress

Promoting Advances in the Specialty,
One Group at a Time

Investor



Partners























Associates

Chicago Otolaryngology Associates Howard S. Kotler, MD	Michael Rothschild, MD Michael Setzen, MD Otolaryngology PC
ENT Associates of Alabama J. Nolle Anderson, MD and A. Craig Chapman, MD	New York Otolaryngology Sujana S. Chandrasekhar, MD
Island ENT/NY Facial Plastics B. Todd Schaeffer, MD and Moshe Ephrat, MD	Richard W. Waggespack, MD Ear, Nose, and Throat
Long Island ENT Associates, PC Jay S. Youngerman, MD and John J. Grosso, MD	

As of June 14, 2012

Industry Roundtable—Working Together with Industry for a Common Good

The AAO-HNS/F believes in forming collaborative relationships with industry so that each can appropriately leverage the important work of the other. By working together, we can better serve the otolaryngology specialty, its practitioners, and patients all for the common goal of providing first class patient care. In FY2011/2012, development and marketing was charged for the first time with selling corporate sponsorships for the 2012 Annual Meeting & OTO EXPO. More than \$200,000 in annual meeting contributions were obtained for the meeting, with plans in place to increase that amount for the 2013 Annual Meeting & OTO EXPO in Vancouver, British Columbia, Canada.

**AAO-HNSF
RT
INDUSTRY ROUND TABLE**

IRT Leaders




IRT Member





IRT Associates










Academy Advantage—Providing Exclusive Member Benefits Throughout the Year

Academy Advantage is the Academy's affinity program for non-endemic companies, those that are not pharmaceutical or medical device companies. We are committed to entering business relationships with providers offering state-of-the-art solutions at favorable group pricing for a wide range of products and services that will directly benefit the members of AAO-HNS. As we look to the future, we will be revising the program to include even more companies that can help save money in their practices, and at home.

Premier Partners



Partners










25

Annual Report 2012

Information Technology (IT)

During the last 12 months there has been a large focus on improving the way information is disseminated to the membership. With the help of the entire Academy staff and dozens of members, the Website Content Relevancy project made a tremendous impact on improving content relevancy and better positions IT to continue the improvements to the search engine. This project allowed for the completion of a new website taxonomy and the next steps are to design a new information architecture. This will ultimately allow for the redesign of the main website.

With the help of membership, the IT staff continues with the next phases of the member engagement portal in an effort to utilize technology and continue to add value to the members. The member portal will expand into mobile technologies and the Academy IT department will be able to bring Academy resources to members' fingertips.



During the next 12 months, members will see more improvements on the website and web technologies. There will be additional mobile applications and technologies that may be of help to members in providing the best patient care. The AAO-HNS/F IT stands ready to adapt to the ever-changing opportunities of the future.

Financial Report 2011-2012

The fiscal year that ended June 30, 2012, exceeded operational budget expectations with a positive \$2.7 million in excess of the break-even budget. This operational contribution to reserves (unaudited) is roughly 50 percent attributable to better-than-expected annual meeting results in San Francisco, and 50 percent attributable to cost savings across business units. Overall, revenues were about \$1,290,000 (7%) higher than expected and operational expenses were \$1,451,000 (8%) lower than budgeted.

The change in market value of the interest rate swap agreement, used for the purchase of the current headquarters building, was a negative \$2.5 million. In combination with a small loss on AAO-HNS/F's managed investment portfolio, total non-operating activity was a loss of \$2.7 million. While these market value losses offset the operating contribution to reserves almost entirely, they are unrealized and non-cash losses. The AAO-HNS/F's investment policy is focused on preservation of capital and diversification to optimize the return/risk ratio. The Finance and Investment Subcommittee (FISC) monitors compliance with the investment policy, investment performance, and reviews the performance of the AAO-HNS/F's professional investment managers.

As of January 2012, all activity of the Academy's wholly owned subsidiary, ENTRI, was ceased and its bank account closed. The Academy had no adverse current year financial impact as all losses from this investment were recognized in prior years when the losses were incurred.

The Board previously designated \$1,320,000 of net asset reserves to be used for the first five principal payments on the bonds used to finance the purchase of the headquarters building. In July 2011, the second annual bond principal payment of \$250,000 was made using the net asset reserves designated for this purpose.

The annual independent audit of AAO-HNS/F's 2011-2012 financial statements will be complete and available after the December 2012 Boards of Directors meeting.

In May 2012, the Boards of Directors approved the fiscal 2012-2013 budget, which reflects a balanced budget with total revenue and expenses of \$19,750,000. The balanced budget reflects realistic revenue projections based on program activity and takes into account the ongoing cost savings first realized in Fiscal Year (FY) 2011/2012. The budgeting process involves a concerted effort from the elected leadership at every critical decision point, and included

American Academy of Otolaryngology—Head and Neck Surgery/Foundation
 Unaudited (Rounded) Consolidated Statement of Revenue and Expenses
 For the 12 Months Ending June 30, 2012

Description	Actual 2011 / 12	%	Budget 2012 / 13	%
REVENUE				
Membership Dues				
Meetings and Exhibits	\$6,394,000	31%	\$6,500,000	33%
Product and Program Sales	7,423,000	37%	7,250,000	37%
Royalties	1,677,000	8%	1,520,000	8%
Interest and Dividends	2,350,000	12%	2,289,700	11%
Corporate and Individual Support	657,000	3%	543,800	3%
Other Revenue	1,481,000	7%	1,195,900	6%
Total Revenue	182,000	1%	185,600	1%
Use of Board Designated Net Assets	251,000	1%	265,000	1%
Total Revenue	\$20,415,000	100%	\$19,750,000	100%
EXPENSES				
Salaries and Benefits				
Office Expenses	\$7,496,000	43%	\$8,024,000	41%
Occupancy	1,265,000	7%	1,181,100	6%
Travel and Entertainment	1,733,000	10%	1,915,000	10%
Meetings	542,000	3%	715,100	3%
Printing and Production	2,194,000	12%	2,496,900	12%
Communications and Software	537,000	3%	754,700	4%
Consultants and Professional Fees	509,000	3%	540,500	3%
Grants	2,829,000	16%	3,458,500	18%
Total Expenses	569,000	3%	664,200	3%
Total Expenses	\$17,674,000	100%	\$19,750,000	100%
Change in Unrestricted Net Assets from Operations				
Realized and Unrealized Net Loss on Investments	\$2,741,000			
NON-OPERATING ACTIVITIES				
Unrealized Loss on Interest Rate Swap Agreement				
Gain on Investment in ENTRI	(\$179,000)			
Transfers to Restricted Net Assets	(2,520,000)			
Change in Unrestricted Net Assets from Non-Operating Activities	22,000			
Total Change in Unrestricted Net Assets	(21,000)			
Total Change in Unrestricted Net Assets	\$43,000			

The AAO-HNS/F's investment policy is focused on preservation of capital and diversification to optimize the return/risk ratio.

several sessions with the Boards of Directors, Executive Committee, and the FISC. The goal throughout the budgeting process is to best use the AAO-HNS/F's financial resources to maximize benefit to our members and the public.

As I finish my four years as your Secretary-Treasurer, I reflect on the fantastic progress we have made during these past four years. At the beginning of my term in 2008, we had a deficit of more than \$325,000. With hard work and dedication by your Boards and Academy staff we have turned around the deficit so we have had a contribution to reserves for the past three years. It has been my great pleasure to work with the Boards, the Members, and all the staff of AAO-HNS/F. I especially want to recognize our COO/CFO, Brenda Hargett, our Senior Director of Financial Operations, Carrie Hanlon, and our Director of Budget and Special Projects, Lynn Frischkorn. Since they have come on board during 2010, I have seen great improvements in the financial operations of your Academy and Foundation. David Nielsen did a great job recruiting these fine individuals. I know AAO-HNS/F is in good hands for the future.

John W. House, MD