YOU SPOKE, WE LISTENED.

- Repeal of Flawed SGR Formula
- 10- and 90- Day Global Billing Practices Maintained
- Regent$^M$ Clinical Data Registry
- Instruction Courses Included in Annual Meeting Registration
- New AcademyU®
MESSAGE FROM LEADERSHIP

IN 2015: YOU SPOKE. WE Listened.

This video message from the 2015 Annual Meeting & OTO EXPO℠ Opening Ceremony delivered the “You Spoke. We Listened.” theme powerfully, as it does in this Annual Report.

You spoke. We listened.
It’s so rare to be listened to. And rarer still to be taken seriously. So we took a different approach.
That’s right. You said you needed a Data Registry. And we’re developing one.
You asked for a bigger and better learning experience. And we launched the new AcademyU®.
You called for the repeal of SGR. It’s gone.
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The short dialogue captures the essence of the AAO-HNS/F work this past year, but there is so much more to relay. We urge you not to miss the rest of the story, calling your attention to these standout efforts here and on the following pages.

Legend of Otolaryngology Fund
The Legends of Otolaryngology Campaign, part of the Annual Fund, launched this year. The first honoree will be M. Eugene Tardy, Jr., MD. The fund highlights how legendary otolaryngologists have served the public and the specialty.

Otolaryngology—Head and Neck Surgery Scientific Journal Impact
The journal’s 2014 Impact Factor, the chief quantitative measure of the quality of a journal, increased by 17 percent to 2.020 (from 1.721 in 2013).

Accreditation with Commendation
The Foundation received Accreditation with Commendation from the ACCME based on its recent reaccreditation submission. This comes with a six-year accreditation cycle that runs through 2021.

The International Task Force
A special task force is developing a strategic plan for International Affairs and making recommendations to the BOD. The AAO-HNSF International Symposium, a new Annual Meeting forum designed to showcase cutting-edge content, already has been announced for 2016.

The following pages continue the “You Spoke. We Listened.” message, showing accomplishments for the year and work in progress for the coming months and years. Ultimately, we are extremely indebted by all Member volunteers and staff who both “Speak” and “Listen” for the good of all patients and our specialty.

Gayle E. Woodson, MD
AAO-HNS/F President 2014-2015

James C. Denneny III, MD
AAO-HNS/F EVP and CEO
This year, the physician community had reason to celebrate. You asked for enhanced legislative outreach efforts to policymakers, for increased recognition of the specialty, for refined grassroots activities, and for political program involvement.

And, you asked for relevant and validated quality and cost measures and guidance on payer quality initiatives; integrated health policy-specific priorities, using input from the Physician Payment Policy (3P) Workgroup, and to maintain our visibility and credibility with national representatives regarding socioeconomic and federal regulatory issues. We Listened and acted on these accomplishments:

**LEGISLATIVE: FEDERAL ACTIVITY**

- Advocated for passage of the Medicare Access & CHIP Reauthorization Act (MACRA) – permanently repealing the flawed SGR physician payment formula.
- Spearheaded a coalition letter signed by more than 120 health-related organizations in opposition to legislation granting audiologists “limited license physician” status under Medicare.
- Took a leadership role in building support for legislation (H.R. 1344) to reauthorize the Early Hearing Detection and Intervention (EHDI) program for an additional five years.
- Worked with Congress to rescind a proposed CMS policy to transition all 10-and 90-day global payment codes to 0-day codes.

**GRASSROOTS AND STATE TRACKERS**

- Facilitated more than 1,500 grassroots messages to legislators by our advocates, supplementing nearly 25 local In-District Grassroots (I-GO) visits.
- Launched PROJECT 535 to identify “key contacts” for each Senate and House Congressional seat.
- Completed Phase Two of the State Trackers program – connecting advocates with their local and state medical societies to ensure effective collaboration and coordination.

**ENT PAC**

- Heightened the specialty’s visibility with federal lawmakers via attendance at more than 100 political events in 2015.
- Provided ENT PAC donors with access to resources and political updates via a new ENT PAC Investor Community on ENTConnect and e-newsletter, the ENT PAC Pulse.

**REGULATORY**

- Advocated for CMS’s continued coverage for osseointegrated implants by insuring that they remain classified as prosthetic devices and left the door open for CMS to consider coverage for non-osseointegrated implants.
- Met with CMS regarding Alternate Payment Models (APMs).
- Offered two comment letters to CMS regarding the proposed Meaningful Use Stage 3 rule and the modified Stage 2 rule with emphasis placed on the need for interoperability, flexibility, continuation of 90-day reporting periods, and a delay of Stage 3.
- Summarized CY2016 Medicare Physician Fee Schedule proposed rule payment and quality policies drafted and disseminated to members.

**PRIVATE PAYER**

- Developed a process for prioritization of payer requests (See new 3P webpage: www.entnet.org/content/3p-you)
- Collaborated with United Healthcare to maintain coverage of balloon sinus ostial dilation (BSOD).
- Conducted four meeting/conference calls with private payers: UHC Premium Designation Program, UHC collaboration on APMs, Anthem on transparency in their policy review process and myringotomy and tympanostomy tube policy, and Superior Health about their allergy policy in collaboration with AAOA.
- Reviewed three medical payer policies and provided feedback on the following topics: rhinoplasty, allergy immunotherapy, myringotomy, and tympanostomy tubes.

**CODING/REIMBURSEMENT**

- Reviewed 24 CPT codes through CPT code change proposals or RUC surveyed from March - October 2015.
- Developed two new Position Statements, updated a Position Statement; and Committees updated eight Clinical Indicators.
ADVOCACY

SGR REPEAL BECOMES A REALITY: ADVOCACY’S LEGISLATIVE & REGULATORY ROLE

This year, the physician community had reason to celebrate.

On April 16, President Obama signed into law H.R. 2, the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA), a bipartisan bill that garnered a remarkable 484 votes in the U.S. House of Representatives and U.S. Senate. In one swoop, MACRA—perhaps the most critical piece of health-related legislation since the Affordable Care Act—delivered several legislative victories.

Most notable are provisions to permanently repeal the flawed Sustainable Growth Rate (SGR) formula used to determine payments to physicians under Medicare. A long-time legislative priority for the AAO-HNS and others in the physician community, the repeal effort took more than 14 years and 17 short-term payment “patches” to arrive at the policy agreements ultimately included in MACRA.

OTHER “VICTORIES” INCLUDED:
- Consolidation of three incentive programs (Physician Quality Reporting System, Value-Based Modifier, and Meaningful Use Electronic Health Records) into a Merit-Based Incentive Payment System (MIPS) program to help set performance thresholds and offer flexibility for specialties in achieving reporting requirements for bonus payments
- Recission of a proposed CMS policy to transition all 10- and 90-day global payment codes to 0-day codes
- A “period of stability” with a .5 percent increase in physician payments for five years
- A five percent added incentive payment for physicians in new Alternative Payment Modes (APMs)
- Increased funding for technical assistance to practices of 15 or few professionals
- Creation of a technical advisory committee to review and recommend physician-developed APMs via an open comment process

Is MACRA’s replacement payment policy perfect? No. There’s no such thing as perfect legislation, and MACRA isn’t an exception. It is, however, a starting point, especially in the current legislative and political climate in Washington, DC. Now that the SGR formula has finally been repealed, and the framework for new and innovative payment mechanisms is in place, the goal of the AAO-HNS is to work toward improving upon the foundation set forth in the law.

IMPLEMENTING MACRA

As noted, the core MACRA programs are the Merit-Based Incentive Payment System (MIPS) and Alternative Payment Models (APMs). Traditional fee schedule updates will continue at 0.5 percent per year until 2019 when the MIPS program takes effect. Thereafter, MIPS will give physicians a composite score, which will be compared to a performance threshold. In addition, participation in MACRA-defined APMs will allow qualifying participants to be eligible to receive a five percent incentive payment starting in 2019 and be exempt from MIPS.

As this transition unfolds, your Academy leaders and staff have been monitoring and advocating to ensure otolaryngologist–head and neck surgeons will not be left behind as the payment system continues to evolve. As CMS continues interpreting the changes legislated by MACRA, the AAO-HNS has maintained an active leadership role by:
- Attending key specialty society meetings
- Commenting on related agency-issued rules
- Participating in coalition building measures (e.g., letters to policymakers)
- Utilizing our physician leaders to provide expert clinical input to CMS
- Closely monitoring the Health Care Payment and Learning Action Network (HCPLAN)
- Developing a specialty-specific registry to enable otolaryngologist–head and neck surgeons to successfully participate in MIPS

Additionally, the Academy continues to maintain an open dialogue with CMS through in-person meetings, participation in the comment process, and consistent involvement in related outreach activities. As a result of this relationship-building process, in May 2015, Academy leaders and staff met with representatives from CMS to discuss the Academy’s ongoing efforts to improve quality and reduce costs, and increase otolaryngologist–head and neck surgeons’ APM participation opportunities.

In 2016, the Academy will continue to collaborate with CMS to advocate for the following program specifications:

MIPS

Opportunities to receive technical assistance to help otolaryngologist–head and neck surgeons to effectively participate in MIPS and APMs.

Qualified Clinical Data Registry (QCDR) participation as a basis for physicians to meet all four MIPS categories (Quality, EHR, Use of Resources, Clinical Practice Improvement activities).

Clinically meaningful measures that are reflective of the specialty care that otolaryngologist–head and neck surgeons provide.

APMs

Simple instructions for individual physicians and small practices looking to participate in APMs.

Guidance, technical resources, and funding for the development of meaningful APMs that allow participation of otolaryngologist–head and neck surgeons.
YOU SPOKE. WE LISTENED: INTEGRATED LEGISLATIVE ADVOCACY APPROACH

The AAO-HNS’ multifaceted approach to legislative and political advocacy helps ensure our voice is not only heard, but taken seriously. Each of our programs plays an essential role in shaping healthcare policy on Capitol Hill and across the nation. Our success stems from continuously building the right relationships.

AAO-HNS Congressional Affairs staff regularly conducts meetings with Members of Congress and their staffs to advance the specialty’s legislative priorities. These efforts are bolstered by ENT PAC and our participation with numerous coalitions. For example, ENT PAC enables the AAO-HNS to host and/or participate in political events for pro-otolaryngology candidates and incumbents. And, our credibility is often strengthened by joining forces with entities like the Surgical Coalition.

Meetings on Capitol Hill are not the only way to connect with policymakers, which is why the Academy has four key grassroots initiatives. The ENT Advocacy Network, In-district Grassroots Outreach (I-GO), State Trackers, and the newly-created PROJECT 535 are designed to drive our messages “home” with legislators across the nation.

 The ENT Advocacy Network, which includes more than 1,900 AAO-HNS Members, provides resources to help our advocates stay current on legislative and political issues via The ENT Advocate and other timely communications.
 The I-GO program enables Academy Members to conduct in-district meetings, whether in the physician’s office, hospital setting, or at a lawmaker’s district office, to raise awareness on key issues impacting the specialty.
 The State Trackers program, utilizing local volunteers, helps identify legislation in the states that will potentially impact the specialty, our Members, and/or patients.
 The new PROJECT 535 initiative amplifies our voice on Capitol Hill via a “grasstops” database of voting physicians willing to act when the specialty must collectively advocate on national issues.

The AAO-HNS extends sincere appreciation to all grassroots volunteers who help make key priorities become legislative realities. Your participation was and will continue to be vital. We encourage all Members to get involved with at least one of the Academy’s legislative and political advocacy efforts.

Contact govtaffairs@entnet.org for more information or to sign up!

WHAT’S NEXT IN LEGISLATIVE ADVOCACY

The AAO-HNS Legislative Advocacy staff, in collaboration with our various Member volunteers, are preparing for the 2016 state legislative sessions and the second session of the 114th Congress. Key priorities for 2016 include, but are not limited to: continued Congressional dialogue regarding MACRA; broadening support for truth-in-advertising legislation; countering attempts by the audiology community and other non-physician groups to inappropriately expand their scope of practice; and efforts to delay implementation of Stage 3 Meaningful Use.

With another busy year ahead, AAO-HNS Members are reminded that our efforts on Capitol Hill are amplified by the strength of ENT PAC, the Academy’s bipartisan, issue-driven political action committee. Together, we can make a difference!

Join the AAO–HNS Grassroots Advocacy Team

www.entnet.org/advocacy

BE A LEADING ADVOCATE FOR

OTOLARYNGOLOGY—HEAD AND NECK SURGERY

Contact your Legislators
Join the ENT Advocacy Network
Schedule an I-GO event
Follow Legislative Issues on Social Media

Scan this code with your Smart Phone to get involved!

Kay Bailey Hutchison, former U.S. Senator from Texas, with ENT PAC donors.
REGULATORY ADVOCACY INFLUENCED AGENCY & PAYER ISSUES AS YOU REQUESTED

The Academy’s Physician Payment Policy (3P) Workgroup works hard for you, constantly considering the ideal solution to the myriad of issues facing otolaryngology practices today. 3P works to create and guide Academy documents; revise existing codes that simply have fallen out of date; and help further the field by facilitating the reimbursement of important, new procedures that allow physicians to offer the highest standard of patient care.

3P AND YOU: CPT AND RUC ACCOMPLISHMENTS

The Academy’s Physician Payment Policy (3P) workgroup, including the Academy’s CPT and RUC teams, coordinates with other Academy committees, subspecialties, and medical specialty societies on CPT and RUC related efforts. This coordination and collaboration is critical to success. During the January 2015 AMA RUC meeting:

- The Academy’s CPT and RUC teams worked with laryngology leaders from the Airway and Swallowing Committee, Voice Committee, the American Laryngological Association (ALA), and American Broncho-Esophagological Association (ABEA) to develop a new code proposal for the laryngoplasty family of codes presented at the October AMA CPT Editorial Panel (the Panel). The new codes were approved by the Panel and RUC surveyed for presentation at the January 2016 AMA RUC meeting.

- The Academy RUC surveyed and presented revisions to the Videonystagmography (VNG) family of codes along with the American Speech-Language-Hearing Association (ASHA), American Academy of Audiology (AAA), and American Academy of Neurology (AAN). This includes two new codes for 2016 for monothermal and bithermal vestibular testing.

- At the January 2015 AMA CPT meeting, the Academy and The Triological Society (TRIO) presented a code proposal requesting two new Category I codes for the insertion of drug eluting stents. The Panel declined this application and elected to create two Category III codes, stating that it did not feel sufficient literature was available in the office setting to support Category I codes at the time.

- At the May 2015 AMA CPT meeting, the Academy and TRIO, presented revised flexible laryngoscopy codes (6 new and 3 revised) to the Panel. Similar to the laryngoplasty code changes, 3P, the Academy’s CPT, and RUC teams worked with the Academy’s laryngology leaders and subspecialty societies, to develop the code proposals. The Panel approved the proposals and the codes were RUC surveyed for the October 2015 AMA RUC meeting.

Coding Corner

As a new benefit for Members, the Academy is proud to release our AAO-HNS Coding Corner.

The coding corner makes accessing the newest coding and reimbursement tools simple and straightforward for Members.

- Coding Guidance: CPT for ENT Articles and Code Changes/Edits
- Template Appeal Letters and Advocacy Statements
- How a New Technology or Revised Procedure Receives a Medicare Payment
- CMS Quality Initiatives and Programs
The Health Policy team tracks and summarizes policies and proposals that impact the specialty in order to provide feedback to private payers. This includes collaboration with third party payers to ensure fair reimbursement for ENT procedures as well as the creation of position statements, template appeal letters, and advocacy statements to help practices receive payment instead of denials from private payers.

**3P AND HEALTH POLICY: PRIVATE PAYER ADVOCACY EFFORTS**

The Academy’s Health Policy team working through 3P achieves significant wins on national payer issues:

- The largest Medicaid provider in Texas Superior Health proposed a credentialing program for physicians providing allergy testing and services, which excluded otolaryngologists as appropriate specialists to perform such services. Concerned about the potential impact and that the program may be adopted by other states, the Health Policy Team worked with the Allergy Committee to submit comments to Superior on the flawed policy. The Academy hosted an in person meeting with Superior medical directors and the AAOA which, after successful discussions, resulted in Superior changing its policy to auto-credential all board-certified and board-eligible otolaryngologists to perform allergy services.

- Anthem, the largest for-profit managed health care company in the Blue Cross and Blue Shield Association responded positively to the Academy’s request for improved communication on incorporating Academy clinical committee expert feedback into Anthem medical policies. The improved line of communication was subsequently reflected in the Myringotomy and Tympanostomy Tubes policy when Anthem reconsidered comments from 3P leaders, the Pediatric Otolaryngology Committee, and the Hearing Committee and ultimately incorporated all feedback into a new release of its policy, effective August 10, 2015.

- After years of fostering a good relationship with United Healthcare (UHC) national medical directors, 3P and the Health Policy team continued its private payer advocacy role with UHC. In early spring, UHC reached out to the Academy requesting input for its draft balloon sinus ostial dilation medical policy. The Academy’s Rhinology Paranasal Sinus Committee and 3P leaders reviewed the draft. As part of an ongoing collaborative effort, UHC held a conference call with our physician leaders and experts in rhinology, to discuss the proposed policy. After a detailed discussion about the benefits of balloon sinus ostial dilation as an alternative to endoscopic sinus surgery, UHC made a decision to cover the procedure and put a new policy into effect.

- In addition, UHC accepted another policy revision based on dialogue with Academy physician leaders: They will no longer require radiologic imaging as part of their documentation requirements for coverage of rhinoplasty and other nasal surgeries policy. Dr. Mureen Allen, UHC Medical Director, also met with Academy leaders and staff to discuss our concerns with the Premium Designation Program. UHC will seek expert opinion from otolaryngology experts for consideration in future versions of the program.
YOU SPOKE. WE LISTENED: RESEARCH & QUALITY

You have asked us to build a sustainable infrastructure for research and quality products to promote translational research and evidence-based medicine. You asked that we demonstrate the value of research and administer the granting program for the specialty. We Listened and acted with these accomplishments:

- **Approved:** The clinical data registry initiative was approved by the Board in March 2015.
- **Named and Branded Regent℠:** The AAO-HNSF ENT clinical data registry name and branding—Regent℠—was approved by the Executive Committee and a registry vendor, FIGmd, was approved by the Executive Committee in August and the full Board in September 2015.
- **Endorsed:** Two Acute Otitis Externa (AOE) and three Otitis Media with Effusion (OME) measures were submitted for National Quality Forum (NQF) endorsement. All submitted measures received full endorsement, with the exception of OME; Systemic Use of Corticosteroids. This measure will be endorsed with a reserve status due to a small performance gap and limited opportunity for improvement.
- **Published:** The PSQI Committee completed a manuscript entitled “Quality in Otolaryngology: Where We Have Been and Where We Are” which was published in the May 2015 journal.
- **Published:** Clinical Practice Guidelines (CPG): Allergic Rhinitis was published February 2015; CPG: Adult Sinusitis update published April 2015; the Clinical Consensus Statement (CCS) Development Manual was published November 2015 and the CCS: Septoplasty was published November 2015. CPG updates in process include: Otitis Media with Effusion; Cerumen Impaction; BPPV; Hoarseness; and two new products including CPG: Evaluation of the Neck Mass in Adults and CPG: Rhinoplasty.
- **Viewed and Cited:** The AAO-HNSF CPGs have been viewed almost 530,000 times via the National Guideline Clearinghouse and the CPGs/CCSs/Manuals have been cited almost 3,400 times, as reported by Google Scholar.
- **Awarded:** The 2015 CORE grant program participating societies (AAO-HNSF, AHNS, ASPO, ARS, AAFPRS) awarded 35 grants totaling $488,000. Of that amount, AAO-HNSF and its sponsors (Alcon, Cook Medical, and Oticon) funded 28 grants totaling $278,750.
Members have asked for more guidelines and more derivative products. We are producing more CPGs and CCSs than ever before and AAO-HNSF now makes slide sets available for education, pocket cards for easy bedside reference, and patient educational materials to facilitate shared decision-making.

This year, the AAO-HNSF published four CPG/CCS products including: Allergic Rhinitis (February 2015); an update of the CPG Adult Sinusitis (April 2015); a CCS Development Manual (November 2015); and CCS on Septoplasty with or without Inferior Turbinoplasty (November 2015).

Six additional guideline products are in various stages of development:
- CPG Otitis Media with Effusion: To publish early 2016
- CPG Cerumen Impaction: Under external peer review
- CPG Benign Paroxysmal Positional Vertigo: Undergoing update
- CPG Hoarseness: Undergoing update
- CPG Rhinoplasty: Under development
- CPG Evaluation of the Neck Mass in Adults: Under development

AAO-HNSF guidelines have been accessed over half a million times via the National Guideline Clearinghouse and citations of the CPGs are over 3,000. We have received almost 80 requests for the CPG slide sets from both Members and non-members across the world, resulting in an estimated 147 presentations of the AAO-HNSF guidelines to various stakeholders.

AAO-HNSF continues to collaborate with the Creating Healthcare Excellence through Education and Research (CHEER) Practice-based Research network to research adherence to the CPGs and barriers to implementing the guidelines. Three studies looking at the Voice Outcomes after Thyroid Surgery, Sudden Hearing Loss, and Tympanostomy Tubes are nearing completion. These study findings will help us to inform future performance measures development and additional resources needed by our Members to implement the guidelines for the best care to the patients they serve.

All new guidelines and consensus statement products were presented as Miniseminars at the AAO-HNSF 2015 Annual Meeting & OTO EXPO℠ along with an Instruction Course on Understanding Clinical Practice Guidelines. Online Lecture Series were recorded for Adult Sinusitis (Update) and Otitis Media with Effusion (Update) and will be available to the members in early 2016.

For many years, there has been interest in translating the CPGs. This year we entered into a project with the Mexican ORL Society (SMORL) to “ADAPTE” several of the AAO-HNSF CPGs to the Mexican community.

We continue to develop harmonization pieces that compare and contrast our guidelines to other organizations. Two products are in development: AAO-HNSF Adult Sinusitis CPG compared to the IDSA CPG; and AAO-HNSF Allergic Rhinitis CPG with the AAAAI/AACAI practice parameters.

CENTRALIZED OTOLARYNGOLOGY RESEARCH EFFORTS (CORE) GRANT PROGRAM

AAO-HNSF has entered into a new partnering strategy with participating specialty societies to administer the CORE grant program, which will allow for more funds to be available for research.

TheCOREgrant program received 162 research applications (18 resubmissions) from 71 institutions. In total, applicants were requesting $2,539,225 in funding. The 2015 CORE leadership approved a portfolio of 35 grants totaling $519,006. Of that amount, AAO-HNSF funded 28 grants totaling $278,750.
YOU SPOKE. WE LISTENED: REGENT℠

Members have asked for a clinical data registry. We Listened and are building Regent℠, the first ENT clinical data registry to: facilitate new measures development for the depth and breadth of the specialty, help Members demonstrate the value of care they provide, enable quality reporting and improvement, address clinical effectiveness, facilitate Maintenance of Certification and Licensure, and enable product surveillance.

ACCOMPLISHMENTS

- Completed an environmental scan with other medical and surgical specialties with registries; and
- Validated the clinical data registry approach with CMS, private payers and the Large Group Forum;
- Completed a Request for Information (RFI) with vendor finalists and held a registry vendor educational summit in June; held regular Task Force calls to ensure alignment.
- Finalized the registry strategy, name (Regent℠) and logo;
- Completed the registry business plan, RFP, registry vendor assessment and identified FIGmd as the top vendor; and
- Received approval of FIGmd from the Executive Committee and full Boards.
- A Regent℠ Miniseminar entitled, “The Power of Data: Creating a Clinical Data Registry for Otolaryngology” was held at Annual Meeting in Dallas, TX.
- Regent℠ Booth at Annual Meeting hosted demonstrations and presentations.

WHAT IS REGENT℠?

Regent℠ is an otolaryngology-specific clinical data registry that will be the foundation for quality reporting, measures development, quality improvement, clinical and product research, and support for maintenance of certification and licensure. With Regent℠, AAO-HNSF is investing in our Members’ future—a future that will involve an increased focus on quality of care and performance measurement.

ENT CLINICAL DATA REGISTRY

At the AAO-HNSF 2015 Annual Meeting & OTO EXPO℠, the AAO-HNSF Board approved FIGmd as our vendor partner for Regent℠. This pivotal step marks a key moment in the Regent℠ timeline and the culmination of work by AAO-HNSF staff and Registry Task Force Members to lay the foundation for Regent℠. Registry work accomplished to date is highlighted on this page.
There was significant interest in Regent℠ among Members who visited the booth and a common theme emerged in their questions. We compiled the top three and answer them below.

**WHAT WILL REGENT℠ OFFER?**

- **Public Quality Reporting**
  Regent℠ will help Members report on quality measures for federal and private programs.

- **Demonstration of Value and Alternative Payment Models**
  Regent℠ will affirm effectiveness and quality of care provided; utilize data to more effectively negotiate with payers; and prepare for participation in alternative payment models.

- **Quality Improvement and Clinical Effectiveness**
  Regent℠ will utilize longitudinal data to identify gaps in performance and gaps in care provided both at the individual practitioner and system levels.

- **Maintenance of Certification and Licensure**
  Regent℠ will coordinate with and provide data to the American Board of Otolaryngology (ABOto) and state licensing boards to assist in satisfying MOC and MOL requirements.

- **Performance Measure Development**
  Regent℠ will allow more rapid and cost-effective development of measures to rapidly expand our portfolio through a measure authoring tool. This will allow the AAO-HNSF to author and simulate measures on registry data before launching the measures.

- **Product Surveillance**
  Regent℠ will facilitate post-market surveillance activities.

**WHAT’S NEXT FOR REGENT℠?**

AAO-HNSF will develop the Regent℠ data dictionary which encompasses coding measure specifications and facilitates the extraction of data from the EHR systems used by our members. Pilot testing of Regent℠ will be conducted with a diverse group of practices to assure that measures and related data are appropriately extracted and reflect the actual performance of pilot participants. We anticipate commencing pilot testing in 2016 with the full launch of Regent℠ several months later.

**WHAT’S NEXT FOR PERFORMANCE MEASURES?**

Now that the AAO-HNSF has secured National Quality Forum Endorsement for the acute otitis externa and otitis media with effusion measures, the Performance Measures Task Force will be establishing its performance measure methodology and developing new measures for allergic rhinitis and BPPV. We will be looking to the specialty societies to assist in development of new measures. A new area for measure development with Regent℠ includes outcome measures development, including patient reported outcomes.

To stay up to date visit www.entnet.org/Regent

Have questions? Email Regent@entnet.org
YOU SPOKE. WE LISTENED: EDUCATION & MEETINGS

The reinvented 2015 Annual Meeting & OTO EXPO℠ enriched your overall experience and expanded your education opportunities. Many innovations took place this year in Dallas:

MEETINGS
- **Adjusted**: Registration fees were adjusted, and all Members receive a discounted fee of 2/3 the non-member rate.
- **Included**: Instruction Courses were included in the regular registration fee.
- **Scheduled**: The Miniseminars, Scientific Oral Presentations, and Instruction Courses were scheduled concurrently Sunday through Wednesday.
- **Concluded**: The OTO EXPO℠ officially concluded on Tuesday at 3:00 pm.
- **Avoided**: Nearly all committee meetings were held mid-morning and mid-afternoon to avoid conflicts with the Scientific and Instruction Course programs.
- **Rated**: A ‘Best of Orals’ 80-minute session included 12 of the highest rated Oral submissions representing all the subspecialties topics.
- **Presented**: The Scientific Program included eight-minute Masters of Surgery Video Presentations, followed by a live Q&A.
- **Offered**: Seven Instruction Course Review Courses were presented throughout the meeting — “Facial Plastic Surgery,” “General Otolaryngology,” “Head and Neck Surgery,” “Laryngology/Bronchoesophagology,” “Pediatric,” Otology and Neurotology,” and “Rhinology and Allergy.” These extended courses, two hours long, were designed to help Members prepare for the MOC Part III cognitive exam.

EDUCATION
- **Commended**: The AAO-HNSF was awarded the distinction of Accreditation with Commendation by our accrediting board, the Accreditation Council for Continuing Medical Education (ACCME). This status conveys a six-year accreditation period.
- **Launched**: A new AcademyU® Learning Platform at www.AcademyU.org launched that will provide a more robust learning experience. It is learner-focused, personalized, social, user-friendly, searchable, and flexible.
- **Planned**: Continued growth in education programming for the AAO-HNSF 2016 Annual Meeting & OTO EXPO℠.
YOU SPOKE. WE LISTENED: MEETINGS

The AAO-HNSF 2015 Annual Meeting & OTO EXPO℠ was one like no other.

This year the Program Advisory Committee and Instruction Course Advisory Committee introduced a broad range of changes designed to enhance the world’s premier gathering of otolaryngologists. These changes enriched the overall experience and expanded your education opportunities.

For starters, the full conference registration price included Instruction Courses. This change gave attendees complimentary access to over 400 hours of education content. The Scientific Program (Oral Presentations and Miniseminars) and Instruction Courses simultaneously, Sunday through Wednesday. The redesigned program allowed attendees more uninterrupted time on the OTO EXPO℠ show floor to explore the latest products and technology.

We had more than 5,000 professional registrants this year, an 11 percent increase in domestic attendance.

Attendees came from all over the world, spanning over 89 different countries.

Moreover, there were many wonderful opportunities for professional development, networking with colleagues.

The AAO-HNSF would like to extend a special thanks to the Program Advisory Committee, led by Eben L. Rosenthal, MD, and the Instruction Course Advisory Committee, led by Sukgi S. Choi, MD, for their leadership, commitment to professional growth, and innovation.

MEETINGS
BY THE NUMBERS

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>104</td>
<td>Miniseminars</td>
</tr>
<tr>
<td>309</td>
<td>Instruction Courses</td>
</tr>
<tr>
<td>5</td>
<td>Guest Lectures</td>
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<tr>
<td>368</td>
<td>Oral Presentations</td>
</tr>
<tr>
<td>270</td>
<td>Exhibiting Companies</td>
</tr>
<tr>
<td>927</td>
<td>First-Time Attendees</td>
</tr>
<tr>
<td>25.5</td>
<td>Continuing Medical Education Credits Available For Each Physician</td>
</tr>
<tr>
<td>1,999</td>
<td>Continuing Medical Education Certificates Awarded</td>
</tr>
<tr>
<td>2,247</td>
<td>Downloads Of The Annual Meeting Mobile App</td>
</tr>
</tbody>
</table>
YOU SPOKE. WE LISTENED: EDUCATION

New AcademyU® Learning Platform provides the “House that Education Built”

Welcome to AcademyU.org, your otolaryngology education source. In response to the expressed wishes of our Members, the Foundation built a new learning platform for all of its education and knowledge resources. Now easily accessible through www.AcademyU.org, all of the Foundation’s knowledge resources, live events, eBooks, online education, and the Home Study Course are housed under the one roof of AcademyU®.

With Members’ advice and great assistance from the eight Education Committees, the New AcademyU® education, home built in 2015, has all the amenities: transcripts on demand, community forums, customized course recommendations, easy-to-read course listings, a comprehensive how-to guide, and a complete catalog of education activities.

Most importantly, the new AcademyU® has a very robust search function to assist with finding all the education activities of interest to you. The search options include: specialty, activity format, activity series, stage of career, certification, and credit designation. By using these search criteria you can narrow down what you are looking for and get to the activities you want quickly and easily.

In addition to moving into a brand new house, many existing education activities were upgraded and enhanced. Patient Management Perspectives is now directly offered through AcademyU® and available in single volumes. eBooks are now true eReaders with links and other interactive features. AcademyQ CME is a new product using the same questions as the app but also offering CME credit. All the COOL courses were rebuilt and the Pediatric Webinar Series is archived in AcademyU®. And, the good news is, many new education activities are being added annually.

AAO-HNSF RECEIVES ACCREDITATION WITH COMMENDATION FOR MEDICAL EDUCATION PROGRAM

After a comprehensive review, the Accreditation Council for Continuing Medical Education (ACCME) has awarded Accreditation with Commendation—its highest level of accreditation—to the AAO-HNSF for its continuing medical education program.

This status, which provides a six-year accreditation period, is awarded to only a fraction of all organizations who seek to become an accredited provider of medical education. It is recognition of programs that deliver the highest quality of practice-relevant, physician-focused education.
FUTURE DIRECTION—YOUR NEEDS

Over the past four years, adding to the diligence of staff, the work of Dr. Sonya Malekzadeh, AAO-HNS Foundation Education Coordinator, provided thoughtful and strong leadership. Through her hard work, Foundation professional development has evolved into a focused, innovative, and high quality program for Members.

Four Education Committee representatives now serve on Clinical Practice Guidelines working groups to serve as a liaison between Research and Education and to ensure appropriate education activities are planned in conjunction with each newly published guideline.

Members of each of the eight Education Committees formed work groups in 2015 to focus on a specific initiative of Foundation education, including Innovation, Faculty Development, Item Writing, Non-physician Clinician, and Marketing.

On October 1, 2015, Richard V. Smith, MD, became the new AAO-HNS Foundation Education Coordinator.

New in 2015, key Annual Meeting education sessions were video recorded in their entirety. These included seven specialty-focused review courses, nine clinical fundamentals courses, two clinical practice guidelines presentations, and a variety of other Mimiseminars and Instructions Courses. These recordings will be available through the new AcademyU® accompanied with CME credit. As a new education offering, the Annual Meeting Expert Series (AMEx) is comprised of a select group of sessions that include a post-presentation faculty interview where further discussions were had about each topic.

AAO-HNSF is proud to partner with AAPC, a leader in medical coding education, to offer a series of live workshops, webinars, and eCourses. Jointly sponsored Coding Workshops and Webinars will be held regionally and online through 2016.

The reinvented 119th Annual Meeting proved to be a success. You should expect continued growth in the education program, more networking opportunities, and increased access to the products and services showcased in the OTO EXPO™. Please join us for the 120th Annual Meeting & OTO EXPO™ September 18-21, 2016, at the San Diego Convention Center in San Diego, California.

Watch the Annual Meeting website for updated information.

Sonya Malekzadeh, MD (right)  
Immediate Past Coordinator for Education
You Spoke. We Listened: Member Engagement & Unity

The American Academy of Otolaryngology—Head and Neck Surgery is the premier organization for specialists who treat the ear, nose, throat, and related structures of the head and neck.

We lead and encourage change that benefits the specialty and patients all over the world. Our ongoing education opportunities, networking events, publications, and advocacy and practice management resources help Members build their skills and advance their careers.

With 11,988 Members supporting AAO-HNS’s mission, the largest membership categories include those who are certified by a specialty board who are listed as Fellows (70 percent), physician Members who are not board certified (15 percent), and residents (12 percent). Affiliates, Scientific Fellows and Associates comprise the remaining three percent of Members. Eight percent of the membership bases practices outside the United States. AAO-HNS physician Members are represented from residency to retirement.

Membership

- Retained: Membership remained strong in 2015 with a retention rate of 94 percent. With a membership of 11,988 as of the October 1, 2015 census, the Academy’s membership is steady.
- Added: Since January 1, the Academy has added 467 new Members to its rolls and 103 former Members who reinstated their membership.

BOG

- Updated: To facilitate its grassroots outreach, the Board of Governors (BOG) updated its committee charges, online resources, bylaws, and society application process.

Sections

- Convened: The Young Physicians Section (YPS) conducted its inaugural General Assembly meeting on Tuesday, September 29.
- Engaged: The Section for Residents and Fellows-in-Training (SRF) updated its bylaws and reworked the format of its General Assembly meeting to be more engaging and include practical content of interest to section Members.
- Mentored: The Women in Otolaryngology (WIO) Section launched its inaugural mentoring/leadership pilot program to assist in the development of future Academy leaders.

International

- Fostered: The AAO-HNSF International Task Force has been developing a strategic plan to foster a global otolaryngology community to promote the highest standards in clinical care through education, research, communication, and collaboration.
- Hosted: The 2015 AAO-HNSF Annual Meeting & OTO EXPOSM welcomed the International Guests of Honor from Czech Republic, Panama, Slovakia, Taiwan, and Tanzania and all its International attendees from more than 89 countries to the ever-popular International Reception.

Primary Subspecialties

<table>
<thead>
<tr>
<th>Subspecialty</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Otolaryngology</td>
<td>49%</td>
</tr>
<tr>
<td>Head and Neck Surgery</td>
<td>11%</td>
</tr>
<tr>
<td>Facial Plastic Surgery</td>
<td>10%</td>
</tr>
<tr>
<td>Pediatric Otolaryngology</td>
<td>8%</td>
</tr>
<tr>
<td>Neurotology</td>
<td>5%</td>
</tr>
<tr>
<td>Otology</td>
<td>5%</td>
</tr>
<tr>
<td>Rhinology</td>
<td>4%</td>
</tr>
<tr>
<td>Laryngology</td>
<td>4%</td>
</tr>
<tr>
<td>Allergy</td>
<td>2%</td>
</tr>
<tr>
<td>Sleep Medicine</td>
<td>1%</td>
</tr>
<tr>
<td>Endocrine Surgery</td>
<td>&lt;1%</td>
</tr>
</tbody>
</table>
MEMBER NETWORKS

The Member networks help practitioners to share day-to-day issues with each other and the AAO-HNS/F. They bring you to the Academy and the Academy to you.

BOARD OF GOVERNORS (BOG)

During this year’s BOG General Assembly meeting held during the AAO-HNSF Annual Meeting & OTO EXPO℠, David R. Edelstein, MD, assumed the role of BOG Chair, and Wendy B. Stern, MD, became Immediate Past Chair. Stacey L. Ishman, MD, MPH, was elected BOG Chair-Elect and Ken Yanagisawa, MD, was elected BOG Secretary. On October 1, the 2015 BOG award recipients were also recognized during the BOG General Assembly:

- Model Society Award: Pennsylvania Academy of Otolaryngology–Head & Neck Surgery
- Model Society Honorable Mention Award: Connecticut Ear, Nose & Throat Society
- BOG Practitioner Excellence Award: Robert J. Stachler, MD

The BOG Governance & Society Engagement Committee, formerly the Rules and Regulations Committee, updated its committee charge and name to better reflect its outreach activities. The American Society of Geriatric Otolaryngology (ASGO) applied to become part of the BOG and was approved by the BOG Executive Committee.

The BOG Legislative Affairs Committee created two new task forces—one focusing on ENT PAC participation and the second concentrating on legislative grassroots engagement. These task forces convene via conference call on a quarterly basis and are working with AAO-HNS staff to enhance various advocacy opportunities.

Wendy B. Stern, MD

BOG, Immediate Past Chair

The BOG Socioeconomic & Grassroots (SEGR) Committee concentrated on developing BOG society polls that are more facile and focused. The first survey topic was regarding alternative payment models, with a second poll on the implementation of the Affordable Care Act (ACA), released in November 2015. The Committee clarified the topics of coverage for the Committee: (1) Insurance, (2) Practice Management, and (3) Public Relations Efforts. In addition, a tool kit is now available on ENTConnect.org for BOG Regional Representatives with contact information, a regional map, job descriptions, and an updated committee charge.

AAO-HNS/F 2015 Leadership Forum: The AAO-HNS/F 2015 Leadership Forum & BOG Spring Meeting was also a success, with nearly 140 attendees, 30 of which were Residents and Fellows-in-Training. The three-day event included the following BOG programming: a new mentorship/leadership program; committee meetings; General Assembly with presidential candidate speeches; Congressional and other guest speakers on key healthcare topics; and 8.4 CME credits.

What’s Next?: In addition to collaborative planning for the AAO-HNS/F 2016 Leadership Forum & BOG Spring Meeting, the BOG will be working on PROJECT 535, Societies Connected, virtual communities, recruiting volunteers for various advocacy initiatives, streamlining the collaboration between the BOG and 3P, and strengthening communication via the SEGR Regional Representatives.

SECTION FOR RESIDENTS AND FELLOWS-IN-TRAINING (SRF)

Growth and Visibility: The SRF and its Governing Council (GC) leaders aimed to increase the number and visibility of their Members at specialty society meetings and established new liaisons to the American Society of Pediatric Otolaryngology (ASPO), the American Laryngology Association (ALA), and the American Academy of Otolaryngic Allergy (AAOA). In addition, the SRF continues to increase its presence in the Society of University Otolaryngologists-Head & Neck Surgeons (SUO).

Connecting: The annual 2015 SRF survey was completed with more than 450 responses. Communicating via Facebook and ENTConnect has resulted in increased dialogue. Expansion of the SRF’s presence on ENTConnect, as well as promotion of mENTorConnect, will be a priority moving forward.

Leadership: With 30 SRF Members in attendance, the Section was well-represented at the AAO-HNS/F 2015 Leadership Forum. SRF leaders are working to increase member participation in the Millennium Society and ENT PAC.
MEMBER ENGAGEMENT & UNITY

MEMBER NETWORKS (CONTINUED)

WOMEN IN OTOLARYNGOLOGY (WIO)
Communication: Over the past year, the WIO Section concentrated on improving its Member communications through website updates, ENTConnect, the Bulletin, quarterly eNewsletters and social media.

Mentorship: The Section launched its first women’s mentoring program at the AAO-HNS/F 2015 Leadership Forum. The WIO leaders hope to expand this pilot program in the coming year(s).

Outreach: The Section began exploratory meetings to establish a subgroup of liaisons to connect with women’s groups in other otolaryngology societies. Section leaders are also committed to increasing the number of female physician speakers on panel presentations at meetings.

YOUNG PHYSICIANS SECTION (YPS)
Firsts: The newest Section of the AAO-HNS, the YPS, held its first Section General Assembly meeting at the AAO-HNSF 2015 Annual Meeting & OTO EXPO™ in Dallas and also launched its first quarterly eNewsletter.

Engagement and Representation: The YPS Section worked with the Program Advisory Committee to coordinate more than 175 YPS Members presenting during Annual Meeting. Leaders also worked with Otolaryngology–Head and Neck Surgery to continue its “Reflections” section and to submit to a Young Physicians-focused issue. Relationships were strengthened with the AMA – YPS and the Education Innovation Advisory Group.

Mentorship: The Section coordinated with the Board of Governors (BOG) for a mentoring program at the AAO-HNS/F 2015 Leadership Forum and worked with SRF, WIO, and the BOG on the roll-out of an Academy-wide Mentorship Program - mENTorConnect.

HUMANITARIAN EFFORTS

Every year, the Academy’s Foundation helps realize the ambitions of our Members who strive to make the world a better, healthier place.

Through the Humanitarian Travel Grant program, the AAO-HNSF offers financial support to SRF participants in humanitarian missions that deliver care to those who need it most. Funding is available for initiatives both in the U.S. and abroad.

In 2015, the Foundation helped send a total of 30 Members to as many as 13 developing countries and territories.

The Foundation also recognized two exceptional Members for their enduring commitment to humanitarian work. Susan R. Cordes, MD, was selected for the 2015 Arnold P. Gold Foundation Humanism in Medicine Award, in recognition of her profound empathy and sensitivity when caring for patients. In addition, this year’s AAO-HNSF Distinguished Award for Humanitarian Service was conferred on H. Dennis Snyder, MD, a Member whose career has brought care to patients in countries as geographically diverse as Rwanda and the Philippines.

INTERNATIONAL AFFAIRS

Serving 1,000 Members abroad and sustaining partnerships with 57 international otolaryngology organizations, known as International Corresponding Societies (ICS), the Academy and its Foundation have long worked to foster a global community. In 2015, an enhanced emphasis on global relations has developed with the creation of an AAO-HNSF International Task Force, a body charged with making the Academy a greater asset to our colleagues, members, and friends around the world by enhancing the value of the ICS network, international membership, and global participation at the AAO-HNSF Annual Meeting & OTO EXPO™. The International Task Force Members include: Carol R. Bradford, MD; James C. Denny III, MD; Soha Ghossaini, MD; KJ Lee, MD; Eugene Myers, MD; Gregory W. Randolph, MD; James Saunders, MD; Michael N. Stewart, MD; Pablo Stolovitzky, MD; Gayle E. Woodson, MD; and Mark Zafereo Jr., MD.
SUSTAINABILITY

YOU SPOKE. WE LISTENED: SUSTAINABILITY

Sustaining the AAO-HNS/F, its brand, and its relevance to Members and the public is a strategic goal that is vital to all. It requires short-term flexibility and long-term stewardship. It inspires and enables philanthropy and support. This past year the following actions have delivered on providing quality leadership and adaptability to Member needs:

COMMUNICATIONS

- **Increased Visits:** Website: Unique visitors: 5.66 million (91 percent increase since August 2014); Sessions (total visits): 6.7 million (76 percent increase since August 2014); Page views: 8.6 million (49 percent increase since August 2014).

- **Logged in:** ENTConnect: 4,203 Members (35 percent have logged in at least once since May 2014 launch); 54,857 sessions; 259,895 page views; 4.02 pages per session; Average session: three minutes, 26 seconds.

- **Cultivated:** Media staff responded to more than 65 interview requests this year, and successfully pitched coverage for two clinical practice guidelines in multiple media outlets.

- **Submitted:** The 2014 Impact Factor Citation Report rated Otolaryngology–Head and Neck Surgery at its highest ever, 2.020, a 17 percent increase from last year. The journal now ranks #11 among 43 otorhinolaryngology journals.

- **Published:** The first “Young Physicians” Otolaryngology–Head and Neck Surgery issue was published in October 2015. More than 200 submissions were received and 61 were accepted.

- **Enhanced:** Otolaryngology–Head and Neck Surgery “Special Focus Sections” began appearing in April 2015.

- **Redesigned:** The redesigned Bulletin launched in February 2015 with full color covers, more thematic content and integration with the website and ENTConnect.

- **Initiated:** Members now receive monthly Bulletin Table of Contents emails, making print articles more easily available online and offering online exclusives.

DEVELOPMENT

- **Exceeded:** Annual Meeting grant, sponsorship, and marketing revenue exceeded $580,000.

- **Participated:** The Hands-on Training program on the OTO EXPO℠ floor had four participating companies hosting seven educational sessions with cadaveric specimens.

- **Endowed:** The Hal Foster, MD Endowment had assets totaling approximately $11M (combination of cash, bequests, and life insurance policies).

- **Added:** Two new Annual Funds were added to the fundraising program: Clinical Data Registry and Legends of Otolaryngology.

CORPORATE RESOURCES

- **Managed:** The Fiscal Year 2015 financial results showed a positive contribution to reserves.

- **Approved:** The FY16 balanced budget and FY16 Strategic Plan has recently been approved by the Board.
YOU SPOKE. WE LISTENED: DEVELOPMENT

Development efforts continue to focus on increasing non-dues revenue for the Academy and Foundation in three main areas: individual gifts to the Annual Fund and Hal Foster, MD Endowment, Annual Meeting and other corporate sponsorship and the Academy Advantage affinity program. With continued success and growth in the corporate sponsorship area, the Development Committee has turned its attention to re-invigorating a culture of philanthropy.

During the year ended, June 30, 2015, over $280,000 of Foundation programming was funded by gifts to the Annual Fund and endowment earnings. The Foundation depends upon philanthropic gifts and donations to carry out its mission and meet its strategic plan goals.

Nikhil J. Bhatt, MD, completed his tenure as Coordinator for Development on September 30, 2015. We would like to thank Dr. Bhatt for his years of leadership, generosity, and hard work with staff and members. The accomplishments of Dr. Bhatt and the Development Committee are the building blocks of our future fundraising.

Lee D. Eisenberg, MD, MPH, took over the position as Coordinator for Development on October 1, 2015 and we are looking forward to the years ahead. Dr. Eisenberg brings decades of philanthropic experience, new ideas and an incredible amount of energy to the Foundation. Under the leadership of Dr. Eisenberg, the Development Committee and staff will continue to think outside the box, listen to our Members and corporate colleagues, develop meaningful partnerships, and solicit grant funding for Foundation strategic initiatives. The fundraising of the Foundation relies on the active solicitation of the Academy membership and the companies serving the specialty.

We would like to thank those individuals who supported the Foundation in 2015, particularly with gifts at the Millennium Society level and to the Hal Foster, MD Endowment.

INDIVIDUAL GIFTS

Emphasizing philanthropic giving on an annual basis is the directive of the Board of Directors and a goal of the FY16 Strategic Plan. The entry point for the Foundation’s individual giving program is its Annual Fund, within which a donor can designate an operational area of interest to direct their donation. Growing the number of individual donors and the dollar value of the Annual Fund is the focus of the Development Committee and Foundation staff.

The Foundation launched a new initiative aimed to increase individual support for the coming years, The Legends of Otolaryngology campaign. This fundraising program will honor an otolaryngologist that has made significant contributions to the specialty, their colleagues, and improvements in patient care. We are excited to announce the first Legend, M. Eugene Tardy, Jr., MD. Dr. Tardy’s contributions to the specialty and facial plastics have proven to shape the practice of medicine, improve the education of young physicians, and create a path for the next generation to follow.

HAL FOSTER, MD ENDOWMENT

In October 2009, the Boards of Directors initiated the Hal Foster, MD Endowment Campaign with a goal of soliciting major gifts to provide an ongoing source of funding for the future of the specialty. The initial phase of the campaign was formally announced in 2010. To date, we have raised more than $11 million to ensure the strategic initiatives of the Foundation are continued in perpetuity. We are still actively pursuing Hal Foster, MD donations from donors who wish to leave a lasting mark on the future of their specialty.

During the past year, we have recognized the following individuals as new Hal Foster, MD Endowment supporters who made major gifts to the Hal Foster, MD Endowment:

- Mona M. Abaza, MD
- Nikhil J. Bhatt, MD
- Roy R. Casiano, MD
- Nathan A. Deckard, MD
- Joseph Han, MD
- John H. Krouse, MD, PhD, MBA
ANNUAL MEETING SPONSORSHIPS & CORPORATE SUPPORT

AAO-HNSF continues to show an incredible commitment to corporate relations and an open dialogue with companies operating within the ENT space.

The efforts of the Development Business Unit continue to produce tangible results, both financially and in relationship building. We have seen a remarkable increase in revenue from Annual Meeting sponsorships by leaders in the device and pharmaceutical industries. Total Annual Meeting sponsorship revenue has more than doubled since 2012. The 2015 Annual Meeting & OTO EXPO™ produced $580,000 in non-dues revenue. In addition to the increased revenue, we have also worked internally to reduce expenses to ensure that dollars raised are going directly to support the mission of AAO-HNS/F.

Significant enhancements for the 2015 Annual Meeting & OTO EXPO™ include:

- Doubled the available opportunities for corporate sponsored hands-on training which resulted in more than 200 attendees receiving hands-on opportunities to utilize the newest technologies on the market.
- Increased the size and scope of marketing opportunities around the convention center and in the headquarters hotel to provide our corporate partners significant and professional chances to showcase their brand.
- Continued to provide our corporate partners with first-class Corporate Satellite Symposium opportunities to reach their target audience outside of traditional educational hours.
- Reinvigorated the Industry Round Table (IRT) Lunch which has proven to provide more fruitful conversations between Industry and AAO-HNS/F Leadership.

While we are certainly proud of how far we have come since 2012, there is still room for growth in the coming year. Over the fiscal year we will be redeveloping our IRT Program to encourage corporate support of Foundation philanthropic programs and services. We look forward to reporting continued growth for the years to come.

<table>
<thead>
<tr>
<th>Annual Meeting Corporate Marketing and Sponsorships</th>
<th>Corporate Sponsored Education Initiatives</th>
<th>Grants and Unrestricted Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>$202,000</td>
<td>$356,000</td>
<td>$22,000</td>
</tr>
</tbody>
</table>

AAO-HNS ACADEMY ADVANTAGE

The Academy Advantage program continues to offer Academy Members select services and products at discounted rates as a benefit of membership. This affinity program includes partnerships with “non-endemic” companies - those that are not medical device or pharmaceutical companies. AAO-HNS is currently under contract with the following partners:

- The Doctors Company: Medical Liability Insurance
- Health eCareers: Online Career Board
- Officite: Website Design/Marketing
- AllMed: Electronic Health Record (EHR) and Practice Management Solutions Services
- ENT-Cloud: EHR and Practice Management
- Eyemagination: In-Office Patient Education
- Optum™: Coding Resources

IRT LEADERS

OLTUS
Medtronic

IRT MEMBERS

Acclarent
ENTELLUS

IRT ASSOCIATES

Alcon
Auris Medical

Lumenis
Otonomy

Smith & Nephew
The fiscal management that leadership has been disciplined in maintaining has resulted in positive financial results in each of the last four years. The fiscal year July 1, 2014 through June 30, 2015 (FY15), closed with a positive (unaudited) $3.26M variance from the break-even budget. Overall, revenues were within three percent of budget and operating expenses were fourteen percent under budget. However, non-operating activity netted a loss for the year.

Combining operating and non-operating activity, the combined (unaudited) contribution to reserves for FY15 was $2.7M. As of June 30, 2015, unrestricted reserves were $18.3M, of which approximately $4.9M was designated by the Boards of Directors to be used for specific purposes.

The balance of managed investments at June 30, 2015, after subtracting the $6.9M earmarked for debt repayment on the headquarters building, was $13.6M, a decrease of approximately $540K, or 3.9%, from the end of FY14. The FISC closely monitors investment performance and is guided by the goals outlined in the Organization’s Investment Policy Statement (IPS). The FISC made the decision at their meeting in September 2015 to change investment advisors to LVW Advisors LLC, an Independent Registered Investment Advisor.

The Hal Foster, MD Endowment has net assets, pledged, received, or to be received in the form of life insurance proceeds or bequests, of almost $11M as of June 30, 2015. For the year ended June 30, 2015, approximately $122k of AAO-HNS/F FY15 programming was funded by endowment earnings.

In May 2015, the Boards of Directors approved a balanced fiscal year 2016 (FY16) budget with revenue and expenses both equal to $20.86M. The budget includes $2M for launch of the new Regent™ clinical data registry. This expense is funded from Board Designated Net Asset reserves, included as part of the FY16 revenue budget. A balanced budget was able to be achieved for FY16, because of cost savings and efficiencies identified and continued from prior years. A balanced budget is required to comply with the debt covenants of the headquarters building financing. The budgeting process is integrated with the AAO-HNS/F strategic plan and involves the efforts of elected leadership, the Boards of Directors, Executive Committee, and the Finance and Investment Subcommittee.

With year-over-year contributions to reserves, the AAO-HNS/F is building financial sustainability allowing it to make strategic decisions for long term impact. The Boards vote to fund the building of Regent™ is but one example of this. Leadership and staff continue to be prudent stewards of the organizations’ financial resources as decisions and strategies for the organization are developed going forward.
## UNAUDITED (ROUNDED) CONSOLIDATED STATEMENT OF REVENUE AND EXPENSES

For the 12 Months Ended June 30, 2015

For a copy of the independent audit of AAO-HNS/F’s FY15 financial statements contact CHanlon@entnet.org.

<table>
<thead>
<tr>
<th>DESCRIPTIONS</th>
<th>ACTUAL FY15</th>
<th>%</th>
<th>BUDGET FY16</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Membership Dues</td>
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<td>35%</td>
<td>$6,860,000</td>
<td>33%</td>
</tr>
<tr>
<td>Meetings and Exhibits</td>
<td>6,940,000</td>
<td>36%</td>
<td>6,900,000</td>
<td>33%</td>
</tr>
<tr>
<td>Product and Program Sales</td>
<td>1,630,000</td>
<td>8%</td>
<td>1,720,000</td>
<td>8%</td>
</tr>
<tr>
<td>Publications</td>
<td>1,260,000</td>
<td>7%</td>
<td>1,250,000</td>
<td>6%</td>
</tr>
<tr>
<td>Royalties</td>
<td>490,000</td>
<td>3%</td>
<td>370,000</td>
<td>2%</td>
</tr>
<tr>
<td>Corporate and Individual Support</td>
<td>790,000</td>
<td>4%</td>
<td>710,000</td>
<td>3%</td>
</tr>
<tr>
<td>Investment Income - Interest and Dividends</td>
<td>260,000</td>
<td>1%</td>
<td>310,000</td>
<td>1%</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>260,000</td>
<td>1%</td>
<td>140,000</td>
<td>1%</td>
</tr>
<tr>
<td>Use of Donor Restricted Net Assets</td>
<td>410,000</td>
<td>2%</td>
<td>290,000</td>
<td>1%</td>
</tr>
<tr>
<td>Use of Board Designated Net Assets</td>
<td>510,000</td>
<td>3%</td>
<td>2,310,000</td>
<td>12%</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>$19,210,000</td>
<td>100%</td>
<td>$20,860,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Benefits</td>
<td>$7,570,000</td>
<td>47%</td>
<td>$8,880,000</td>
<td>43%</td>
</tr>
<tr>
<td>Occupancy</td>
<td>1,720,000</td>
<td>11%</td>
<td>1,670,000</td>
<td>8%</td>
</tr>
<tr>
<td>Office Expenses</td>
<td>920,000</td>
<td>6%</td>
<td>790,000</td>
<td>4%</td>
</tr>
<tr>
<td>Communications and Software</td>
<td>530,000</td>
<td>3%</td>
<td>610,000</td>
<td>3%</td>
</tr>
<tr>
<td>Travel</td>
<td>450,000</td>
<td>3%</td>
<td>570,000</td>
<td>3%</td>
</tr>
<tr>
<td>Meetings</td>
<td>1,120,000</td>
<td>7%</td>
<td>1,600,000</td>
<td>8%</td>
</tr>
<tr>
<td>Printing and Production</td>
<td>600,000</td>
<td>4%</td>
<td>710,000</td>
<td>3%</td>
</tr>
<tr>
<td>Consultants and Professional Fees</td>
<td>2,410,000</td>
<td>15%</td>
<td>5,370,000</td>
<td>25%</td>
</tr>
<tr>
<td>Grants</td>
<td>630,000</td>
<td>4%</td>
<td>660,000</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$15,950,000</td>
<td>100%</td>
<td>$20,860,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Change in Unrestricted Net Assets from Operations</strong></td>
<td>$3,260,000</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NON-OPERATING ACTIVITIES**

- Realized and Unrealized Net Loss on Investments: $(620,000)
- Unrealized Loss on Interest Rate Swap Agreement: $(300,000)
- Non-operating Other Revenue: 360,000
- **Change in Unrestricted Net Assets from Non-Operating Activities**: $(560,000)
- **Total Change in Unrestricted Net Assets**: $2,700,000