



AMERICAN ACADEMY OF
ORTHOPAEDIC SURGEONS

AMERICAN ASSOCIATION OF
ORTHOPAEDIC SURGEONS

AAOS Protocol for the President to Use in Handling Potential Conflict of Interest Matters Before the AAOS Board of Directors

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Revision Log

Date	Author	Modifications	Document Version
Dec 3, 2021	Governance/Legal	Revisions to update policy to align with AAOS Mandatory Disclosure Policy	1.0

1 Background and Board Operations

- 1.1 Each member of the AAOS Board of Directors and Council Chairs will participate in the AAOS Orthopaedic Disclosure Program, answer the Board-mandated questions, including financial information, with commercial entities and Non-Direct Patient Care Income. Each individual will agree to follow a Plan for Active Management (PAM) for potential conflicts of interest. Each PAM will be developed by the Committee on Ethics and Outside Interests, using the unfiltered information provided by the individual, and approved and signed by the individual. The AAOS Governance Department will retain the COI (Conflict of Interest)/PAM for each individual.
- 1.2 AAOS Director, Governance will provide the President with the unfiltered COI/PAM and relevant additional background material, for each Board member and Council Chair.
- 1.3 In advance of each Board meeting, the President, CEO, and Director, Governance will review the agenda to determine whether any Board members or Council Chairs have any potential conflicts of interest that are relevant to any items scheduled to be discussed. A plan for how these relevant potential conflicts will be managed during the meeting will be communicated with the individual prior to the Board meeting.
- 1.4 In reviewing agenda materials in advance of the Board meeting, any member of the Board, may express a concern to the President regarding his/her own participation or the participation of a particular individual in a specific matter. The President will assess the situation and develop a plan for handling this matter and communicate it with the affected individual.
- 1.5 At the beginning of each Board meeting, the President will ask Board members and Council Chairs whether there are any new potential conflicts of interest to be disclosed.
- 1.6 The filtered COI / PAMs will be available to all Board Members via the electronic Board Resource Portal. The Director, Governance will have the unfiltered COI / PAM of each Board member available to the President in the event issues arise where it might be helpful.

2 Definitions

Terms used in these Procedures are defined as follows:

BOC – AAOS Board of Councilors

BOD – AAOS Board of Directors

BOS – AAOS Board of Specialty Societies

COI – Conflicts of Interest

Committee on Ethics and Outside Interests (CEOI) – Volunteer structure with oversight of AAOS Orthopaedic Disclosure Program reporting to the AAOS Board of Directors

Executive Team Leader - Chief Executive Officer, Chief Operating Officer, Chief Human Resources Officer, Chief Quality and Registries Officer, or Chief Commercial Officer

Governance – AAOS Office of Governance

Governance Unit – AAOS volunteer structure, i.e. Board of Directors, Board of Councilors, Board of Specialty Societies, Council, Committees Advisory Board, Project Team, Task Force, Work Group

Governance Unit Chair – Leader of Board of Directors, Board of Councilors, Board of Specialty Societies, Council, Committees Advisory Board, Project Team, Task Force, Work Group

Legal – AAOS Office of General Counsel

PAM - Plan for Active Management

President – AAOS President

Supporting AAOS Staff – AAOS staff serving in staff liaison role that supports an AAOS activity covered under the AAOS Mandatory Disclosure Policy

3 President’s Direction for Handling Conflict of Interest Issues at the Board Level

With the information included on the COI / PAM, the President will determine whether the potential conflict of interest is (1) relevant and (2) if so, how it can be effectively handled.

Several options exist for handling relevant potential conflicts of interest. The President may direct the individual to:

- Disclose the potential conflict of interest, then participate in the Board’s discussion and vote; [“Disclosure option”]
- Disclose the potential conflict of interest, address any questions other Board members may have on the subject, then be excused from further Board discussion and the vote; [“Recusal from Vote option”] or
- Excused from the meeting until the matter has been fully discussed and acted upon. [“Recusal from Discussion and Vote option”]

The President might consider directing other options as well.

The Board minutes should reflect any relevant conflicts of interest and whatever action is ultimately carried out.

4 Questions the President Might Consider in Managing Conflict of Interest Issues at the Board Level

The President might consider certain questions in developing his or her directive about an individual's relevant potential conflicts of interest. These questions are provided as examples of questions that might be asked and are not intended to be exclusive.

- If the relevant potential conflicts of interests were known to all Board members, would it affect the nature of the discussion so that others might not be as open or as transparent with the expression of their views?
- Will there be points in the discussion where a clarification of the individual's relevant potential conflict of interest would be useful in the Board's deliberation?
- Would allowing the individual with the relevant potential conflicts of interest to disclose, then participate in the discussion and vote provide this individual with undue influence over the Board's decision?
- Would allowing the individual to remain during the discussion, even though with a relevant conflict of interest, provide a perspective that would be valuable for the full Board of Directors to hear?
- From an outsider's perspective, how would the participation of the individual with a relevant potential conflict of interest appear if he or she participated in the Board's deliberations and vote?

5 Annual Review and Modifications of COI/PAMs

- 4.1 The Committee on Ethics and Outside Interests will review the unfiltered disclosure information provided and the COI / PAM of each member of the Board of Directors on an annual basis, typically at the Committee meeting where COI / PAMs are developed for candidates to serve on the AAOS Board of Directors.
- 4.2 During the year, AAOS Director, Governance shall periodically review the disclosure information of members of the AAOS Board. The Committee on Ethics and Outside Interests shall be advised of any changes in this disclosure information and shall determine whether a modification of the COI / PAM is necessary. If modification is deemed necessary, the Committee on Ethics and Outside Interests shall revise the COI / PAM which will then be provided to the individual who will be asked to agree to the modification. If the individual accepts the modified COI / PAM, it will replace the current PAM; if the individual does not accept the modified COI / PAM and no mutually determined COI / PAM can be developed, the matter shall be referred to the AAOS Board of Directors for its final determination.

6 Alleged, Perceived or Actual Conflicts of Interest of the President

There may be situations in which the President may have an alleged, perceived or actual relevant conflict of interest regarding a matter coming before the Board of Directors.

- 5.1 If there is sufficient time in advance of a Board meeting or the event in which the President's alleged, perceived or actual conflict might be raised, the other members of the Presidential Line, the Immediate Past President, the Chief Executive Officer (CEO), Director, Governance and the General Counsel will discuss this situation in advance and the two other individuals in the Presidential Line shall determine whether the conflict is relevant and if so, the most appropriate course of action for the President to take. If the President, the First Vice President, Second Vice President or Immediate Past President disagree on whether the conflict is relevant or the most appropriate course of action, the matter shall be referred to the AAOS Board of Directors for its final determination.
- 5.2 If there is not sufficient time to address the President's alleged, perceived or actual conflict of interest in advance, then the meeting agenda may need to be delayed while the other members of the Presidential Line, the Immediate Past President, the CEO, Director, Governance and the General Counsel (as they are available) discuss the immediate situation. The First Vice President, Second Vice President and the Immediate Past President shall determine whether the conflict is relevant, and if so most appropriate course of action for the President to take. If the President, First Vice President, Second Vice President or Immediate Past President disagree on whether the conflict is relevant or the most appropriate course of action, the matter shall be referred to the AAOS Board of Directors for its final determination.

7 Summary

For purposes of this document, if AAOS Governance Units other than the Board of Directors use this Protocol, the term "President" may be replaced by the term "Chair."

The AAOS disclosure and conflict of interest processes have been developed and reviewed with the goal of transparent and appropriate decision-making. This protocol was developed to provide guidance to the President and the AAOS on challenging conflict of interest issues. This protocol may be modified by the Board of Directors, with the advice of the Committee on Ethics and Outside Interests, as other AAOS policies and procedures are developed.

8 Board of Directors Approval

Adopted: September 2011

Revised: December 2011

Revised: December 2021