



Western Orthopaedic Association News

Summer 2018

www.woa-assn.org

Volume 20 Number 2

President's Message

Brian A. Jewett, MD



It is my honor as President of the Western Orthopaedic Association to invite you and your family to the 82nd Annual WOA Meeting, August 1-4 at the Westin Snowmass Resort in beautiful Snowmass, Colorado.

It's with tremendous excitement that we bring the WOA to the gorgeous Colorado mountains. The WOA is about family fun, and Snowmass is an incredible location for biking, river rafting, sight-seeing and more. This year kicks off with a unique Welcome Reception at the Rodeo, featuring Colorado's best BBQ and a calf scramble for the kids. After Friday's Exhibitor Reception, enjoy dinner in Snowmass Village or take a shuttle

to explore downtown Aspen. Festivities conclude Saturday night with a "Denim and Diamonds" party with live country music and dancing. Plentiful family activities include biking from the Maroon Bells, Jeep tours through the panoramic Roaring Fork Valley and Aspen Mountain, fly-fishing on the Roaring Fork and Frying Pan Rivers, the Annual Art Auction at Anderson Ranch, a "Get to know Aspen" tour, and of course the Friday golf tournament at the fantastic Snowmass Golf Course.

Mornings feature three unique family breakfasts: one featuring our Howard Steel speaker, one introducing the Snowmass sled dogs, and one involving a group outreach activity to benefit the local community. Mornings



will also offer activities like yoga, hikes and children's programs while members participate in the academic sessions.

The WOA stands for academic excellence. Our educational program, planned by Dr. Jeff Krygier and the Program Committee, promises stimulating and challenging expert symposia on Total Joints, Trauma, Foot/Ankle and Sports Medicine, and an all-new program called "Survive the Night," focusing on

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Come Join the Fun at the 82nd Annual Meeting

The WOA Annual Meeting will be held August 1-4, 2018 at the Westin Snowmass Resort in beautiful Snowmass, CO. For more details, visit www.woa-assn.org to view the Preliminary Program.

Snowmass Village is in the center of it all! Surrounded by majestic peaks in a natural playground second to none, you'll revel in the beauty and active lifestyle at this world-class mountain destination. Snowmass Mountain's activities range from hot air ballooning to mountain biking, and more. Be sure to take advantage of fly fishing and whitewater rafting, or soak in the slope-side hot tubs, take a dip in the pool and take in the vista views. You are sure to find something the whole family can enjoy during your stay in Snowmass.

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President's Message continued

common hand call problems. We'll continue our tradition of Rapid -Fire symposia on original research and look forward as always to our Resident Research/Young Investigator Award winners' presentations.

We're honored to have Dr. Wayne Sotile address members and guests on Thursday as our Howard Steel Lecturer. Dr. Sotile is a world-renowned researcher and speaker on physician resilience, whose talks on topics like preventing burnout, maintaining a happy marriage and work-life balance are entertaining and informative.

My Presidential Guest Speaker is leading orthopaedic and medical economist Nathan S. Kaufmann. His provocative lecture will focus on business strategies and succeeding in an ever-changing, post-ACA MACRA en-

vironment. We're also honored to present a special symposium, hosted by Michael McCaslin from The OrthoForum, that will expand our business knowledge and skills. To review all that our Snowmass Meeting has to offer for you and your family, visit our website at www.woa-assn.org.

My wife Debbie and I are honored to host this year's Meeting, and hope to see you and your family this summer enjoying a wonderful vacation, great academics and the opportunity to connect with colleagues in the great western states. See you in Colorado!

Regards,

Brian Jewett MD
Brian A. Jewett, MD
WOA President

Come Join in the Fun continued

Tours and activities being planned for all to enjoy at the meeting include daily yoga, Jeep and biking tours, fly-fishing, hiking, white-water rafting, tours of Aspen and activities at the Anderson Ranch Arts Center. The meeting will kick off with a Welcome Dinner at the Rodeo and end with the always enjoyable WOA Family Gala Dinner Dance. As usual, there will be a daily spouses/guest hospitality area and golf tournament. There will also be a children's party Friday night, so parents can participate in the evening meeting events.

For everyone's convenience, the WOA has reserved a block of sleeping rooms. To make a reservation, call the Westin Snowmass Resort at 866-837-4246 and mention that you are with Western Orthopaedic Association to get the discounted rate. To register for the meeting, visit www.woa-assn.org.



The WOA Mission

The Mission of the Western Orthopaedic Association is to promote high quality ethical care for musculoskeletal patients in the western region of the United States by providing educational programs, fostering collegiality and supporting professional development among its members and physicians-in-training, and by influencing health care policy.

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Welcome New Members

We are pleased to welcome the following New Members to the Western Orthopaedic Association.

Bryce Allen, MD - Temple, TX
Justin Anderson, MD - Tacoma, WA
Evalina Burger, MD - Aurora, CO
Alexandra Callan, MD - Dallas, TX
Susan Cero, MD - Renton, WA
WeiChin Chen, MD - Honolulu, HI
Russell Cohen, MD - Tucson, AZ
Jonathan Cohen, MD - Modesto, CA
Stephen Curtin, MD - Tucson, AZ
Robert D'Ambrosia, MD - Aurora, CO
Ryan Davenport, BS - Aurora, CO
Chase Dean, MD - Aurora, CO
John Desantis, DO - Rancho Mirage, CA
Christopher Diefenbach, MD - Flagstaff, AZ
Arati Dunbar, MD - Redwood City, CA
Joseph Durso, MD - Joint Base Lewis-McChord, WA
Gordon Engel, MD - Novato, CA
Judd Fitzgerald, MD - Kennewick, WA
Alexander Garber, MD - Honolulu, HI
Frank Guellich, MD - Thousand Oaks, CA
Robert Hansen, MD - Caldwell, ID
Jonah Hebert-Davies, MD - Seattle, WA
John Herr, MD - Las Vegas, NV

Darby Houck, BA - Boulder, CO
Elizabeth Ignacio, MD - Honolulu, HI
Kirk Kaiser, MD - Reno, NV
Jason Kaneshige, MD - Honolulu, HI
Harrison Kay, MD - Los Angeles, CA
Namdar Kazemi, MD - Aspen, CO
Thomas Keller, MD - Kailua, HI
Christian Kikuchi, MD - Honolulu, HI
Christopher Kleck, MD - Aurora, CO
Lorrian Lee, MD - Honolulu, HI
Milton Little, MD - Los Angeles, CA
Julie Long, MD - Pleasanton, CA
Taylor Mansfield, MD - Tacoma, WA
Jessica McBeth, MD - San Jose, CA
Robert Medoff, MD - Kailua, HI
Thomas Melton, MD - Tacoma, WA
Amir Mostofi, MD - Pasadena, CA
William Muir, MD - Las Vegas, NV
George Nicola, MD - Caldwell, ID
William Payne, MD - Burien, WA
Aimee Perreira, MD - Honolulu, HI
Sara Sakamoto, MD - Kailua, HI
James Sandberg, PA-C, MMS - Colorado Springs, CO

Joshua Schkrohowsky, MD - Chelan, WA
Trevor Shelton, MD - Sacramento, CA
Paul Simic, MD - Van Nuys, CA
Ann Stein, MD - Las Vegas, NV
Russell Stitzlein, MD - Houston, TX
Matthew Thompson, MD - Seattle, WA
Steven Thorpe, MD - Sacramento, CA
Gehron Treme, MD - Albuquerque, NM
Justin Walker, MD - Reno, NV
Jory Wasserburger, MD - Albuquerque, NM
Jared White, DO - Thornton, CO
Suzanne Yandow, MD - Seattle, WA
Melissa Zimel, MD - San Francisco, CA

WOA Newsletter

WOA News encourages and welcomes all member input. If you have any information you would like included in the next issue, please email material to newslettereditor@woa-assn.org.

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Support the Western Orthopaedic Foundation



Help support the Western Orthopaedic Foundation (WOF), a 501(C)3 tax exempt fund, with your charitable donation. WOF was established to provide educational and research opportunities for young orthopaedists throughout the territory.

WOA provides named and unnamed research grants for Residents at its Annual Meeting. Contributions from members has helped to make this possible. These resi-

dent research grants will continue to be a focus for WOA at its Annual Meeting.

Make your mark on the future and be a part of WOF. We encourage you to make a donation to help WOA achieve its goals for funding educational programs for Residents. We appreciate your continued support of WOF and would like to thank you for your generosity this past year. If you are interested in donating just go to www.woa-assn.org/donate.

Western Orthopaedic Foundation Grant Recipients to Date

Caitlin Rugg, MD

University of California, San Francisco

The Impact of Early Sport Specialization on the Collegiate Athlete

Mario Vargas-Vila, MD, PhD

University of California, San Diego

Muscle Degeneration and Intervention in Chronic Rabbit Supraspinatus Injury

Erika Garbrecht, MD

University of New Mexico

Chondrocyte Viability After Exposure to Antiseptic Solutions and TXA

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2018 Program Chair's Message Jeffrey Krygier, MD

The Western Orthopaedic Association's 2018 Annual Meeting Program Committee has been hard at work developing what promises to be an intellectually stimulating Scientific Program, diverse in both its content and format.

Symposia on tap for Snowmass includes Total Joint Arthroplasty with an emphasis on why total knees fail in 2018, and apropos to our mountain base setting (an outdoorsperson's paradise), Foot and Ankle will focus on management of ankle injuries. Both the Sports and Trauma symposia will cover a diverse range of topics and share the commonality of peerless speakers eager to share their expertise with our attendees. The Hand symposium will get away from the lecture-based format and be a case-based session on "Surviving Hand Call," featuring a panel of hand experts reviewing and commenting on cases that could land in anyone's ED.

The Tumor symposium will be an app-based quiz of unknowns. Clinical cases including history, imaging and histology will be available for attendees to review and render diagnoses, and prizes will be awarded. For non-clinical education, a symposium dedicated to orthopaedic business will update the audience on where things stand on the playing field in 2018... and dare to peer into the future.

The 340 abstracts submitted (while a mountain of work for the Program Committee to score) have provided us with bountiful material to present to our attendees while highlighting the accomplishments of our Members, particularly our medical students, residents and fellows. The selected abstracts will be presented in one of three formats: general session podium talks, Rapid Fires or as E-posters (those selected will be highlighted in a Friday afternoon tour). The WOF will be awarding prizes and grants to the most fortunate of many worthy recipients. The total dollar amount to be awarded continues to rise even as I write, so listen during the meeting for the final reward.

Finally, I would like to thank the WOA Board of Directors, President Brian Jewett, the dedicated staff at Data Trace and the WOA Membership as a whole for entrusting me with the oversight of the 2018 Scientific Program. Several years ago, I heard the WOA referenced as a "one-trick pony... a group that puts on a good meeting." Since then, the Association has developed a venerable stable of programs for its Members (creation of the WOF, JBJS discounts, enhanced advocacy, partnering with OREF to fund deserving grants that would have otherwise gone unfunded, and the list goes on). That being said, I believe the Annual Meeting remains the WOA's Clydesdale, and it has been an honor to serve as Program Chair. Thank you.

We look forward to seeing everyone in Snowmass.

2018 Program Committee

The Western Orthopaedic Association gratefully acknowledges the following orthopaedic surgeons for their contribution to the development of the scientific program.

Jeffrey E. Krygier, MD, Chair
Nitin N. Bhatia, MD
Julius A. Bishop, MD
Robin H. Dunn, MD
Omer A. Ilahi, MD
Kathryn L. Schabel, MD
Jennifer M. van Warmerdam, MD
David H. Chafey III, MD
Jonathan G. Eastman, MD
Meghan N. Imrie, MD
David J. Mansfield, MD

Scientific Program Highlights

THURSDAY – AUGUST 2, 2018

SYMPOSIUM 1 – Sports – Focus on the Athlete's Knee
RAPID FIRE SESSION 1A-D – Pediatrics, Upper Extremity / Hand & Wrist, Total Hip and Sports Medicine

CONCURRENT ALLIED HEALTH SESSION 1 – Hand
GENERAL SESSION 1 – Howard Steel Lecture – Wayne M. Sotile, PhD

SYMPOSIUM 2 – Surviving Hand Call for Non-Hand Specialists – A Case-Based Session with Panel of Experts

GENERAL SESSION 2 – OREF Update / WOF / OREF Young Investigator Awards

CONCURRENT ALLIED HEALTH SESSION 2 – Trauma
RAPID FIRE SESSION 2A-D – Other, Upper Extremity, Total Knee and Trauma/Hip Fractures

RESIDENT REVIEW COURSE

POSTERS

(Open daily to all participants before and after the Scientific Program.)

MULTIMEDIA EDUCATION SESSION

(Following the Scientific Program)

FRIDAY – AUGUST 3, 2018

SYMPOSIUM 3 – Adult Reconstruction: Why Knees Fail – Tips and Tricks to Avoid and Manage Complications

RAPID FIRE SESSION 3A-D – Pediatrics, Foot and Ankle/Ankle Injuries, Sports Medicine and Trauma
CONCURRENT ALLIED HEALTH SESSION 3 – Radiology

GENERAL SESSION 3 – Presidential Guest Speaker – Nathan S. Kaufman

SYMPOSIUM 4 – Orthopaedic Business

GENERAL SESSION 4 – WOF Report and Western Orthopaedic Foundation Named Grants

RAPID FIRE SESSION 4A-D – Basic Science, Sports Medicine, Trauma and Total Joint

POSTERS

(Open daily to all participants before and after the Scientific Program.)

MULTIMEDIA EDUCATION SESSION

(Following the Scientific Program)

SATURDAY – AUGUST 4, 2018

GENERAL SESSION 5 – WOF Resident Awards

SYMPOSIUM 5 – Trauma

RAPID FIRE SESSION 5A-D – Tumor, Upper Extremity / Shoulder, Trauma and Sports Medicine
SYMPOSIUM 6 – Foot and Ankle – Acute Injuries to the Foot and Ankle

GENERAL SESSION 6 – Own the Bone, BOC Report and Presidential Address

CONCURRENT ALLIED HEALTH SESSION 4 – Case Review

RAPID FIRE SESSION 6A-D – Foot and Ankle, Spine, Trauma and Upper Extremity / Shoulder and Elbow
GENERAL SESSION 7 – Abstract Presentations

POSTERS

(Open daily to all participants before the Scientific Program.)

MULTIMEDIA EDUCATION SESSION

(Following the Scientific Program)

2018 Presidential Guest Speaker Nathan Kaufman



The WOA is pleased to welcome Nathan Kaufman, Managing Director of Kaufman Strategic Advisors, as the 2018 Presidential Guest Speaker.

With more than 40 years of experience as a strategist, Executive and negotiator, Mr. Kaufman is considered one of the nation's healthcare industry experts. He is a strategic advisor to healthcare executives, boards, physician groups and other healthcare companies, and is known for his practical advice focusing on succeeding in the new post-ACA MACRA, value-based- risk environment.

Mr. Kaufman is frequently a keynote speaker and often facilitates board and management retreats. Given his vast experience with health systems, he will challenge the industry's conventional wisdom when he believes that it is not supported by evidence or that it will not provide desirable results. While his clients may not always agree with his perspective, they appreciate that he challenges them to consider different points of view.

Mr. Kaufman is a noted author, and has contributed over 75 articles to healthcare literature. His education credentials include an MS in Health Systems from the Georgia Institute of Technology and a BS in Psychology from Emory University.

2018 Howard Steel Lecturer Wayne Sotile, PhD



The WOA is pleased to welcome Wayne Sotile, PhD as its Howard Steel Lecturer for our 82nd Annual Meeting.

Dr. Sotile is the founder of the Sotile Center for Resilience and the Center for Physician Resilience in Davidson, North Carolina. As an international thought leader on physician behavior and resilience for high performers, he consults widely with medical group practices, healthcare systems, and corporations interested in learning evidence-based strategies for deepening collaboration and collegiality and promoting team engagement while coping

ing with change. He has authored or co-authored nine books, and has been published widely in the peer-reviewed medical literature.

Dr. Sotile has delivered more than 8,000 invited addresses and workshops to corporate and medical audiences, including invited presentations to the VHA Chief Nurses' Conference, the American Medical Association Leadership Conference, the International Conference on Physician Wellness, the American Academy of Medical Administrators, and meetings for numerous other medical and nursing specialty societies, hospital communities and corporate audiences. He has served as the preferred speaker for Studer Group since 2008.

Upcoming WOA Meetings



82nd Annual Meeting
August 1-4, 2018
Westin Snowmass Resort
Snowmass, CO



83rd Annual Meeting
July 31 - August 3, 2019
Grand Hyatt Monterey
Monterey, CA

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Multimedia Education Sessions

The WOA will provide a multimedia education session following the Scientific Program on Thursday, Friday, and Saturday, August 2-4. A comprehensive selection of AAOS videos will be available for your review. These videos will highlight surgical procedures and current concepts in orthopaedics. Registered attendees should find these videos informative and helpful in their practice.

WOF Young Investigator Awards

Congratulations to the following 2018 WOF Young Investigator Award recipients. The Awards will be presented during the Scientific Program on Thursday, 12:00 pm – 12:35 pm.

William Kent, MD, University of California, San Diego

Biomarkers of Neutrophil Extracellular Trap Formation (NETosis) and their Relationship to Wound Healing in Ankle Fracture Surgery

Milton Little, MD, Cedars Sinai Medical Center

3-Dimensional Virtual Reality for Pain Control in Orthopaedic Patients: A Prospective Randomized Control Study

Kali Tileston, MD, Stanford University

Correlation of Intraoperative Neurophysiologic Monitoring Changes with Postoperative Neurologic Deficits

2018 WOF Named Travel Grant Recipients

Congratulations to the following 2018 Western Orthopaedic Foundation Named Grants Resident/Fellow Award Recipients. These awards were made possible by generous donations through the Western Orthopaedic Foundation. The award papers will be presented during the Scientific Program on Friday from 12:15 pm to 1:20 pm.

WOF Basil R. Besh, MD Travel Grant

Abiram Bala, MD, Stanford University

Timing of Lumbar Spinal Fusion Impacts Total Hip Arthroplasty Outcomes

WOF Milton L. “Chip” Routt, Jr., MD Travel Grant

Gideon Blumstein, MD, MS, University of California Los Angeles

Mouse Spine Implant Infection Model: Fluorescent Probe Detects Multiple Bacteria

WOF Nitin N. Bhatia, MD Travel Grant

Eytan Debbi, MD, PhD, Cedars Sinai Medical Center

Smoking and Total Hip Arthroplasty in 2014: Increased Complications and Costs

WOF Jeffrey E. Krygier, MD Travel Grant

Joseph Patterson, MD, University of California, San Francisco

A Preoperative Score for Predicting 30-Day Readmission after Elective 1-2 Level Posterior Lumbar Spinal Fusion

WOF Robert R. Slater, Jr., MD Travel Grant

Blake Montgomery, MD, Stanford University

Complications in Computer Navigated versus Conventional Total Hip Arthroplasty

WOF Brian A. Jewett, MD Travel Grant

Jesse Roberts, MD, University of Colorado

Application of Patient-Reported Outcome Measurement Information System in Elite Athletes

WOF Paul C. Collins, MD Travel Grant

Allison Roe, MD, Stanford University

The Influence of an Unexpected Gift on Patient Satisfaction

WOF Jeffrey M. Nakano, MD Travel Grant

Alvin Shieh, MD, University of California Davis

Efficacy of a Team-Based Approach to Improving Antibiotic Administration in Open Fractures

2018 WOF Resident/Fellow Award Recipients

Congratulations to the following 2018 WOF Resident/Fellow Award Recipients. The award papers will be presented during the Scientific Program on Saturday from 7:00 am to 7:50 am.

The Lloyd Taylor, Vernon Thompson, Harold and Nancy Willingham, Sanford and Darlene Anzel and Resident Award winners will be announced Saturday evening at the Family Gala Dinner Dance.

Steven Donohoe, MD, Keck School of Medicine of the University of Southern California

Comparing AHD between MRI and X-Ray in Massive Cuff Tears

Garin Hecht, MD, Harborview Medical Center

Pre-Operative CT Can Predict Post-Operative Shortening of Extra-Capsular Hip Fractures

Adam Johannsen, MD, Stanford University

Influence of Capsular Laxity and Labral Integrity on Hip Stability

Young Lu, MD, University of California, Irvine

C1-C3 Construct with Short C2 Pedicle Screws versus Goel-Harms Fixation

Brian Sager, MD, University of Texas Southwestern

Innervation of the Subscapularis: An Anatomical Study

Trevor Barronian, MD, Oregon Health and Science University

When is an Orthopaedic Intern Ready to Take Call?

K. Chandra Vemulapalli, MD, University of Texas Health McGovern Medical School

Intramedullary Nailing versus Lateral Locked Plating for Distal Femur Fractures

A photograph of the Golden Gate Bridge in San Francisco, viewed from a low angle looking up at the bridge's towers and cables. The bridge is orange-red, and the water below is blue. The city skyline is visible in the background under a clear blue sky.

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Six Tax Reduction Strategies to Enhance Portfolio Performance

Carole Foos, CPA & Andrew Taylor, CFP®

Individuals in the highest income tax brackets may have been presented with an unpleasant surprise in the last few years when they learned of their investment tax liability. A prolonged period of strong domestic stock performance from 2009 to today, combined with the implementation of The American Taxpayer Relief Act of 2012 may have resulted in significantly higher taxes for you. The top ordinary income tax rates were raised, while the top capital gains rate was increased by more than 58 percent. While the 2017 Tax Cuts and Jobs Act reduced the top marginal rate from 39.6 to 37 percent, capital gains rates were not changed and several itemized deductions were either capped or eliminated. Writing a large check to the Internal Revenue Service serves as a harsh reminder that tax planning requires attention throughout the year, and is not a technique you can properly manage one week out of the year.

The U.S. stock market is in the midst one of the longest bull markets in the history of our country, however investors have been provided numerous tax loss harvesting opportunities during this period. In 2015, oil prices declined more than 75 percent from peak to bottom. The pricing pressure experienced by energy companies impacted multiple industries and contributed to an equity sell-off for the first time in years. Health care stocks experienced a sharp decline in January of 2016. The Dow Jones Industrial Average declined more than 1,800 points over two trading days in February of 2018.

Proper tax planning becomes more critical in an era of higher taxes. Nine years of a rising stock market resulted in many traditional investment vehicles holding large amounts of unrealized gains that can become realized gains if you are not careful. Short term investment losses may be frustrating; however,

volatility does create a planning opportunity for astute investors and their advisors. In this article, we will provide you with six suggestions that could save you thousands of dollars in investment taxes over the next several years.

1. Account Registration Matters: If you are reading this article you likely have a reasonable amount of investment experience and have become familiar with the benefits of security diversification in your portfolio. However, a common mistake made by investors is failure to implement a tax diversification strategy. Brokerage accounts, Roth IRAs, and qualified plans are subject to various forms of taxation. It is important to utilize the tax advantages of these tools to ensure they work for you in the most productive manner possible. A properly integrated approach is critical during your accumulation phase. Further, it is just as important when you enter the distribution period of your investment life cycle. Investment vehicles paying qualified dividends are preferred in a brokerage account, while it is generally preferable for qualified accounts to own high yield bonds and corporate debt taxed at ordinary income rates. There are countless additional examples we could discuss, but the lesson is it is important to review the pieces of your plan with an advisor who will consider both tax diversification and security diversification as they relate to your specific circumstances.

2. Consider Owning Municipal Bonds in Taxable Accounts: Most municipal bonds are exempt from federal taxation. Certain issues may also be exempt from state and local taxes. If you are in the highest federal tax bracket, you may be paying tax on investment income at a 2018 rate of 40.8 percent. Under these circumstances, a

municipal bond yielding 3 percent will provide a superior after-tax return in comparison to a corporate bond yielding as high as 5 percent in an individual or joint registration, a pass-through LLC, or in many trust accounts. Therefore, it is important in many circumstances, to make certain your long-term plan utilizes the advantages of owning certain municipal bonds in taxable accounts.

3. Be Cognizant of Holding Periods: Long-term capital gains rates are much more favorable than short-term rates. Holding a security for a period of 12 months presents an opportunity to save nearly 20 percent on the taxation of your appreciated position. For example, an initial investment of \$50,000 which grows to \$100,000, represents a \$50,000 unrealized gain. If an investor in the highest tax bracket, simply delays liquidation of the position (assuming the security price does not change) the tax savings in this scenario would be \$8,500. Although an awareness of the holding period of a security would appear to be a basic principal of investing, many mutual funds and managed accounts are not designed for tax sensitivity. High income investors should be aware that the average client of most advisors is not in the highest federal tax bracket. Therefore, it is generally advantageous to seek the advice of a financial professional with experience executing an appropriate exit strategy that is aware of holding periods.

4. Proactively Realize Losses to Offset Gains: As mentioned in the opening paragraphs of the article, the last several quarters presented investors with an opportunity to realize losses in domestic stocks for the first time in four years.

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Money Matters continued

Clients with a diversified portfolio likely had this opportunity in prior years. One benefit of diversifying across asset classes is that, if the portfolio is structured properly, the securities typically will not move in tandem. This divergence of returns among asset classes not only reduces portfolio volatility, it creates a tax planning opportunity. Domestic equities have experienced a consistent upward trend from the depths of the financial crisis in March 2009; however international stocks, commodities, and multiple fixed income investments experienced down years. Astute advisors were presented with the opportunity to save clients thousands of dollars in taxes by performing strategic tax swaps prior to yearend. It is important to understand the rules relating to wash sales when executing such tactics. The laws are confusing, and if a mistake is made your loss could be disallowed. Make certain your advisor is well versed in utilizing tax offsets.

5. Think Twice About Gifting Cash: This is not to discourage your charitable intentions. Quite the opposite is true. However, a successful investor can occasionally find themselves in a precarious position. You may have allocated 5 percent of your portfolio to a growth stock with significant upside. Several years have passed, the security has experienced explosive growth, and it now represents 15 percent of your investable assets. Suddenly your portfolio has a concentrated position with significant gains, and the level of risk is no longer consistent with your long-term objectives. The sound practice of rebalancing your portfolio then becomes very costly, because liquidation of the stock could create a taxable event that may negatively impact your net return.

By planning ahead, you may be able to gift a portion of the appreciated security to a charitable organization able to accept this type of donation. The value of your gift can be replaced with the cash you originally intended to donate to the charitable organization; and, in this scenario, your cash will create a new cost basis.

The charity has the ability to liquidate the stock without paying tax, and you have removed a future tax liability from your portfolio. Implementing the aforementioned gifting strategy offers the potential to save thousands of dollars in taxes over the life of your portfolio.

6. Understand your Mutual Fund's Tax Cost Ratio: The technical detail behind a mutual fund's tax cost ratio is beyond the scope of this article. Our intent is to simply bring this topic to your attention. Tax cost ratio represents the percentage of an investor's assets that are lost to taxes. Mutual funds avoid double taxation, provided they pay at least 90 percent of net investment income and realized capital gains to shareholders at the end of the calendar year. But, all mutual funds are not created equally, and proper research will allow you to identify funds that are tax efficient.

A well-managed mutual fund will add diversification to a portfolio while creating the opportunity to outperform asset classes with inefficient markets. You do need to be aware of funds with excessive turnover. An understanding of when a fund pays its capital gains distributions is a critical component of successful investing. A poorly timed fund purchase can result in acquiring another investor's tax liability. It is not unusual for an investor to experience a negative return in a calendar year, yet find himself on the receiving end of a capital gains distribution. Understanding the tax cost ratios of the funds that make up portions of your investment plan will enable you to take advantage of the many benefits of owning mutual funds.

The above steps are by no means the only tax strategies experienced advisors can execute on behalf of their clients. This article highlights several strategies you should discuss with your advisor to determine if implementation is appropriate for your unique portfolio and overall financial situation. Successful investing requires discipline that extends beyond proper security selection. While gross

returns are important and should not be ignored, the percentage return you see on your statements does not tell the full story.

In today's tax environment, successful investors must choose an advisor who will help them look beyond portfolio earnings and focus on strategic after-tax asset growth.

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