



WE DO

AMERICAN OSTEOPATHIC ASSOCIATION
2018 ANNUAL REPORT



ON THE COVER:
Clockwise from top left
NIZAR OLABI, DO
KATHRYN S. WILLIAMSON, DO
ALFREDO RABINES, DO
PRIYANKA SINGLA, DO

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Dear Friends and Colleagues:

MOMENTUM—that's what we see and feel when we look back over the last year.

Osteopathic medicine is growing by leaps and bounds, and the American Osteopathic Association is continually adapting to embrace and drive that growth and change.

For the past few years we focused on fundamentals: raising the visibility of our profession, expanding postgraduate training opportunities, generating research that demonstrates the value of our practice, and speaking as a clear and powerful voice for DOs in policy debates. With those activities now firmly embedded in our daily work, we are building on that strong base. In 2017–18, we made significant progress toward our goals of enhancing key relationships and processes.

Responding to the evolving needs and expectations of a new generation of DOs, we evaluated new membership models with enhanced services and benefits that will offer true value at every career stage. Addressing the barriers busy physicians must hurdle to seek and maintain board certification, a task force is examining changes that will make the process more convenient, cost-effective, and relevant to practice, while retaining osteopathic distinctiveness.

We are looking at the best ways to support and sustain our affiliates and introducing efficiencies into our governance structures—but making sure diverse voices and perspectives are still represented. And as globalization expands our horizons, we're expanding our profession's impact by advocating for practice rights around the world.

We're making strong progress on all these fronts. And what's driving our momentum is that in the enormous and rapid changes transforming medicine at every level, we see opportunities. We will maintain and increase membership as we support DOs and the profession. We will maintain and smooth DOs' paths toward excellence in patient care and certify their expertise. We will prepare them to be agents of change in the transforming world of 21st century health care.

What won't change is our commitment to osteopathic philosophy and practice—a commitment we share with all of you. Every day we work to ensure that our distinctive approach to holistic, patient-centered care is deeply embedded in education, postgraduate training, licensure, and certification.

We thank you for embracing change and for all you do to help us strengthen our profession and the family of osteopathic medicine.



MARK A. BAKER, DO
2017–18 President



ADRIENNE WHITE-FAINES,
MPA, FACHE
Chief Executive Officer

WE DO



RAHUL KHAPEKAR, DO

Strategic Plan Update

The 2017–2018 year was a busy and successful one for the AOA, with significant progress achieved in the five areas of Phase 2 of our strategic plan.

MEMBER MODEL, VALUE AND RELEVANCE

The AOA strives to promote relevance and reinforce the unique value of membership while navigating industry and association changes. The strength of the profession is exemplified through its continuous growth in the number of DOs. The AOA has the opportunity to realign membership, welcoming all DOs to a new platform of member benefits. Based on input from physicians—particularly younger DOs—we are developing new and improved member benefits that offer a stronger value proposition at any stage of a physician's career.

Growing membership continues to be our collective goal. With 46,607 members, AOA member market share is at 43 percent, a slight decline over 2017, but the AOA surpassed 2018 budget projections for membership revenue. An integrated membership recruitment campaign grounded in market research conducted in 2018 is slated for 2019. The campaign will target an additional 50,000 DOs who have never been invited to join the AOA.

STREAMLINED BOARD CERTIFICATION

Progress continues with efforts to modernize and streamline the board certification process and osteopathic continuing certification. Competition in board certification is increasing, and candidates demand a process that is convenient, cost-effective and relevant to their practice. Our ultimate goal is to offer a seamless, physician-centered, credible, affordable, and valued credential that affirms osteopathic distinctiveness, is easily accessible and exemplifies the highest standards of care.

Multiple investments are allocated to continue to work to assess capacity and innovation of each board and determine ways to better align board structures, examination development activities and board operations. We are evaluating software systems that allow convenient and timely online testing. In late spring, we rolled out redesigned websites for each board that make the certification process clearer, and we have plans to launch symposia that will support board leadership and share best practices. We also launched a marketing campaign to promote the benefits of certification, targeting medical students, residents, and influencers such as GME program directors and deans, as well as faculty at colleges of osteopathic medicine.

AFFILIATE ALIGNMENT

Throughout the year we continued to evaluate potential business models for our affiliates to enhance sustainability in an evolving environment for associations. We're exploring ways to better support affiliate membership recruitment with increased access to DO physician and student data; working together to develop educational modules available to all who wish to practice osteopathically; and fostering improved multi-directional communication through meetings, phone calls, video conferences, and online technology. We finalized recommendations for these and other enhancements to ensure healthy and viable affiliates are slated for consideration at the House of Delegates meeting in July 2018.

SARA BROWN, DO



INTERNATIONAL IMPACT

This year we made an important step to improve international recognition of osteopathic physicians when the International Labour Organization (ILO) affirmed that US-trained DOs are fully-licensed physicians and represent a distinct occupation from osteopaths, who are not recognized as physicians. The ILO now recognizes that osteopathic physicians (US-trained DOs) will be classified under the grouping for medical doctors in the International Standard Classification of Occupations-08. An AOA leadership team achieved this clarification through meetings with ILO officials during the World Health Assembly in Geneva in May 2018. This action further clears the way for full practice rights for DOs wishing to practice abroad.

We also made important progress toward inclusion of US colleges of osteopathic medicine on the list of approved medical schools in the United Kingdom, which will ease the licensing process for DOs seeking to practice in the UK. In Canada, pending legislation on training and practice requirements will mean that Canadian-trained osteopaths will no longer be able to use the DO designation.

Our partnership with the Jaseng Foundation in South Korea was advanced when an AOA delegation visited in March 2018. Under our partnership agreement, we will share research, advocate for practice rights, and coordinate professional exchanges between the countries. Jaseng's founding director, Dr. Joon Shik-Shin, will return to the United States with a delegation in October to speak at OMED 18, where he will compare OMT to traditional Asian manual therapies.

GOVERNANCE ALIGNMENT

A committee continues to work toward evolving the AOA governance structure to ensure that it best supports the vision for a dynamic, relevant association. Changes under discussion aim to improve governance process efficiency and engagement. Reviews continue to align processes and policies for the Board of Trustees, House of Delegates, and Bureaus, Councils, and Committees.

VITAL SIGNS

DOs IN THE US

108,118

OSTEOPATHIC
MEDICAL STUDENTS

28,981

INCREASE OF DOs
SINCE 1990

249%

DOS IN PRIMARY CARE

56%

DOs UNDER AGE 45

54%

DOs ENROLLED IN AOA &
ACGME POSTDOCTORAL
TRAINING PROGRAMS

20,482

WE GROW

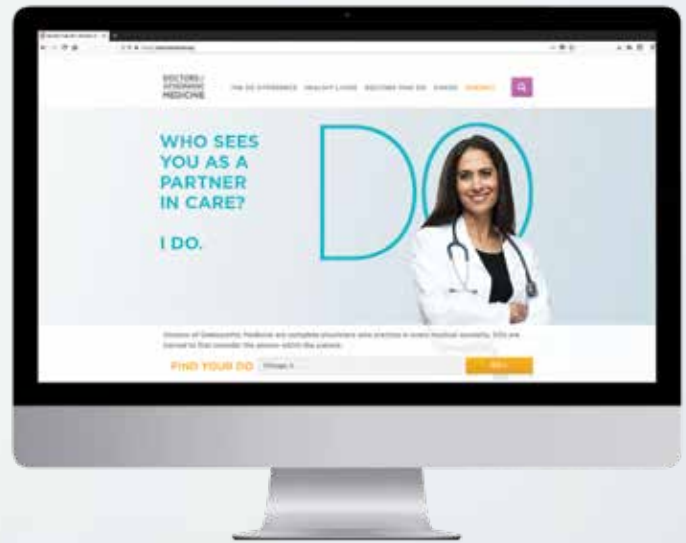
Building on the Foundation

This year we built on successes attained during Phase I of our strategic plan.

Much of our work over the year built on the successes attained pursuing fundamental priorities from Phase I of the strategic plan. In FY2018, those activities, designed to strengthen, protect, and promote osteopathic medicine, have become embedded in the fabric of our organization and our work.

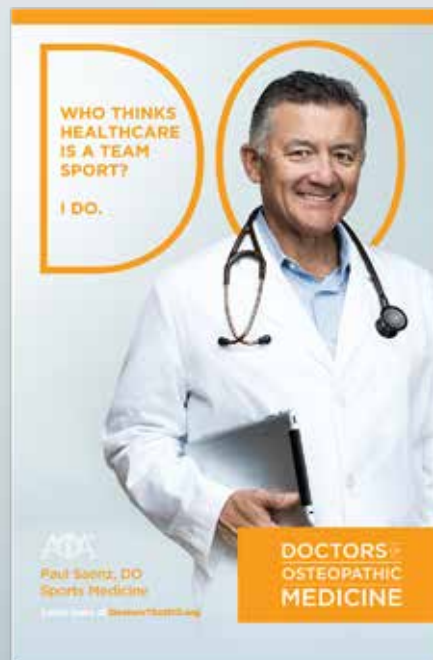
INCREASED BRAND AWARENESS

We refreshed our successful Doctors That DO ad campaign with new faces and stories that reinforce the distinctive tenets of osteopathic practice. Over three years, this advertising campaign has informed and attracted consumers by hitting more than one billion impressions in national print and digital publications. Our paid search campaign continues to drive abundant traffic to the Doctors That DO website, which logged 1,042,727 visits and more than 450,000 physician profile views using the *Find Your DO* search tool in fiscal year 2018. Over three years, active media relations efforts to promote osteopathic medicine have yielded mentions in more than 9,500 news stories.



BRAND AWARENESS BY THE NUMBERS

In its third year, the **Doctors That DO** consumer campaign continued to raise awareness and spark engagement, exceeding our total online impressions by **30%** over the previous year.



FY 2018
TOTAL IMPRESSIONS

391M

VISITS TO
DOCTORSTHATDO.ORG

1,042,727

"FIND YOUR DO"
PHYSICIAN PROFILE VIEWS

450,000+



**WHO THINKS
THE FIRST
STEP IN CARE
IS CARING?**

I DO.

DOCTORS OF OSTEOPATHIC MEDICINE

We believe the first step in treatment is empathy. Doctors of Osteopathic Medicine are fully licensed physicians who treat patients as partners in healthcare, combining compassion with a whole-body approach to medicine.

Learn more at DoctorsThatDO.org



**Octavia Cannon, DO
OB/GYN**

WE REACH

SUCCESSFUL ADVOCACY

Major advocacy wins in 2017–18:

- **Reauthorized and increased funding** for the Teaching Health Center Graduate Medical Education Program
- **Secured House passage** of the Substance Use Disorder Workforce Loan Repayment Act
- With our affiliate partners, **successfully opposed** state legislation on non-physician licensure in multiple states
- **Sent multiple comment letters** to Congressional committees in support of physicians on opioid-related regulations

IN A SHOW OF UNITY AND DETERMINATION,

1,100

OSTEOPATHIC STUDENTS, RESIDENTS AND PRACTICING PHYSICIANS PARTICIPATED IN NEARLY

300

CONGRESSIONAL MEETINGS IN SUPPORT OF **FEDERAL STUDENT LOAN PROGRAM PROTECTION** DURING OUR ANNUAL DO DAY ON CAPITOL HILL.

ENHANCED PUBLIC POLICY IMPACT

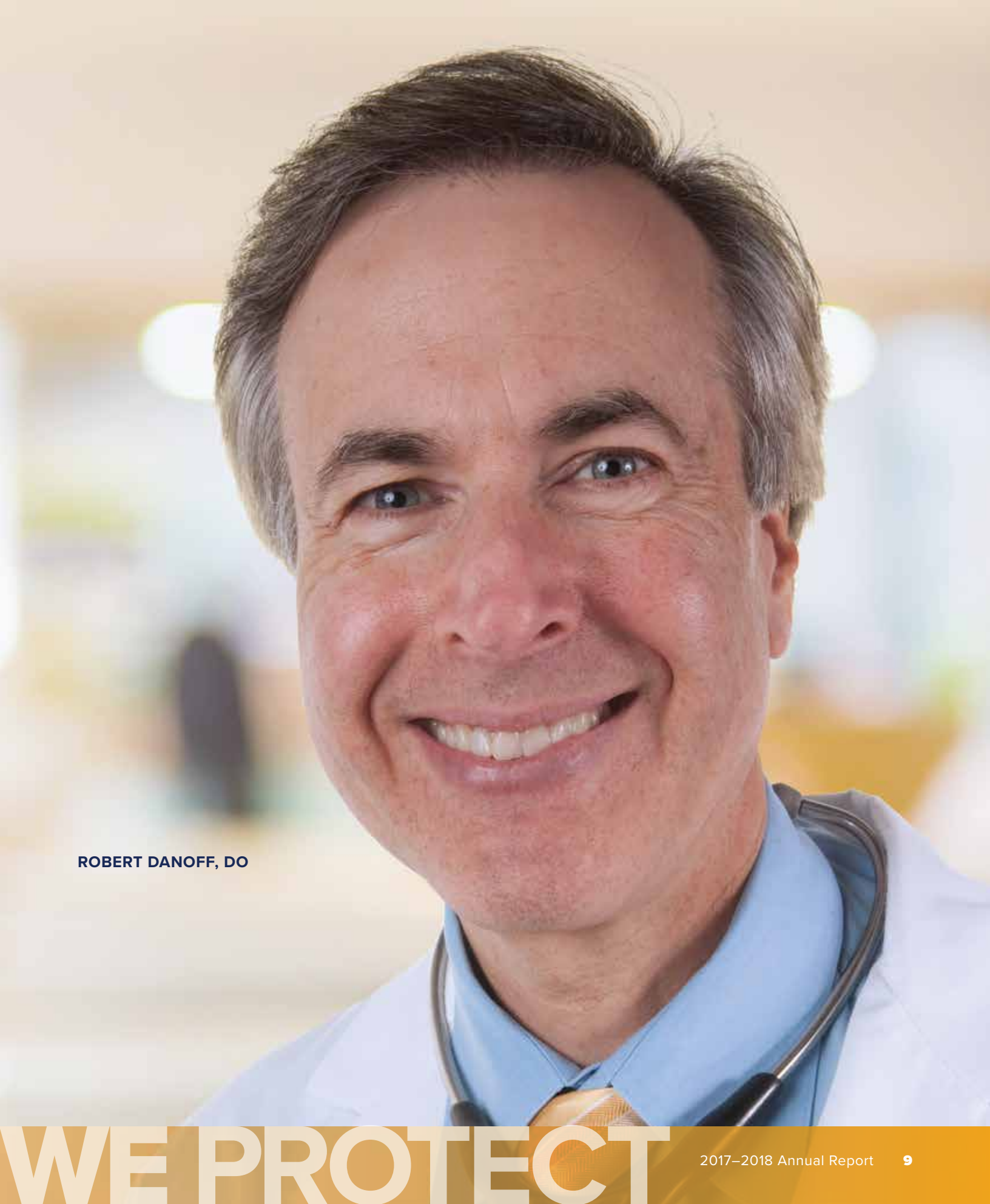
The Association's policy team continued to generate grassroots advocacy while working directly with policymakers on a wide range of health policy issues. The team held more than 275 meetings with congressional leaders and staff, sent more than two dozen federal legislative and regulatory comment letters, and wrote more than 60 comment letters on state issues in nearly three dozen states.

The AOA successfully advocated for preservation of federal funding for the National Health Service Corps, Federally Qualified Health Centers and the Children's Health Insurance Program. Reauthorization of the Teaching Health Center Graduate Medical Education program and securing a funding increase for the program was another key policy victory. We continue to build Congressional awareness of the unified GME accreditation system and push legislation that promotes alternatives to opioids and access to addiction treatment.

At the state level, we defended practice standards by helping to defeat proposals that would allow assistant or associate physician practice after limited training. We worked to obtain amendments to proposed bills in Alaska, New Jersey and Florida to reflect osteopathic equivalency, and helped reverse a proposed cut in state Medicaid GME funding in Rhode Island, resulting in an increase from \$2.5 million to \$4 million.



DO Day on Capitol Hill



ROBERT DANOFF, DO



ANTHONY WEHBE, DO

EXPANDED GRADUATE MEDICAL EDUCATION

The transition to a Single Accreditation System under the ACGME—intentionally designed to preserve osteopathic identity, tradition and history within graduate medical education—is making substantial progress, with a solid gain in the number of training positions open to medical students.

Three years into the process, 70 percent of AOA training programs representing 87 percent of our residency positions are already ACGME accredited or pre-accredited. Most of the programs that have not yet applied for ACGME accreditation are internships or fellowships. During the transition, new programs launched while others merged or closed, so the number of positions in residency programs is important. Today there are 9,386 filled positions in programs formerly accredited only by the AOA—a net gain of 739 residency slots.

Osteopathic Recognition—a new and separate accreditation process for ACGME programs—is the next step for those that have transitioned. More than 70 percent of osteopathic medical students surveyed indicate that they desire training in an osteopathic-focused residency, so there is an opportunity for programs to seek recognition to meet this demand. To date, 157 programs have received Osteopathic Recognition. Of these, 16 percent were always ACGME programs, which attests to expanding interest as medical education embraces the value of osteopathic medicine and its patient-centered approach.

GRADUATE MEDICAL EDUCATION EXPANSION

The transition to the **Single Accreditation System** made solid gains in the number of training positions open to osteopathic medical students.

SINCE 2015,

55%

OF AOA GME PROGRAMS HAVE
BECOME ACGME ACCREDITED.

THESE PROGRAMS SERVE

9,386

TRAINEES,
AN INCREASE OF

739

RESIDENCY SLOTS.



BERNARDITA L. DRUHAN, DO

INCREASED OSTEOPATHIC RESEARCH

In June, we announced research awards totaling \$1.3 million—a healthy increase over the \$1.1 million allocated to eight projects funded in June 2017. We received 45 funding applications. Chronic diseases and conditions and the effect of OMT on inflammation were areas of significant interest, along with a new focus on reducing non-medical use of prescription drugs.

The 2018 research support includes \$75,000 from AOA to support a collaborative Project on Osteopathic Medical Education and Empathy study, now underway with the American Association of Colleges of Osteopathic Medicine and Thomas Jefferson Health System. We are also participating in a joint project through American Osteopathic Information Association to expand research on the cost effectiveness of OMM and OMT. This year's research awards include funding for our first physician in training grant, which provides \$20,000 to support research by a resident, intern or fellow for 18 months.

Previously-funded research focuses on topics such as chronic pain management, OMT in traumatic brain injury and Parkinson's disease, as well as osteopathic philosophy and patient experience. Four of the studies funded in fiscal year 2016, the first year we bolstered our investment in research, are now completed and are expected to begin reporting their findings soon.

EXPENSE CONTROL AND REVENUE ENHANCEMENT

Ongoing assessment of services and programs ensures that they remain aligned with our strategic vision. Continuous efforts to increase efficiencies and decrease expenses helped the AOA end the year (for the fifth year in a row) well within budget, returning funds to our reserve pool. (See pages 14–15 for details). This demonstrates our fiscal responsibility to AOA members and also supports our ability to invest in our future.

RESEARCH FUNDED

We continue to expand and improve osteopathic medical research by sponsoring DOs for scholarly work.

THIS YEAR WE AWARDED

13 GRANTS

INCLUDING FOUR FOR STUDENTS AND
ONE FOR A PHYSICIAN IN TRAINING.

\$1,315,961

IN GRANTS AWARDED

TOP 5

RESEARCH AREAS:

1. Chronic Diseases and Conditions
2. Pain Management
3. OMM/OMT
4. Osteopathic Philosophy
5. Musculoskeletal Injuries and Prevention

Statement of Financial Position

ASSETS

FY2017
YEAR ENDING
5/31/17

FY2018
YEAR ENDING
5/31/18

CURRENT ASSETS

CASH AND INVESTMENTS:

Unrestricted:

Operating	\$ 51,671,962	\$ 49,934,734
Certifying Boards	\$ 0	\$ 0
Osteopathic Research Development Fund	\$ 5,677,216	\$ 5,997,321
Dale Dodson Educational Fund	\$ 2,679,433	\$ 2,938,235
NOAC Capital Improvement Fund	\$ 378,951	\$ 378,951
TOTAL UNRESTRICTED CASH AND INVESTMENTS	\$ 60,407,561	\$ 59,249,240
Accounts receivable	\$ 2,674,950	\$ 2,591,849
Interest receivable	\$ 115,250	\$ 99,519
Prepaid expenses	\$ 1,294,120	\$ 868,808
Deposits	\$ 40,144	\$ 42,898
SUBTOTAL	\$ 4,124,464	\$ 3,603,074
TOTAL CURRENT ASSETS	\$ 64,532,025	\$ 62,852,313

OTHER ASSETS

Property and equipment-net	\$ 8,852,624	\$ 9,036,983
Deferred rent receivable	\$ 777,806	\$ 822,437
Other	\$ 10,000	\$ 10,000
TOTAL OTHER ASSETS	\$ 9,640,431	\$ 9,869,420
TOTAL ASSETS	\$ 74,172,456	\$ 72,721,734

LIABILITIES AND NET ASSETS**FY2017**
YEAR ENDING
5/31/17**FY2018**
YEAR ENDING
5/31/18**CURRENT LIABILITIES**

Total current liabilities	\$ 26,012,501	\$ 22,481,057
TOTAL LIABILITIES	\$ 26,012,501	\$ 22,481,057

NET ASSETS

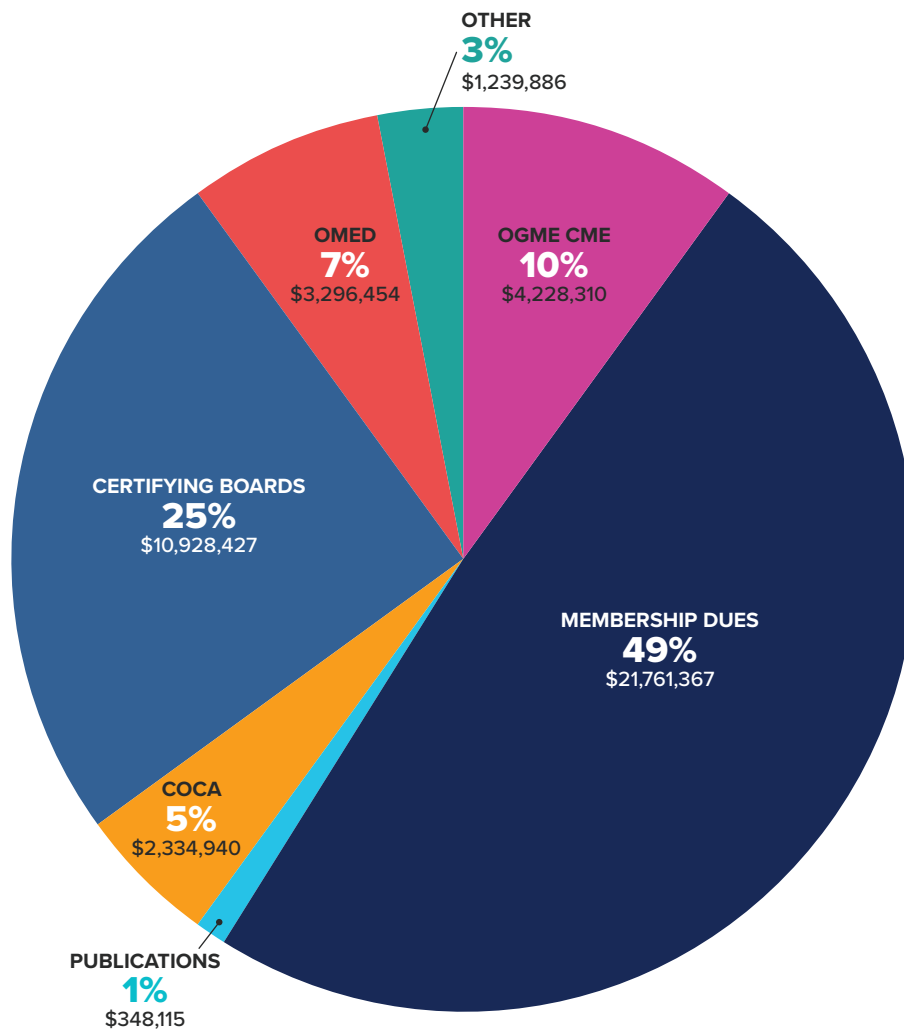
Osteopathic Research Development Fund	\$ 5,291,449	\$ 5,515,109
Dale Dodson Educational Fund	\$ 2,629,433	\$ 2,783,235
Bridge Contribution Fund	\$ 1,790,530	\$ 1,484,158
Reserve Fund Beginning Balance	\$ 36,864,601	\$ 38,123,590
Increase (Decrease) in Reserve Fund	\$ 1,258,989	\$ 2,002,868
RESERVE FUND ENDING BALANCE	\$ 38,123,590	\$ 40,126,458
TOTAL UNRESTRICTED	\$ 47,835,002	\$ 49,908,959
Temporarily Restricted	\$ 324,953	\$ 331,717
TOTAL NET ASSETS - UNRESTRICTED	\$ 48,159,955	\$ 50,240,677

TEMPORARILY RESTRICTED

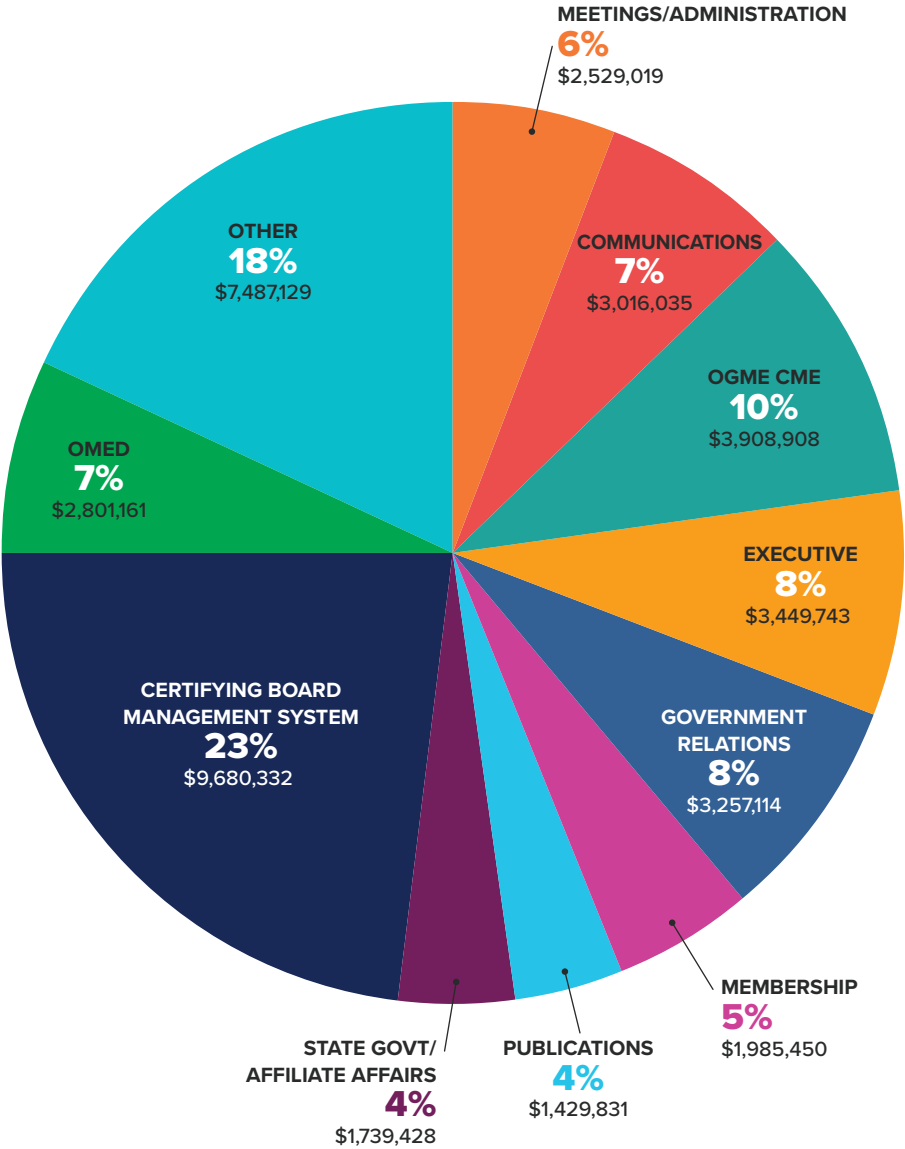
Contribution revenue	\$ 0	\$ 0
TOTAL NET ASSETS	\$ 48,159,955	\$50,240,677
TOTAL LIABILITIES AND NET ASSETS	\$ 74,172,456	\$ 72,721,734

Actual Revenues and Expenses

REVENUES



EXPENSES





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ASSOCIATION

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