



STRONG ■ SMART ■ SUCCESSFUL

2009 ANNUAL REPORT

STRONG • SMART



Alexander A. Hannenberg, M.D.



Roger A. Moore, M.D.



John A. Thorner, J.D.



Ronald P. Szabat, J.D.

Dear Colleagues,

Despite the worst economic downturn since the Great Depression, a significant change in the country's political climate and battles over health care reform, the American Society of Anesthesiologists' (ASA's) members proved, once again in 2009, that success could be achieved if we remained focused on the Society's mission of education, scientific progress and advocacy. All of our activities and initiatives were mission-driven, and as a result, we emerged from the challenges of 2009 stronger, smarter and more successful than before.

ASA achieved numerous successes in 2009. Our administrative team is stronger than ever, and our volunteer physicians continue to be our most valuable resource – both hardworking and dedicated to the future of anesthesiology. When reviewing 2009, we know that without the strong base we have now created through the Organizational Improvement Initiative (OII), we would not have been able to achieve so much in so many arenas. Though we have much work still to do, our annual report highlights our tremendous efforts in becoming the best medical specialty society in the world.

Just a few years ago, the ASA looked very different. Physician leadership at that time made the forward-thinking decision to make key changes. They envisioned a new, smarter ASA, and that vision is taking shape. ASA now has an award-winning branding campaign designed to alert the public to what we as anesthesiologists do. ASA has continued to increase membership by providing increased value to each member. ASA has implemented state-of-the-art fiscal management tools and is financially

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stronger. ASA has a world-class Annual Meeting with educational offerings. We should all be grateful to previous leadership for their vision of the future.

ASA is well positioned for further success in 2010. This year, ASA will embark on a new set of challenges that directly support the strategic goals for our membership. Some of these activities include: a complete Web site overhaul, new and exciting educational offerings, highly effective advocacy efforts in both the legislative and regulatory arenas, and support for the further development of the Anesthesia Quality Institute (AQI). Formed this past year, the AQI will

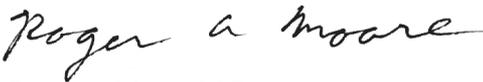
focus on patient health and safety by providing quality and practice benchmarking tools to anesthesiologists.

Leadership is never easy, but we are grateful for the opportunity to serve you through ASA. The Society's collective vision is recognized every day in the individual successes of our members as well as in our achievements as an organization. That is why looking forward to 2010, ASA is best positioned as a "strong, smart and successful" organization ready to face what the future holds for all anesthesiologists. Thank you for being a key member of the ASA team.

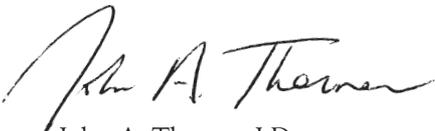
Sincerely,



Alexander A. Hannenberg, M.D.
2010 ASA President



Roger A. Moore, M.D.
Immediate Past President



John A. Thorner, J.D.
Executive Vice President, Park Ridge, IL



Ronald P. Szabat, J.D.
Executive Vice President, Washington, D.C.





*Asokumar Buvanendran, M.D. (left) and Timothy R. Lubenow, M.D.,
ASA members at Rush University Medical Center, Chicago.*

ASA: GROUNDED, AND AIMING HIGH

Although 2009 is likely to be remembered as a year of challenges and uncertainty, your ASA came out of the year stronger than ever. In 2009, ASA focused on laying a solid foundation for growth and service. We redoubled our efforts toward member service so that you could better focus on caring for your patients. Our efforts last year allowed ASA to post a three percent membership gain, draw substantial exhibit revenue, build strong partnerships and further enhance our public image. We have you, the ASA members, to thank for this commitment to sustained improvements and growth of our organization.



Thanks to a myriad of mission-driven initiatives implemented at ASA this past year – a direct result of the Organizational Improvement Initiative (OII) – we stand “stronger, smarter and more successful” than ever before. By strengthening our infrastructure and promoting transparency and accountability, we are poised to make long-term gains in membership and revenue, and we will continue to improve our educational programs and membership services.

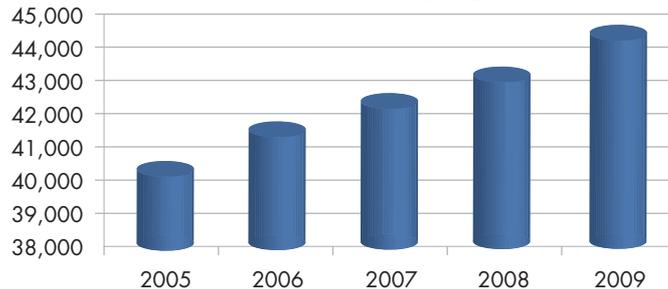


2009 ACHIEVEMENTS

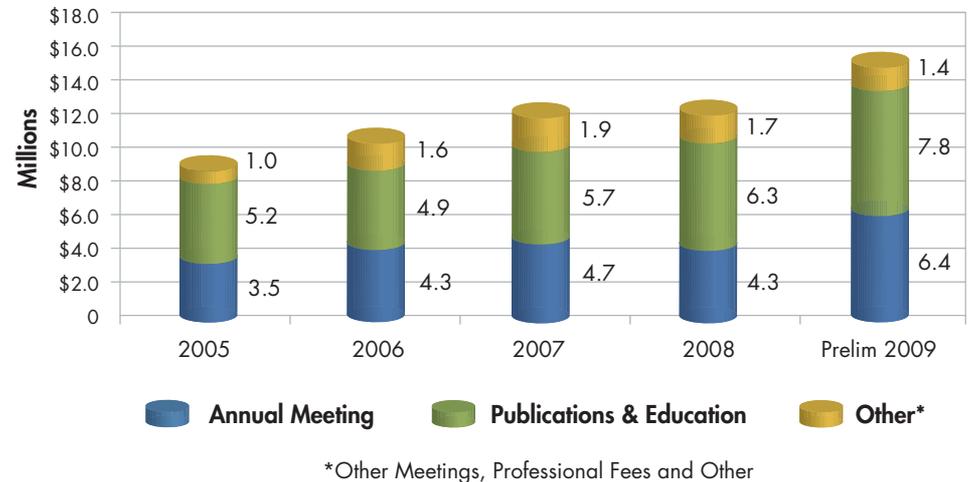
With a stronger foundation in place, ASA can boast of tremendous success in key areas of interest to the membership. In 2009, we:

- **Increased membership** by three percent to 44,564 members – a remarkable feat considering the current state of our economy. This increase further demonstrates our members’ appreciation of the value of ASA membership in our current challenging professional environment. ASA is committed to remaining an indispensable part of the practice of anesthesiology by bringing you bigger and better offerings in the future. We are moving in the right direction with the right people on board to make these promises a reality.

ASA Membership Figures



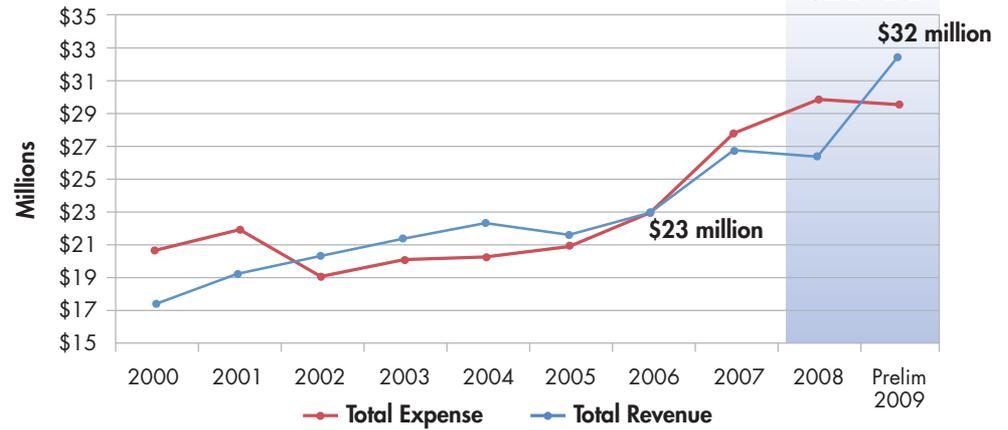
Non-Dues Operating Revenues – 2005 through 2009



- **Achieved substantial revenue gains**, thanks in large measure to the OII and our dramatic non-dues revenue growth. The ASA reported a net operating surplus of \$3 million in 2009 – from a \$5 million loss in 2008. The \$8 million turnaround was a result of ASA’s sustained efforts to increase revenue, control expenses, and overhaul its financial structure, which included installing new accounting and financial reporting systems in 2009.

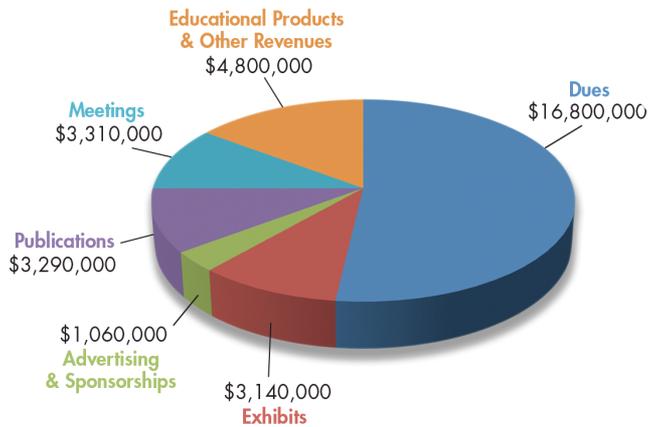
Meanwhile, overall operating revenue increased more than 31 percent, from \$24.8 million in 2008 to \$32.4 million in 2009. We also cut expenses by \$300,000 – from \$29.8 million to \$29.5 million over the same period. These financial gains, as well as the increase in dues revenue, helped fuel our success in areas such as quality staff hires/retention; enhanced anesthesiologists’ public image; and supported our advocacy efforts at the national, state, and grassroots levels. Our 2009 financial performance provides the foundation for investments in new member services over the coming years.

Operating Revenue and Expense – 2000 through 2009



The charts on this page illustrate the tremendous strides made at ASA to decrease expenses and increase revenues. The bottom-line net assets demonstrate ASA's success toward this goal in 2009.

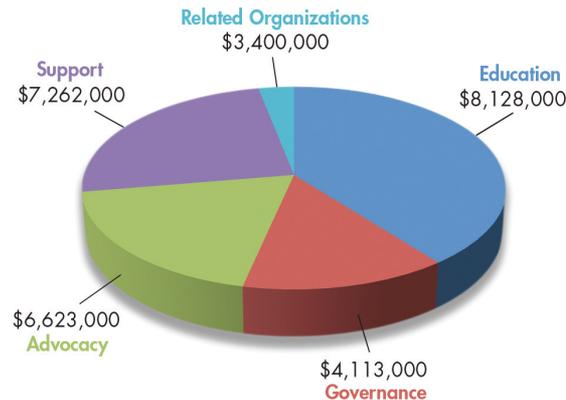
2009 Operating Revenue \$32,400,000



2009 ASA Net Assets

Net Assets 12/31/08	\$38,880,000
Net Assets 12/31/09	\$50,720,000
Change in Net Assets	\$11,840,000

2009 Operating Expense \$29,526,000





- **Improved anesthesiologists' public image.** We successfully conveyed to patients that anesthesiologists are highly trained physicians who make modern medicine possible. In 2009, we deepened our commitment to educating patients about anesthesiologists with the June launch of the patient-focused Web site www.lifelinetomodernmedicine.com. With visits increasing steadily, our attention is focused on providing additional meaningful content to the site.

- **Strengthened our administrative team.** In 2009, we added 15 new staff members and established two new administrative departments - in education and in corporate development and sponsorship. Despite a weak economy, our sales team improved Annual Meeting exhibitor revenue by nearly 15 percent over the previous year, from \$2.6 million to \$3 million. As a sign of confidence in our future growth, we finalized the purchase of a three-acre parcel of land on which we now have the opportunity to expand our Park Ridge facility.

The ASA's "Lifeline to Modern Medicine" campaign won a top public relations award in 2009 from PR News. The campaign's goal is to secure anesthesiologists' reputation as valuable, highly-trained physicians who make life-saving procedures possible across a range of vital medical practices.



Another successful public relations initiative was prompted by the untimely death of pop superstar Michael Jackson. ASA members, in their proper role as highly-trained physicians, ensured that the media and the public understood the appropriate use of propofol, the anesthetic drug reportedly administered to Jackson by his cardiologist. ASA served as the “go-to,” reliable medical source for the media in top-tier print and broadcast outlets such as Good Morning America, CNN, and *The New York Times*.

“The fact that the drug was administered outside a hospital or health-care facility is mind-boggling,” says Dr. Kenneth Elmassian, a cardiac anesthesiologist at Michigan Regional Medical Center. “You can’t go to a pharmacist, hand a prescription over and get the drug,” he says. At the same time, he adds that any licensed physician can give the medication – though the American Society of Anesthesiologists (of which he is a board member) doesn’t recommend that doctors not trained in anesthesiology do so, because the drug is extremely dangerous.

– Dr. Kenneth Elmassian, *Newsweek*
 “The Human Condition,” July 29, 2009



GOOD MORNING AMERICA

The New York Times

AP Associated Press

TMZ



Using propofol as a home sleep aid – as it might have been administered to Mr. Jackson – would be “kind of like me using chemotherapy so I don’t have to shave my head,” said Dr. John F. Dombrowski, director of the Washington Pain Center and a board member of the American Society of Anesthesiologists. “You’d never do that.”

– Dr. John F. Dombrowski, *The New York Times*
 “With High-Profile Death, Focus on High-Risk Drug,” August 6, 2009





2009 ASA Annual Meeting Exhibit Floor.

- **Focused on gaining sponsorship.** ASA is committed to diversifying our sources of revenue, in part through sponsorship of our programs. Our efforts resulted in a nearly \$269,000 gain in non-dues revenue in 2009. We now have an expert on corporate sponsorship development on staff, and we are working with a consultant group to establish an ongoing strategy for making sponsorship a meaningful part of ASA's finances.



Exhibitor speaks with attendee at the 2009 Annual Meeting.

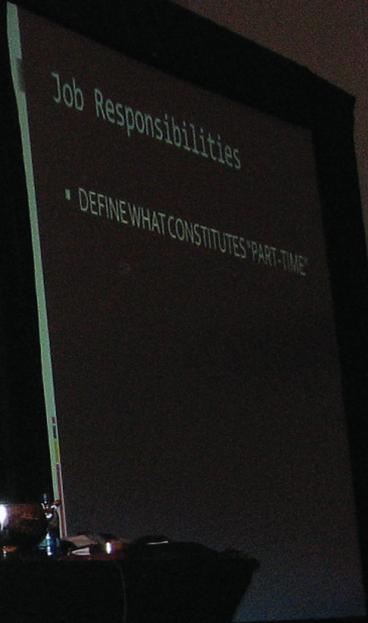


2009 ASA President Roger A. Moore, M.D. and 2009 ASA Annual Meeting Chair Beverly Philip, M.D. enjoy the company of Peter Pronovost, M.D., Rovenstine Lecturer.



With more Continuing Medical Education (CME) programming, as well as an expanded opening session and an all-conference reception, we anticipate even higher attendance at "Anesthesiology 2010" in San Diego.

Anke Bellinger, M.D. leads the workshop, Radio Frequency Ablation: Lumbar and Cervical Facets, during the ASA 2009 Annual Meeting.



Shena J. Scott, M.B.A., FACMPE, Executive Director, Brevard Anesthesia Services, PA, Melbourne, Florida, speaking at the ASA Conference on Practice Management.

The ASA also offered exceptional practice management resources to help anesthesiologists run their practices effectively and efficiently. The 2009 Webinars, developed in concert with the ASA Committee on Economics, focused on coding and regulatory issues impacting anesthesiologists' practices. They also generated additional non-dues revenue.

The annual Conference on Practice Management, which was held in Phoenix in January 2009, is ASA's second largest annual educational event, and it lived up to its reputation as the most important and credible conference on management issues. The conference featured a new resident track for office practice management that addressed regulation and compliance, which proved a big draw to new physicians. The Relative Value Guide®, CROSSWALK®, and Reverse CROSSWALK® products remained the primary reference documents for anesthesiologist practices and coding and billing companies.



- **Laid the foundation for the new Anesthesia Quality Institute (AQI).**

In 2009, the Society provided \$750,000 in seed money for the Institute, and Richard P. Dutton, M.D., M.B.A., a trauma anesthesiologist at the University of Maryland and an ASA member, was hired as its executive director. AQI's mission is to expand the Society's focus on patient health and safety by providing quality and practice benchmarking tools to anesthesiologists.

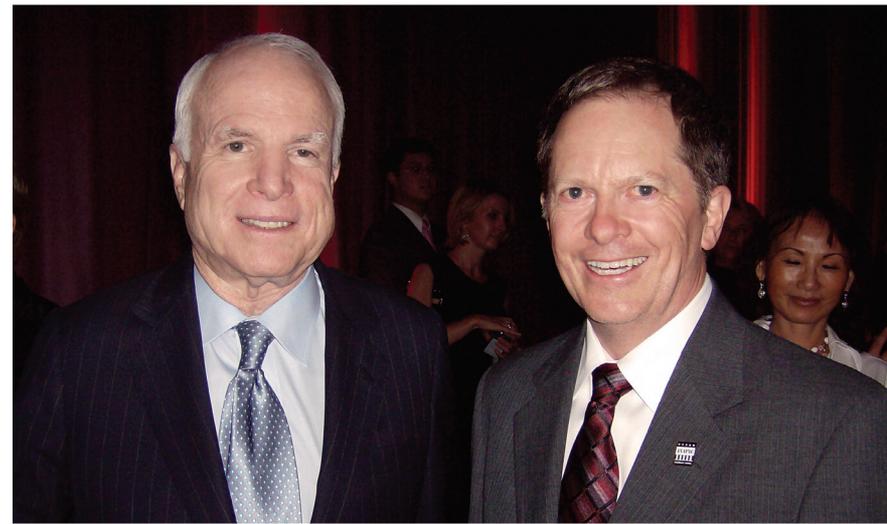
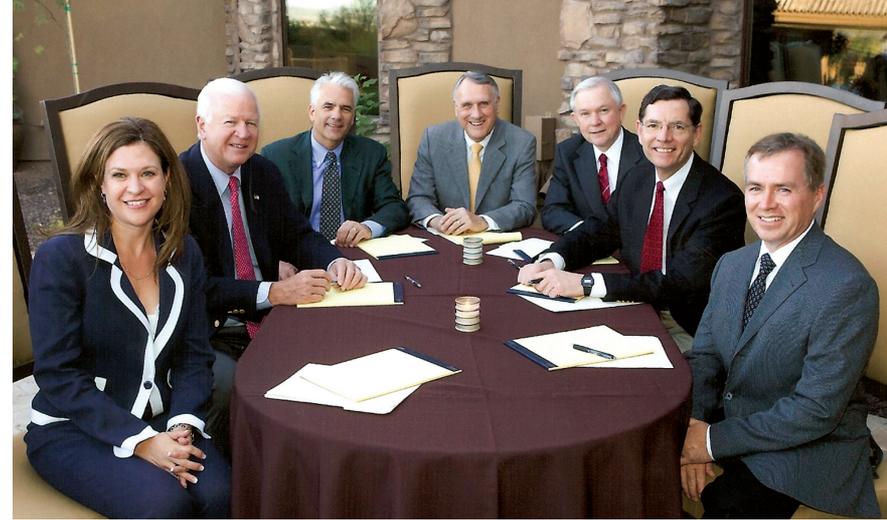
AQI's near-term goal is to enroll at least 20 practices in 2010 – and 100 practices in 2011 – to actively submit case data to the National Anesthesia Clinical Outcomes Registry. These enrollments will provide the experience and infrastructure needed to make clinical benchmarking and data aggregation a part of every member's practice. The efforts will greatly improve quality-care reporting that is required by governmental agencies and insurance companies, and will help members fulfill requirements for Maintenance of Certification in Anesthesiology (MOCA®).

- **Strengthened our emphasis on CME.** ASA hired an educational director and four educational staff members with expertise in instructional design and CME compliance. The new Education Department provides ASA the expertise to develop innovative educational opportunities in a variety of formats to meet member needs. In 2009, the new team worked to ensure that ASA retains its ACCME status as an accredited provider – a vital accomplishment – and drafted policies and procedures to improve our educational programming.

- **Maintained first-class advocacy efforts.** ASA took an active role in the health reform debate, and saw bills emerging from both the House and Senate in late 2009 containing protection from Medicare-based provider payments, our principle legislative objective in Congress. Similarly, we saw the House pass permanent repeal of the Sustainable Growth Rate formula, a long-term advocacy objective for ASA. On the regulatory front, we ensured the implementation of Medicare anesthesiology teaching rule reform legislation to restore \$50 million annually to our academic departments. We succeeded in persuading the Food and Drug Administration (FDA) to intervene to address a nationwide shortage of propofol.

Thanks to your commitment to advocacy efforts, the ASA Political Action Committee (ASAPAC) is now the largest health professional PAC in the U.S., garnering \$1.7 million in contributions last year. A powerful voice in Washington is more critical to the future of our profession than ever before.

ASA also assisted state societies. We worked with the Louisiana Society of Anesthesiologists to secure a definition of the practice of pain medicine, and helped Michigan and Nevada societies adopt office-based surgery guidelines. We also helped six states defeat nurse anesthetist scope-of-practice legislation. We revamped and reinvigorated our 3,000-member Grassroots Network. The Network provides members the necessary training and resources to advance ASA legislative and regulatory priorities. Throughout 2009, the Grassroots Network enabled members to make more than 23,000 contacts to the House and Senate in response to legislative developments.





ASA 2009 Administrative Council Members Gregory Unruh, M.D., Jeffrey Apfelbaum, M.D., Alex A. Hannenberg, M.D., James Grant, M.D. and Roger A. Moore, M.D. discuss legislation with the House Majority Leader, Rep. Steny Hoyer (D-MD).

Opposite page:

Top: ASA member and Arizona Society of Anesthesiologists President-Elect Kelly McQueen, M.D. (far left) and ASA Annual Meeting Vice Chair Dan Cole, M.D. (far right) discuss the teaching rule with Sen. Saxby Chambliss (R-GA), Sen. John Ensign (R-NV), Sen. Jon Kyl (R-AZ), Sen. Jeff Sessions (R-AL), and Sen. John Barrasso (R-WY).

Center: Charles Gregorius, M.D. speaks with Sen. John McCain (R-AZ).

Bottom, from left: James Grant, M.D., Charles Gregorius, M.D., Rep. Bill Cassidy (R-LA), and John F. Dombrowski, M.D. at the Celebration of Advocacy, ASA 2009 Annual Meeting.

LOOKING AHEAD

In 2010, ASA will embark on a new set of challenges that directly support the strategic goals for our membership. We will:

- Support anesthesiologists seeking to satisfy certification requirements by developing performance improvement modules, enhancing online patient safety programs, and expanding the Simulation Education Network and offering educational Webinars, podcasts and other distance learning programs.
- Completely revamp our Web site (www.asahq.org) to make it more informative and user-friendly. Plans call for updating the look, feel, and usability of the site and improving search and personalization options.
- Pursue sponsorship opportunities to generate additional non-dues revenue.
- Improve communications for members – with careful emphasis on matching the technology available with the needs of ASA members.
- Continue our effective advocacy efforts in both the legislative and regulatory arenas.
- Support further development of the AQI.

We look forward to getting your feedback and comments throughout 2010. Meanwhile, stay informed on ASA initiatives by visiting www.asahq.org often.



ASA members from Northwest Suburban Anesthesiologists, Arlington Heights, Illinois.

This Annual Report was made possible by the ASA Committee on Communications:

John F. Dombrowski, M.D., Chair

Kenneth J. Abrams, M.D.

Douglas R. Bacon, M.D.

Claire L. Chandler, A.A.-C.

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Kenneth Elmassian, D.O.

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Peter L. Hendricks, M.D.

Andrew Herlich, M.D.

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Rafael A. Ortega, M.D.

Sonya M. Pease, M.D.

Joseph W. Szokol, M.D.

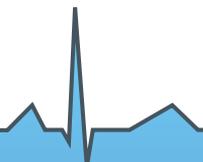


*ASA President-Elect Mark A. Warner, M.D.
and Wood Library-Museum President
Mary Ellen Warner, M.D.*



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American Society of Anesthesiologists



American Society of
Anesthesiologists



Physicians providing the lifeline of modern medicine