

September 28, 2007

Dear Colleague:

I wanted to alert you to a development of importance to our profession.

On Sept. 27, 2007, Christopher J. Christie, US Attorney for the District of New Jersey, announced the results of his two-year investigation into the legality of certain relationships between five hip and knee surgical implant manufacturers and orthopaedic surgeons. The companies – Zimmer, Depuy Orthopaedics, Biomet, Smith and Nephew, and Stryker – have avoided criminal prosecutions about payments made to surgeons to use their products by agreeing to new corporate compliance procedures and federal monitoring for 18 months. Compliance with federal law by all of these companies going forward is the key element of these agreements. These five companies account for nearly 95% of the market in US hip and knee implants. The American Academy of Orthopaedic Surgeons (AAOS) has monitored this situation carefully since we first became aware of these investigations in March 2005.

**No orthopaedic surgeons were named in these agreements.** However, US Attorney Christie, in a press release announcing the agreements, expressed strong concern about the actions of some orthopaedic surgeons. According to the press release, the investigation “revealed instances in which physicians did little or no work for the financial inducements but did agree to exclusively use the paying company’s products. The physicians also failed to disclose the existence of these relationships with the companies to the hospital where the surgeries were performed and, more importantly, to the patients that they treated.” US Attorney Christie indicated that the majority of consultant contracts between companies and physicians were legitimate, but said a “significant minority” were improper. He described them as “kickbacks disguised as consulting contracts.” Christie declined to say if any physicians would be charged in the matter, saying the investigation was ongoing.

A copy of US Attorney Christie’s Press Release may be found at [www.aaos.org/IndustryRelationships](http://www.aaos.org/IndustryRelationships).

### **What is the Position of AAOS?**

Your Academy strongly believes that the relationship between orthopaedic surgeons and industry has just one goal: the enhancement of patient care. Throughout the years, orthopaedic surgeons and industry have maintained a strong and collaborative relationship, working together to develop new and improved technologies, techniques and devices. These interactions result in innovative and improved technologies which enhance patient care. It is also critical that all relationships with industry which affect patient care always be disclosed to the patient and to colleagues.

To address this relationship, the AAOS has developed Standards of Professionalism (SOPs) on Orthopaedist-Industry Conflicts of Interests through extensive involvement of practicing members. In April 2007, the Fellowship adopted the Industry SOPs, with over 95 percent of those voting casting favorable ballots. Enforcement of these new Industry SOPs is set to begin on January 1, 2008. These SOPs supplement the existing AAOS Opinion on Ethics and Professionalism on the Orthopaedic Surgeon’s Relationship with Industry. This Opinion represents aspirational or ideal behavior, while the newly adopted SOPs establish mandatory standards to which all members can look for guidance.

## **AAOS Resources**

AAOS has created a special section on the AAOS website on “Relationships with Industry”- [www.aaos.org/IndustryRelationships](http://www.aaos.org/IndustryRelationships). As part of Orthopaedic Knowledge Online, it is a convenient portal to a variety of Web-based resources ranging from the newly adopted Industry SOPs, the AAOS Opinions on Ethics and Professionalism to guidelines prepared by the Orthopaedic Research and Education Foundation (OREF) and industry professional groups. Use the site to view presentations from the 2007 AAOS Annual Meeting symposium, “The Clinician and Industry Relationship: Conflict and Collaboration.”

### **November 13, 2007 AAOS Educational Program on “Orthopaedists at Risk: Navigating Industry Relationships”**

The AAOS will be conducting a ground-breaking AAOS educational program, “Orthopaedists at Risk: Navigating Industry Relationships” on **Tuesday, Nov. 13, 2007, at 8 p.m. ET, 7:00 CT, 6:00 MT, 5:00PT**. This interactive town hall meeting is free—available via your Internet connection. I will moderate it. It covers issues such as:

- Disclosing to patients and colleagues
- Being approached by sales representatives
- Consulting agreements with industry
- Real life scenarios from your colleagues—and winning ways to handle the issues
- Legal and industry perspectives

This is the AAOS’s first venture in this type of cutting-edge educational programming online. You must register beforehand to obtain 1.5 CME credits. If you are unable to participate, you can access and hear the discussions online afterward.

Register for this AAOS Internet educational program at [www.aaos.org/IndSOPs](http://www.aaos.org/IndSOPs), effective October 14, 2007.

### **Media inquiries?**

**If you receive any calls from the media, please direct them to the AAOS, Public Relations Department in the Rosemont Office.** In addition, if you wish to conduct local interviews, please contact the PR Department for additional background information on this issue. You may contact Catherine Dolf (847-384-4034) or Lauren Pearson (847-384-4031).

As you can tell, the Academy has taken this matter very seriously. We hope that you will support our on-going efforts to assist orthopaedic surgeons relate with our industry partners in the most professional and ethical manner to provide and enhance patient care.

Sincerely,

James H. Beaty, MD  
President