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3 **Mission:** The Foundation of the Pennsylvania Medical Society provides programs and services for
4 individual physicians and others that improve the well-being of Pennsylvanians and sustain the future of
5 medicine.

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7 **The Board of Trustees and staff of the Foundation are proud to serve as your philanthropic partner,**
8 **and we are grateful for your generous support.**

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10 **2017-2018 ACCOMPLISHMENTS**

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12 **PRIORITY AREA: EDUCATION – STUDENT FINANCIAL SERVICES**

13 **Student Loans: figures as of 12/31/2017**

- 14
- 15 • **Active Loan Accounts:** \$4,581,398.56 for 412 accounts as of 12/31/2017
 - 16 • **Default Rate:** .01 % **Delinquent Rate:** .15%
 - 17 • **Loans:** \$549,500 to 70 medical students for the 2017-2018 academic year as of 12/31/2017
 - 18 • **Loan Amounts:** Individual awards ranged from \$6,000-\$10,000, maximum aggregate loan
amount per student was \$30,000
 - 19 • **Disbursement:** As of December 2017, the Foundation has disbursed **more than \$20.7 million** in
20 loans and scholarships to 4,571 medical and allied health students (*Appendix A*)

21 **Scholarships**

- 22
- 23 • **Eleven Scholarships:** The Foundation manages funds for eleven medical student scholarships.
 - 24 • **The Shah Scholarship was established in 2017 with the goal of distributing the first award in**
25 **2018.** Residents of Philadelphia County or the municipalities of Bristol Borough, Bristol
26 Township, or Bensalem Township in lower Bucks County may apply. Additionally, the applicant
must be a first-year medical student attending a Pennsylvania medical school.
 - 27 • **Foundation Education Award was established in 2017** by the Foundation Board of Trustees to
28 accept philanthropic gifts to support medical student scholarships. Until the fund reaches a
29 minimum \$50,000 fund balance, an annual gift from a donor advised fund is randomly awarded
30 to student(s) who receive Foundation administered scholarship(s) in the current year.
 - 31 • **In 2017, scholarships were awarded totaling \$48,577**
 - 32 • **Allegheny County Medical Society Medical Student Scholarship:** 2017— Awarded a \$4,000
33 scholarship to Akshaya Arjunan, a third-year student at University of Pittsburgh School of
34 Medicine. 2018—one recipient of a \$4,000 scholarship will be selected in December. Eligibility
35 criteria includes: student applicants must be from Allegheny County and attend a Pennsylvania
36 medical school as a third- or fourth-year student.
 - 37 • **Alliance Medical Education Scholarship:** April 2018—The committee selected nine recipients to
38 receive awards from this fund totaling \$23,000. **Eight** students will each receive a **\$2,500**
39 scholarship, including one student who received the **William J. West Jr., MD, Award**, one
40 student who received the **Barbara Prendergast Award**, and one student who received the
41 **Dauphin County Medical Society Alliance Award**; one student will receive a \$3,000 scholarship
42 from the **Robert and Arlene Oyler Award**. The Alliance will present the awards during the
43 Annual Business Meeting in October.
 - 44 • **Blair County Medical Society Scholarship Fund:** 2017— A \$2,000 scholarship was awarded to
45 Anna Bistline, a second-year medical student at Sidney Kimmel Medical College at Thomas

1 Jefferson University. 2018—one recipient of a \$2,500 scholarship will be selected in
2 December. Eligibility criteria includes: student applicants must be a resident of Blair County and
3 a second-, third- or fourth year medical student.

- 4 • **Endowment for South Asian Students of Indian Descent:** 2017—awarded a \$2,000 scholarship
5 to Anup Bhattacharya, a fourth-year student at Lewis Katz School of Medicine at Temple
6 University. 2018—one recipient of a \$2,000 scholarship will be selected in December. Eligibility
7 criteria includes: student applicants must be of South Asian Indian heritage and attend a
8 Pennsylvania medical school as a second-, third-, or fourth-year student.
- 9 • **Foundation Education Award:** 2017—awarded a \$2,577 scholarship to Anup Bhattacharya, a
10 fourth-year student at Lewis Katz School of Medicine. 2018—five students will be randomly
11 selected in December to each receive a \$535 scholarship.
- 12 • **Lehigh County Medical Auxiliary’s Scholarship and Educational Fund:** 2017— Awarded a \$2,500
13 scholarship to Patrick Collins a fourth-year student at University of South Florida College of
14 Medicine. 2018—one recipient of a \$2,500 scholarship will be selected in December. Eligibility
15 criteria: medical student applicants must be residents of Lehigh County.
- 16 • **Lycoming County Medical Society Scholarship Fund:** 2017—Two students were selected to
17 receive a total of \$6,000 from this fund. \$3,000 scholarships were awarded to Christian Hague a
18 second-year student at Geisinger Commonwealth School of Medicine and Kenan Rajjoub a
19 second-year student at George Washington University School of Medicine. 2018—three
20 recipients will be selected to receive a \$3,000 scholarship in December. Eligibility criteria
21 includes: student applicants must be residents of Lycoming County and 2017 scholarship
22 winners are ineligible to reapply for the 2018 award.
- 23 • **Montgomery County Medical Society Scholarship—William W. Lander, MD, Medical Student
24 Scholarship:** 2017—Two students were selected to receive a total of \$4,000 from this
25 fund. Megan Raymond, a first-year student at University of Pittsburgh School of Medicine and
26 Sitara Soundararajan, a first-year student at Drexel University College of Medicine, each
27 received a \$2,000 scholarship. 2018—two recipients will be selected in December to receive a
28 \$2,000 scholarship. Eligibility criteria includes: student applicants must be a first-year student
29 and a resident of Montgomery County at time of high school graduation or four years prior to
30 entering medical school.
- 31 • **Myrtle Siegfried, MD, and Michael Vigilante, MD, Scholarship Fund:** 2017— awarded a \$1,000
32 scholarship to Miranda Haslam, a first-year student at Lewis Katz School of Medicine at Temple
33 University. 2018—one recipient of a \$1,000 scholarship will be selected in December. Eligibility
34 criteria includes: applicants must be Berks, Lehigh, or Northampton County residents and first-
35 year medical students.
- 36 • **Scott A. Gunder, MD, DCMS Presidential Scholarship Fund:** May 2018—awarded a \$1,500
37 scholarship to Gillian Naro, Penn State College of Medicine. Ms. Naro will be recognized at the
38 September DCMS Board meeting. Mid-2018, the annual application acceptance period changed
39 to July 1-September 30. December 2018, a \$1,500 scholarship will be awarded to a second-year
40 medical student attending Penn State University College of Medicine.

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43 **PRIORITY AREA: PHYSICIAN HEALTH & WELLNESS – PHYSICIANS’ HEALTH PROGRAM**

44 The Physicians’ Health Program (PHP) assists physicians and other eligible health care professionals to
45 understand, accept and cope with the physical, emotional, spiritual and mental conditions which impair

1 or threaten to impair their health and well-being, and thus help them to meet the usual and high
2 standards of medical care required of licensed physicians/others in the Commonwealth of Pennsylvania.
3 The PHP is able to provide those who suffer from addiction, mental health disorders or behavioral
4 concerns that impact their ability to practice medicine, with support and advocacy services needed by
5 compiling documentation that accurately reflects their participation and compliance with their
6 monitoring agreement. Participants in long-term recovery, mentor and support physicians/others in
7 early recovery through sharing their experience, strength and hope.

- 8 • **Active Caseload:** 462 participants
- 9 • **Referrals:** 267 referrals were received in 2017
- 10 • **Agreements:** 129 agreements were signed for entry into the PHP program in 2017
- 11 • **Key Activities:** In July 2017, the PHP added a second, part-time Medical Director, Raymond
12 Truex, MD, who has been an outstanding addition to the PHP team. He brings a wealth of
13 knowledge and experience to the PHP. In 2017, the PHP provided 16 educational presentations
14 for various hospitals and health systems as well as exhibited at two conferences to spread
15 awareness and information about the PHP. Several PHP staff members continue to serve on
16 committees of the Federation of State Physician Health Programs (FSPHP), the national
17 organization.

18 19 **PRIORITY AREA: PHYSICIAN CLINICAL COMPETENCY – LIFEGUARD®**

20 Lifeguard® provides physicians with an unbiased seamless pathway for re-entry into the workforce and
21 provides remediation for those who may have fallen behind in clinical skills or continuing education, or
22 about whom quality concerns have arisen through a peer review process. Lifeguard utilizes the medical
23 model as its basis and a case management approach to provide components of the program as needed.

- 24 • LifeGuard has a dedicated website: <http://www.lifeguardprogram.com/>
- 25 • 150 physicians have completed LifeGuard since February 2011, 89 of those completing the
26 program have been physicians from Pennsylvania.
- 27 • 2017 saw continued growth in enrollees and increase of 33% over those enrolled in 2016.
- 28 • The growth continues in 2018 with current enrollees of 20 (75% of the total for CY 2017) and 19
29 physicians completing programs July YTD.
- 30 • **Key Activities:** Program Director Marcia Lammando, RN, BSN, MHSA co-authored “Cognitively
31 Impaired Physicians: How Do We Detect Them? How Do We Assist Them?”, which was published
32 in the American Journal of Geriatric Psychiatry in December 2017. .
- 33 • **Program Enhancements:** Practice monitoring has been added to LifeGuard’s programs options.
34 Practice monitoring focuses on the physician’s compliance to both medical records documentation
35 guidelines and requirements as well as opioid/controlled substance prescribing and
36 documentation. These monitoring assessments can be completed as a proactive education
37 process as well as a disciplinary requirement. The opioids assessment, training and monitoring
38 program developed by LifeGuard is currently being adapted and exported to Texas through the
39 alliance with KSTAR. LifeGuard- South, which is a regional assessment team for Fitness for Duty in
40 August, GA received its first referral from the Medical College of Georgia at Augusta University in
41 June 2018.
- 42 • **Appointments:** Program Director Marcia Lammando, RN, BSN, MHSA was elected to a 3-year term
43 as a Board member of the Coalition for Physician Enhancement organization. She has also been
44 appointed to the newly developed Finance Committee as well as the Nominating Committee of
45 CPE.

- **Miscellaneous:** LifeGuard increased operations staff with the hiring of an administrative assistant in March 2018.

PRIORITY AREA: PHILANTHROPY & COMMUNICATIONS

Philanthropy and communications are the undergirding tools to advance the mission and programs of the Foundation. Why is support for the Foundation important? Simply put, **every program at the Foundation exists for the sole benefit of Pennsylvania physicians.** We help future physicians obtain their medical education. We encourage the impaired physician to get help when they are suffering with addiction and we provide monitoring to ensure that they are safe and certain when practicing in their medical community. We provide fair assessment and efficient and effective remediation when clinical skills are called into question. The Foundation offers programs that speak to improving the human condition of the physician regardless of the political and economic influences that impact the practice of medicine.

Philanthropy

- **House of Delegates Honor Gift for the Outgoing PAMED President:** You currently have the opportunity to honor Theodore Christopher, MD, for his service as the PAMED president. The Foundation has a goal of raising \$10,000. [Click here to give a gift in honor of Dr.Christopher.](#)
Gifts received in honor of the past PAMED Presidents include:
 - In 2017, #78 gifts were received totaling \$20,568, with an average gift of \$263 to honor Charles Cutler, MD, MACP
 - In 2016, 87 gifts were received totaling \$9,572, with an average gift of \$110 to honor Dr. Scott Shapiro, MD.
 - In 2015, 67 gifts were received totaling \$8,825, with an average gift of \$132 to honor Karen Rizzo, MD.
 - In 2014, 89 gifts were received totaling \$11,640, with an average gift of \$131 to honor Bruce MacLeod, MD.
 - In 2013, 69 gifts were received totaling \$8,593, with an average gift of \$125 to honor Richard Schott, MD.

The Foundation thanks all of the delegates who have contributed to our PAMED Honor Campaign over the years. In the last five years more than \$59,198 has been raised in support of our physician –driven programs.

- **Hospital Giving to the PHP** as of 12/31/2017 \$287,111 from 161 hospitals has been raised compared to \$275,316 from 176 hospitals in 2016. The PHP remains the single most effective system to ensure that an impaired physician is sober, safe and certain.
- **Annual giving for the PHP** as of 12/31/2017 was \$337,133
- **Total annual giving as of 12/31/2017 was \$1,322,090** compare to \$1,203,201 as of 12/31/2016.
- **The Foundation’s Fundraising ROI:** Is 6.78 – for every dollar we invest in fundraising, we receive 6 times that amount
- **Face Ratio:** The Foundation maintained a 26% FACE ratio for 2017. The ratio of fundraising and administration costs to total expenditure (FACE) is frequently used as a benchmark to measure the efficiency of charities. The national standard is 35% or less.
- **990 Program Spending Ratio:** The IRS threshold is 65% program spending/35% overall, the Foundation programmatic spending is at 74%

1 **Communications**

- 2 • The **2017 Impact Report** was released in electronic format and print. To see a copy of the 2017
- 3 Impact Report, please visit <https://www.foundationpamedsoc.org/home/about-us/publications>
- 4 and [click on the thumbnail image of the Impact Report](#) or pick up a hard copy at the Foundation
- 5 table at the House of Delegates.
- 6 • In July 2018, Cassie Davis was added as the Communications Manager.

7 **FINANCIAL INFORMATION**

8 *Appendix B* contains a review of the Foundation’s financial information for 2017. Audited reports are
9 prepared each year by the accounting firm of Kreisler Miller. A copy is available through the
10 Foundation’s office of the Executive Director.

11 **2017 BOARD OF TRUSTEES**

- | | |
|---|---|
| Virginia E. Hall, MD, FACOG, FACP, Chair | William R. Dewar III, MD, FACP |
| Paul F. Dende, DO, FACP, Assistant Treasurer | Ravi Dukkipati, MD |
| William J. West Jr., MD, Treasurer | Daniel B. Kimball, Jr., MD, MACP |
| Erick J. Bergquist, MD, PhD | Peter S. Lund, MD, FACS |
| Joanne R. Bergquist | Martin P. Raniowski, MA, FCPP |
| Kenneth M. Certa, MD | Nathan A. Hoff – Med. Student Trustee |
| Heather A. Wilson, MSW, CFRE, FCPP, Secretary | Anamika Saha – Med. Student Trustee Elect |

12 **Attachments: Appendix A**
13 **Appendix B**

Appendix A
The Foundation of the Pennsylvania Medical Society

Student Financial Aid Statistics
(As of December 31, 2017)

	<u>Amount of Aid</u>	<u>Number of Accounts</u>
Statistics on active student loans:		
Active Paying Loans	\$ 1,718,509	211
Active Non-paying Loans (in-school/residency)	2,862,890	201
Total Active Loans	\$ 4,581,399	412

**The average default rate for 2017 was 0.01%*

Total student aid awarded since 1948:

Medical Student Loans	\$ 18,214,978	3,281
Residency Relocation Loans (Extension of Medical Student Loan)	394,600	*
Allied Health & Miscellaneous Student Loans	948,319	580
Loans for Children of Deceased or Disabled Physicians	282,417	96
Scholarships	935,554	614
Total, Student Aid Since 1948	\$ 20,775,868	4,571

**Number of persons is not given because these borrowers also received medical student loans and are accounted for in the medical student loan total. As a matter of information, 392 of these loans have been awarded since 1991, when the program was initiated.*

**THE FOUNDATION OF THE PENNSYLVANIA MEDICAL SOCIETY
AND AFFILIATES**

**Combined Statements of Financial Position
December 31, 2017 and 2016**

	2017	2016
ASSETS		
Cash	\$ 664,364	\$ 820,924
Accounts receivable	240,775	208,653
Investments (Notes 1 and 2)	7,822,666	6,617,415
Prepaid expenses	13,013	11,592
Loans receivable, net of allowance for uncollectible loans of \$82,114 in 2017 and 2016 (Note 3)	4,499,285	4,458,352
Accrued interest receivable	151,756	138,440
Office equipment, net of accumulated depreciation of \$155,822 in 2017 and \$154,099 in 2016 (Note 1)	24,430	21,111
Split-interest agreements (Note 4):		
Assets held in charitable remainder trusts	120,083	108,180
Beneficial interest in perpetual trust	763,992	680,635
Contributions receivable from split-interest agreements	115,729	112,639
	<u>\$ 14,416,093</u>	<u>\$ 13,177,941</u>
LIABILITIES AND NET ASSETS		
Accounts payable	\$ 51,471	\$ 65,864
Accrued expenses	95,031	89,318
Deferred revenue	8,764	32,013
Agency funds	195,232	172,207
Liability under split-interest agreements (Note 4)	201,295	196,601
Pension liability (Note 8)	2,075,364	2,052,151
	<u>2,627,157</u>	<u>2,608,154</u>
Net assets:		
Unrestricted:		
Board designated	3,543,096	3,078,587
Undesignated	4,343,905	3,932,063
Temporarily restricted	1,036,814	802,408
Permanently restricted	2,865,121	2,756,729
	<u>11,788,936</u>	<u>10,569,787</u>
	<u>\$ 14,416,093</u>	<u>\$ 13,177,941</u>

See accompanying notes to combined financial statements.

THE FOUNDATION OF THE PENNSYLVANIA MEDICAL SOCIETY
AND AFFILIATES

Combined Statements of Activities
Years Ended December 31, 2017 and 2016

	2017			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Revenues and other support:				
Contributions	\$ 661,425	\$ 184,868	\$ 25,035	\$ 871,328
Interest income from loans	158,256	-	-	158,256
Fees and payments for services	1,050,808	-	-	1,050,808
Administrative grants (Note 7)	425,000	-	-	425,000
Net assets released from restrictions	302,993	(302,993)	-	-
	<u>2,598,482</u>	<u>(118,125)</u>	<u>25,035</u>	<u>2,505,392</u>
Expenses:				
Programs and services:				
Medical student loans	198,520	-	-	198,520
LifeGuard	527,846	-	-	527,846
Physicians' Health Programs	735,981	-	-	735,981
General projects	68,188	-	-	68,188
Education projects	93,290	-	-	93,290
Named funds	74,676	-	-	74,676
Board designated	1,910	-	-	1,910
	<u>1,700,411</u>	<u>-</u>	<u>-</u>	<u>1,700,411</u>
Administration and support:				
Management and general (Note 7)	440,481	-	-	440,481
Fundraising	191,142	-	-	191,142
	<u>2,332,034</u>	<u>-</u>	<u>-</u>	<u>2,332,034</u>
Increase (decrease) in net assets before income from investments and pension related changes other than net periodic pension costs	266,448	(118,125)	25,035	173,358
Income from investments:				
Net realized and unrealized gains on investments (Note 2)	509,773	318,383	-	828,156
Unrealized gain on beneficial trust	-	-	83,357	83,357
Income on investments (Note 2)	155,698	41,088	-	196,786
Change in value of split-interest agreements	-	(6,940)	-	(6,940)
	<u>665,471</u>	<u>352,531</u>	<u>83,357</u>	<u>1,101,359</u>
Increase (decrease) in net assets before pension related changes other than net periodic pension costs	931,919	234,406	108,392	1,274,717
Pension related changes other than net periodic pension costs	(55,568)	-	-	(55,568)
Changes in net assets	876,351	234,406	108,392	1,219,149
Net assets, beginning of year	7,010,650	802,408	2,756,729	10,569,787
Net assets, end of year	<u>\$ 7,887,001</u>	<u>\$ 1,036,814</u>	<u>\$ 2,865,121</u>	<u>\$ 11,788,936</u>

See accompanying notes to combined financial statements.

2016			
Unrestricted	Temporarily Restricted	Permanently Restricted	Total
\$ 535,502	\$ 37,952	\$ 81,703	\$ 655,157
141,102	-	-	141,102
949,081	-	-	949,081
470,031	-	-	470,031
292,081	(292,081)	-	-
<u>2,387,797</u>	<u>(254,129)</u>	<u>81,703</u>	<u>2,215,371</u>
205,626	-	-	205,626
369,732	-	-	369,732
812,649	-	-	812,649
77,790	-	-	77,790
53,710	-	-	53,710
52,986	-	-	52,986
1,081	-	-	1,081
<u>1,573,574</u>	<u>-</u>	<u>-</u>	<u>1,573,574</u>
286,174	-	-	286,174
176,651	-	-	176,651
<u>2,036,399</u>	<u>-</u>	<u>-</u>	<u>2,036,399</u>
<u>351,398</u>	<u>(254,129)</u>	<u>81,703</u>	<u>178,972</u>
82,722	82,773	-	165,495
-	-	5,573	5,573
177,950	63,852	-	241,802
-	(2,153)	-	(2,153)
<u>260,672</u>	<u>144,472</u>	<u>5,573</u>	<u>410,717</u>
612,070	(109,657)	87,276	589,689
<u>(110,351)</u>	<u>-</u>	<u>-</u>	<u>(110,351)</u>
501,719	(109,657)	87,276	479,338
<u>6,508,931</u>	<u>912,065</u>	<u>2,669,453</u>	<u>10,090,449</u>
<u>\$ 7,010,650</u>	<u>\$ 802,408</u>	<u>\$ 2,756,729</u>	<u>\$ 10,569,787</u>