



Vascular Society of New Jersey

Monthly Report- November 2011

From the President

Paul B. Haser, MD

The Fall meeting was a success for all who attended, both for what turned out to be a terrific view over the river into Manhattan to the much appreciated presentation by Martin Chalfie, Ph.D. from Columbia University on his Nobel laureate-earning work discovering and utilizing GFP (Green Fluorescent Protein) for cellular activity. The GFP rabbit and nuclear division clips were as memorable as the letter from his wife offering to share research materials if he made coffee and did laundry for a week. (The meeting was also financially successful, thanks to W.L. Gore and Medtronic sponsorship). For those of you who were unable to attend, there will be pictures for posting in the upcoming weeks as we revamp the web-site (vascularsocietynj.org). Please keep in mind how helpful your feedback is and input is into the society's work - there aren't that many places where you have nearly free, high-level people to take your ideas and run with them, while trying as much as possible to give you feedback as to the progress of each venture.

New on the horizon will be a carotid screening program at the State House in Trenton. Any member (with dues paid - you know who you are if you've been delinquent) will have the opportunity to meet with the people who influence our local politics in a meaningful setting. If you are interested in helping Beverly Lynch and Sto Pobletti, please contact the administrative office and leave your contact information. This project offers a real opportunity for you to wield some influence as a VSNJ member.

Below, as usual, you will find some very helpful information from our legal, lobbying and financial advisers. More in-depth discussion will be available during the Spring Meeting - Mar 7, 2012. Don't forget to begin work on paper/research submission, especially for those working with residents and medical students. Happy Halloween and enjoy the changing colors of the leaves.

A Special Thanks to our Fall Dinner Sponsors:

Medtronic and W.L. Gore & Associates, Inc.

From the Statehouse Beverly Lynch & AJ Sabath, Advocacy & Management Group

"Let each citizen remember at the moment he is offering his vote that he is not making a present or a compliment to please an individual - or at least that he ought not so to do; but that he is executing one of the most solemn trusts in human society for which he is accountable to God and his country."

--Samuel Adams, in the Boston Gazette, April 16, 1781

Important Election Next Week

The entire New Jersey Legislature is on the ballot next week - Tuesday, November 8 - and there remain some hotly contested races that may determine which party will hold the majority for the next legislative session. We encourage you to take the time to vote. AMG has hosted several "physician only" fundraiser events over the past few weeks, and we thank the physicians for attending these important opportunities to speak firsthand with the candidates.

Lame Duck Up Next

Following the November 8 election, the legislature will embark on the so-called "lame duck" session - the weeks between the election and the end of the current legislative session (January 9, 2012). The new leadership will be elected by their respective caucus' and committee chairs and appointments will be made. Additionally, hundreds and hundreds of bills will be pushed through the process - every bill that has not passed both houses (there are currently 7948 in the hopper) by midnight on January 9 will be thrown in the trash. The new legislative session (New Jersey's 215th!) will convene on January 10, 2012.

What's on the Horizon during Lame Duck and Beyond....

The physician community is working on several key issues, including:

- PIP regulations: The Department of Banking & Insurance (DOBI) comment period closed on October 17, and hundreds of comments from physicians were received. DOBI now must review and respond to all comments before final adoption of the regulations. We understand that there are organizations preparing to sue the Department over the regulations.
- Cosmetic Tax: We continue to lobby for the repeal of the onerous tax on cosmetic medical procedures. The rollback has unanimously passed the Senate and we are working to secure Assembly/Gubernatorial support.
- ASC licensure: the Senate has finished its work on legislation that would require all ASCs to be licensed by the State of New Jersey. Work continues in the Assembly to secure additional amendments before it is advanced

ATTENTION VASCULAR SURGEONS: CALL FOR SCIENTIFIC ABSTRACTS

The 34th Annual Scientific Meeting of the Vascular Society of New Jersey will be held on

Wednesday, March 7, 2012

at Nanina's In The Park, Belleville, NJ.

Winning presentation will receive

5th Annual Robert W. Hobson, II, MD Award

Engraved plaque and \$500

Abstracts are due by January 27, 2012.

There will be two types of presentations again this year:

- (1) **Paper Session:** All types of submissions - clinical, research or basic science -- are encouraged. Participation by residents and fellows with member sponsorship are encouraged. (Note - Papers remain eligible for submission to the Eastern Vascular Society or other major scientific meetings.)
- (2) **Case Presentation:** Members are requested to submit interesting and educational cases for audience participation and discussion. Case material with pertinent laboratory and radiological data should be submitted by the above deadline.

Submissions should be sent by email to the society offices at: lauren@amg101.com

Presenters will be responsible to provide the society with their presentation in advance of the meeting, to minimize audiovisual delays. Registration materials will be forwarded in February outlining the entire program. For more information or if you have questions, please contact VSNJ at (609) 392-7553.

Market Update: Muni Bonds

Municipal bonds have had a rebirth since getting pummeled earlier this year, and the recent tumult in the financial markets has rekindled interest in an investment class with a tradition of safety.

Late last year, financial analyst Meredith Whitney warned darkly that municipal bonds faced a treacherous future, including widespread defaults. Since Ms. Whitney had correctly predicted that banks faced serious trouble before the financial crisis struck in the fall of 2008, many heeded her words. Muni bonds sold off and questions about the fiscal fitness of states like California and Illinois rattled investors in this historically low-risk market. From 10/1/2010 through 01/31/2011 the Barclays Muni Index dropped by 4.89%. The NJ Muni Index was down 6.23%. But Ms. Whitney's pronouncements haven't come to pass. Indeed, the \$3 trillion Muni-bond market has resumed its traditional role as a safe haven, attracting increasing interest from skittish investors. Year to date (as of 9/30/11) Muni bonds have been one of the best performing asset classes with Barclays Index up 8.40% and the NJ Index up 8.06%.

The advantages of Muni bonds are several. For starters, they're exempt from federal income tax, a quality that Treasury bonds don't share. If you buy bonds in the state or city where you live, you can often get additional local tax relief. Second, Muni bonds have a strong track record. Defaults in the market are rare. The cumulative default rate for AAA and AA rated bonds from 1986-2010 was a mere .2% (Source: Moodys).

Even in extreme situations, Muni bond holders tend to do better than headlines would suggest. In 1994, Orange County, Calif., filed for bankruptcy, but its Muni bond holders were paid. Considering all the chatter about the 1930s these days, there's a strong lesson from that period, too. The state of Arkansas defaulted in 1933, but after much legal haggling, Arkansas raised taxes and repaid its bondholders.

Moving forward the Muni bond market will definitely face many challenges. However, I think that a well diversified Muni bond portfolio will continue to be an attractive investment option over the long term. If you have any questions or would like more information please contact me at (877)972-7900 or ordvargo@varbeco.com.

David J. Vargo, CFP®, CMFC
President, Varbeco Wealth Management, LLC