



THE WILSON SOCIETY

of Hospital for
Special Surgery
Spring 2006

Inside This Issue: Estate Planning Quiz

Hospital for Special Surgery dedicates this issue of *The Wilson Society* newsletter to the memory of Katherine Stern Wilson, beloved wife of Philip D. Wilson, Jr., MD, Surgeon-in-Chief Emeritus, who passed away in November of 2005. To honor Mrs. Wilson, HSS has established the Katherine Wilson Research and Education Fund to benefit nursing research and education at Special Surgery. Mrs. Wilson will be remembered for her tremendous devotion to her family, friends, and the many lives she touched at this institution.

Hospital for Special Surgery is an affiliate of New York-Presbyterian Healthcare System and Weill Medical College of Cornell University.

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HOSPITAL
FOR
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Honoring a Mentor

Inspired by fond memories of Philip D. Wilson, Jr., MD, benefactors David and Judy Dines have joined The Wilson Society by naming Hospital for Special Surgery in their wills. “Dr. Wilson was my mentor for many years and played a significant role in the course of my career,” says Dr. Dines, an Assistant Attending Orthopedic Surgeon at HSS. “My relationship with him is ultimately what moved me and my wife to honor him in this way.”

After graduating from New Jersey Medical School in 1974, Dr. Dines completed a residency program at Special Surgery in 1979. Since then, he has had a string of remarkable successes, including the development of the first modular prosthetic shoulder implant in 1989, an accomplishment he shared with HSS’s former Surgeon-In-Chief Russell Warren, MD.



Wilson Society members Judy and David Dines

“At HSS, you’re not just another physician,” he says, “you’re part of a very special family.” Dr. Dines, a world-renowned shoulder specialist at HSS, credits Dr. Wilson with shaping his successful career.

“Dr. Wilson truly believes in leading by example,” he said. Recalling his days as a resident at HSS, he smiled and said, “I can still picture Dr. Wilson waiting for me and the other residents at the crack of dawn to begin our rounds—not because he had to be there, but because he wanted to be. He was dedicated to us and to his role as our director, and that was quite inspiring.”

A former team physician for the New York Mets, Dr. Dines is current team physician for the U.S. Open and Davis Cup Team and Medical Director of the Association of Tennis Professionals. He serves as Chairman of Orthopedic Surgery and Program Director for Medical Residents at North Shore-Long Island Jewish Medical Center, as an Assistant Clinical Professor at Weill Medical College

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Estate Planning Quiz

Whether you consider yourself a novice or an expert when it comes to estate planning, this issue of *The Wilson Society* newsletter will test your knowledge of a very important subject. After answering the questions, tally your score to see how comfortable you really are with this topic.

1. Approximately ___ % of Americans die without making a will.

- a. 10 b. 30 c. 50 d. 70

Answer: (d) 70. It is surprising that the majority of Americans die without executing a valid will.



Philanthropic support enables the Hospital's leading scientists to continue to make rapid progress toward new ways of understanding and treating musculoskeletal conditions.

2. If a person dies without a valid will, his or her assets will pass to:

- a. A surviving spouse, if married
b. Children
c. State and/or federal government
d. Beneficiaries determined under state law

Answer: (d) Beneficiaries determined under state law. If you do not make a will, your state legislature, in effect, will make one for you. Each state has its own laws that determine how your assets will be distributed if you die without a will.

Chances are, the state's plan will not exactly reflect what your choices would have been. No person or charitable organization will share in the assets except relatives.

3. Your will controls distribution of:

- a. Real estate and other personal property
b. Probate assets
c. Investment accounts
d. IRAs, other retirement assets, and life insurance

Answer: (b) Probate assets. Your will does not control the disposition of all of your assets. It only controls the distribution of what are known as "probate" assets. These are assets that are not effectively disposed of by other means.

The disposition of some assets is determined by contract, such as beneficiary designations for retirement-plan assets, life insurance, or trusts. If you own real estate, brokerage accounts, or bank accounts jointly with right of survivorship with another person, the survivor will automatically own the entire property regardless of what is in your will.

4. You do not need a will if you own your assets jointly and/or if the disposition of your assets will be determined by beneficiary designations in retirement plans, insurance policies, trusts, or similar documents.

- a. True
b. False

Answer: (b) False. There is a host of potential problems in relying on this kind of "plan."

The joint owner(s) may predecease you. In this case, absent a will, the property will pass under the laws of intestate succession of your state.

Your intended beneficiary may not survive you. In this case, you may want assets that would have passed to that person to be redirected to someone else.

Executing a will gives you the opportunity to state your preferences about vital issues such as naming a personal representative to carry out the terms of your will or appointing a guardian for minor children.

5. Who should I list as beneficiary of my IRA or other qualified retirement plan upon my death?

- a. My spouse
- b. My children
- c. A charity whose work I support
- d. It depends on my overall objectives

Answer: (d) It depends on my overall objectives.

Your choice of beneficiary should fit with your overall estate plan, but there can be significantly different results depending on the person or charitable organization you choose. For example, you can get a marital estate-tax deduction for the value of any such assets left to your spouse.

The identity of the beneficiary can also determine the time frame over which benefits must be paid out at your death.

If your estate plans include provisions for charity, retirement-plan assets are a wonderful choice to fund your gift. **Reason:** These tax-deferred assets are subject to ordinary income tax at the time of receipt, whether received by the owner or by his or her estate at the time of death. However, if you leave those assets to a nonprofit organization, because of its tax-exempt status, the income-tax liability will be avoided.



Hospital for Special Surgery's residency programs are some of the most sought after in the world. Planned gifts help enable HSS to educate and train the next generation of leaders in orthopedics and rheumatology.

6. Estate planning refers to the process of:

- a. Maximizing your assets during your lifetime
- b. Reducing taxes both during life and at death
- c. Planning for the orderly distribution of your assets to your intended beneficiaries
- d. All of the above

Answer: (d) All of the above. Estate planning is a comprehensive process that addresses important needs and represents your values at each stage of your life. Typically, the process includes strategies to build your assets to the greatest extent possible and to reduce the amount of income taxes you pay each year within the scope of your overall personal, family, and charitable objectives.

For many of us, supporting important charitable causes during lifetime and at death is an important goal. The benefits, in terms of both personal satisfaction and tax savings, often make personal philanthropy an important part of our estate planning.

The final goal of a good estate plan is to ensure that your assets will ultimately pass to your intended beneficiaries, with as little tax and administration cost as possible, consistent with your objectives.

Join Us

Named for Dr. Philip D. Wilson, Jr., and his father, Dr. Philip D. Wilson, Sr., both of whom served as Surgeon-in-Chief, The Wilson Society was established to recognize and thank donors during their lifetimes for providing for Hospital for Special Surgery in their estate plans. Please contact Sandra Kessler Hamburg, Director of Planned Giving, at (212) 606-1196 if you would like more information about joining The Society. ■



Tools and techniques applied by HSS physicians are forever being refined so patients may be offered the highest quality care, from diagnosis to surgery to recovery. Gift planning helps to make future innovations in patient care possible.

7. I already have a will, so I have addressed all of my estate-planning issues.

- a. True
- b. False

Answer: (b) False. A will only addresses what will happen to your assets when you are gone—and even then it may control the disposition of far less than you may think. Good estate planning requires creating a plan for managing and maximizing your assets during your lifetime, as well as disposition of your assets upon your death.

8. You need to be engaged in estate planning:

- a. Regardless of the amount of your net worth
- b. If your net worth is greater than \$100,000
- c. If your estate is greater than \$600,000
- d. If your net worth is greater than \$1,500,000

Answer: (a) Regardless of the amount of your net worth. Many people think estate planning is an exercise for the wealthy—or at least for those who are subject to federal estate tax. For 2006, there is an effective exemption of up to \$2,000,000 of taxable transfers for federal estate-tax purposes. If a person dies with a taxable estate that exceeds that threshold, the tax is 46%. People potentially subject to this tax have a lot to gain financially from careful estate planning.

However, it may be just as important—if not more so—for those with smaller estates to plan prudently to maximize the goals that can be achieved with fewer resources. Remember, final disposition of assets is just one part of the process.

Estate planning is especially important if your goals include providing for persons who are not related to you or charitable organizations at your death. Without specific direction in a will or trust or a beneficiary designation in an insurance policy or retirement-plan account, such persons or entities will not be entitled to any of your assets under state law.

9. You should begin your own estate-planning process:

- a. Immediately
- b. When you get married
- c. When you have children
- d. When you retire

Answer: (a) Immediately. Estate planning is a dynamic process. In many ways it is ongoing, changing as your family circumstances and your goals and objectives change. The best time to start planning is right now, based on your current circumstances and objectives.

You should consult your attorney about the applicability to your own situation of the legal principles contained herein.

How prepared are you?

Correct Answers	Status
0-2	Novice
3-4	On the right track
5-6	In good shape
7-9	Thought of becoming an estate-planning attorney?

We hope this exercise was a helpful reminder of the importance of estate planning. We also hope you will consider Hospital for Special Surgery in your plans. For more estate-planning information, including a complimentary copy of our new booklet, *New Tax Perspectives in Estate Planning*, please return the enclosed card or call our office at 212-606-1196.

Wilson Society Members and Guests Gather for Fall Tea

Members of the Wilson Society and guests gathered in the Richard L. Menschel Education Center at Hospital for Special Surgery for tea and an engaging presentation given by Jonathan Deland, MD, Chief of the Foot and Ankle Service at HSS. Dr. Deland is an Attending Orthopedic Surgeon and Associate Clinical Investigator at HSS, an Associate Orthopedic Surgeon at NewYork-Presbyterian, and an Associate Professor of Orthopedic Surgery at Weill Medical College of Cornell University. ■



Jonathan Deland, MD, (left) pictured here with HSS Trustee Susan Rose, Surgeon-in-Chief Emeritus Philip D. Wilson, Jr., MD, and Wilson Society member Cynthia Sculco.

Over 85 Wilson Society members and guests attended the fall Tea to hear Dr. Deland give a fascinating presentation about advances in surgical treatments for foot, ankle, and sports-related injuries.



Right: Dr. Deland answers questions from members and guests following the event. Left: Wilson Society member Norma Levitt enjoys the Tea.



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of Cornell University, and as a Clinical Professor of Orthopedic Surgery at The Albert Einstein College of Medicine.

Of his commitment to HSS, he said, "I want to know that there will continue to be improvements in musculoskeletal medicine—through research and education—because most people, at some point in their lifetime, will suffer from an illness or condition related to their muscles or bones. If there is a greater

understanding of these conditions today, there will be even greater treatments and methods of prevention tomorrow. And these advances may only occur if there is support for—and belief in—the Hospital's cause. My wife and I believe in the cause at Special Surgery."

By naming HSS in their wills, Dr. and Mrs. Dines have honored Dr. Wilson and are helping to secure the future of musculoskeletal research, patient care, and education at Hospital for Special Surgery. ■

Wilson Society Members as of February 1, 2006

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In Memoriam

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