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January 18, 2017

James L. Madara, MD  
Executive Vice President and CEO  
American Medical Association  
330 N. Wabash Avenue, Ste 39300  
Chicago, IL 60611

Dear Dr. Madara:

I am in receipt of your letter of December 31, 2016, conveying the substance of the AMA House of Delegates Resolution 607 and requesting a response from the American Board of Internal Medicine (ABIM). At a time when solid information—including important facts related to clinical medicine—are questioned and sometimes in dispute, we appreciate the opportunity to respond fully, accurately and transparently. As an organization entrusted by doctors and patients to set standards on behalf of the medical community for disciplines practiced by one in four doctors in the US, we take our obligation for transparency and integrity seriously. We know that physicians take pride in their certification and link their credibility and trustworthiness to their ABIM credential. The credential we issue—on which physicians and others rely—is no better than the standards and integrity behind it. As we receive 100% of our revenue from diplomate fees—and none from the pharmaceutical industry or the government—we are committed to financial transparency. In the three and a half years I have been the CEO at ABIM, I have made every effort to set higher standards to be more open and follow best practices in financial transparency. This allows us the opportunity to respond directly to your requests about ABIM and how we manage the fees entrusted to us by the diplomate community.

**ABIM Response to Recommendation 1:**

The information that you and your colleagues have requested is [available on our website](#), including our [IRS form 990](#) and our [Audited Financial Statement, which has recently been updated](#). Please note the ABIM Foundation is a supporting organization to ABIM, a status which requires that financial reporting be consolidated; thus the Audited Financial Statement referenced above applies to both the Board and the Foundation. By posting the 990 directly on our website, it is much easier for anyone to locate and it's available much sooner to those who are interested. Organizations are not required to post their Audited Financial Statements, but we have chosen voluntarily to do so. A review of the websites of other medical organizations and medical societies shows that there is little consistency in the posting of Audited Financial Statements in the healthcare arena. Recognizing that internists and subspecialists should know how the money they pay in fees to ABIM is spent, we have also posted a graphic showing "[Where the Money Goes](#)," with explanations of each category and plan to update it shortly with 2016 data. We invite AMA leadership, members and others to review these documents.

Many in the nonprofit world regard it as a “best practice” to switch independent auditors periodically. So, in 2016, after more than a decade of receiving an “unqualified audit” (the technical accounting term for “clean audit”) from a large national accounting firm, ABIM engaged a new national accounting firm to do our independent audit. Once again, we have received a clean audit. As you are aware, industry standards require auditors to pay scrupulous attention to all aspects of financial management. They are required to be fully independent from the organization and have complete access to all financial records.

Knowing that financial documents are technical and not reliably comprehensible to non-financial readers, we have also included a [Reader’s Guide to our 990](#) and a [Reader’s Guide to the Audited Financial Statement](#) which helps readers better understand the sections in which they may be interested. Collectively, I believe these documents respond to “Recommendation 1” in your letter.

**ABIM Response to Recommendation 2:**

We hope you will consider this a “formal, rapid reply” addressing the issues in a “timely, effective and efficient fashion.”

**ABIM Response to Recommendation 3:**

We invite you to share this letter with your leadership and AMA membership as you feel appropriate. You may choose to have the AMA accounting staff and Chief Financial Officer review the publicly available documents and issue their own opinion. It may be of interest to know that the American College of Cardiology (ACC) [reported](#) to their members in June 2016:

*In addition, the ACC’s accounting staff have reviewed and discussed the ABIM’s publically available financial statements with an outside accounting firm and have found the statements to be in compliance with Generally Accepted Accounting Principles, as utilized by not-for-profit organizations in the United States.*

**ABIM Response to Recommendation 4:**

As we are only responding to your requests related to ABIM, I would direct you to Dr. Lois Nora, President and CEO of ABMS, to address any issues relating to ABMS or to other ABMS Boards.

In addition to raising issues relating to financial transparency, your letter noted that “not all individual physician voices have been heard.” I can assure you that we have taken a number of steps to reach as many physicians and internal medicine medical societies as we could through various channels and in various formats during the past 21 months. Our goal in doing so is to address issues relating to the content and design of our program:

- We have undertaken a formal Community Engagement effort, seeking input through a variety of channels—surveys, emails, focus groups, open sessions at national specialty society meetings, etc.—on how to improve our program.

- We have made many changes to the program already based on what we have heard, and [we are in the process of making more](#).
- We have invited every diplomate in most of our subspecialties to help re-design the Maintenance of Certification (MOC) exam blueprints, to guide us on how to think about alternative models of assessment and to provide input on a variety of other issues of importance.
- We contacted all of our physician diplomates several times and have received input from [tens of thousands of them](#). This input has guided—and will continue to guide—ABIM’s transformation.
- We are committed to working with our diplomates to create a program with more choice, relevance and convenience while retaining the high standards that internists and internal medicine subspecialists embody and expect.

When the AMA and the American College of Physicians (ACP) jointly created ABIM in 1936 “for the certification of specialists in internal medicine,”<sup>i</sup> it recognized the value of “an attest[ation] of special training and qualification for the practice of internal medicine as a specialty.” It further noted that, “the prospective doctor must realize that the medical education of a given period should not be regarded as adequate for later years and . . . must be a continuous process.”<sup>ii</sup>

At a time when the public is questioning scientific and medical facts, we believe it is more important than ever for practicing doctors to have a professionally determined and credible public credential that continues to fulfill the aspirations of our founders and the needs of the public.

We appreciate your leadership during these challenging times. We completely agree that real transparency is in all of our interests, and in the interests of all medical organizations. Through an open dialogue, we can continue to evolve to better serve the medical community and the patients who need us.

Sincerely,



Richard J. Baron, MD, MACP  
President and Chief Executive Officer

cc: Lois M. Nora, MD, JD, MBA  
Kenneth J. Sharigian, PhD  
Susan E. Skochelak, MD, MPH  
Jon Burkhart

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<sup>i</sup> American Board of Internal Medicine, Office of the Chairman, July 1, 1936, p. 6.

<sup>ii</sup> *N Engl J Med.* 1936;215(10):469