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Public Health & Policy > General Professional Issues

ABMS Reacts to MOC Financial Study

— Defends per-physician cost as 'reasonable'

by John Commins, HealthLeaders Media

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Physicians are challenging what they say are high fees and the dubious clinical relevance of maintenance of certification programs offered by the American Board of Medical Specialties (ABMS).

A study published this week in [JAMA](#) also found that the nonprofit organizations that administer the certification process, and which have a fiduciary responsibility to match revenues and expenditures, are collecting a lot more money than they're spending.

Study authors Brian C. Drolet, MD, of Vanderbilt University Medical Center, and Vickram J. Tandon, MD, of the University of Michigan in Ann Arbor, investigated fees charged to physicians for certification examinations and finances of the 24 ABMS member boards.

In 2017, the average fee for an initial written examination was \$1,846. In addition, 14 boards required an oral examination for initial certification at an average cost of \$1,694. Nineteen boards offered subspecialty verification (e.g., hand surgery within orthopedic or plastic surgery) with an average cost of \$2,060. Average fees for MOC were \$257 annually, the researchers said.

In fiscal year 2013, member boards reported \$263 million in revenue and \$239 million in expenses -- a difference of \$24 million in surplus. Examination fees accounted for 88% of revenue and 21% of expenditures, whereas officer and employee compensation and benefits accounted for 42% of expenses. Between 2003 and 2013, the change in net balance of the ABMS member boards grew from \$237 million to \$635 million, the researchers said.

Tandon and Drolet said their findings are limited because they relied on data from the IRS Form 990, which does not contain complete and specific financial accounting for the ABMS member boards: "Board certification should have value as a meaningful educational and quality improvement process," they wrote. "Although some evidence suggests board certification may improve performance and outcomes, the costs to physicians are

substantial. More research is needed to assess the cost-benefit balance and to demonstrate value in board certification."

ABMS Responds

On Tuesday afternoon, ABMS issued the following statement in response:

"The research letter entitled 'Fees for Certification and Finances of Medical Specialty Boards' published in the Aug. 1, 2017 issue of *JAMA* offers an aggregate view of the fees charged by the 24 ABMS Member Boards for more than 860,000 physicians to obtain initial Board Certification and as well as continuing certification throughout a physician's career.

"According to the letter, the 2013 Member Boards' revenue represents approximately \$313 per ABMS Board Certified physician. This is a reasonable amount to support a nationally recognized credentialing program that is both respected and valued by physicians, healthcare providers, and institutions, and most importantly, patients and their families.

"In addition, the estimated annual cost for continuing certification of \$257 per ABMS Board Certified physician is an acceptable cost for physicians to demonstrate that they have the current knowledge, judgment, and skills to provide the highest level and most up-to-date care to their patients.

"IRS Form 990 provides information regarding revenues, expenditures, and assets. However, they do not outline the actual operation cost involved in creating, sustaining, and implementing a rigorous and comprehensive process of Board Certification and continuing certification for the nation's physicians. ABMS Member Boards rely on a highly trained and specialized work force including psychometricians, assessment professionals, and medical educators to develop, evaluate, and administer Board Certification programs.

"For this reason, the Boards' greatest expenditure is appropriately in the area of staff salary and compensation, as noted in their 990 reports.

"The assets reported on the IRS Form 990 that the ABMS Member Boards currently maintain are crucial to sustain and evolve vibrant and innovative Board Certification and continuing certification programs. ABMS Member Boards are continually reinvesting in program improvements and enhancements to transform their certification and continuing certification programming, including the development of quality improvement and longitudinal assessment programs.

"These investments will ensure that ABMS Board Certification continues to be a relevant, valued, and important quality indicator for those who hold the credential as well as those

who rely upon it for the highest standard of quality care."

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Primary Source

JAMA

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