



AMERICAN MEDICAL ASSOCIATION

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COUNCIL ON HEALTH MANPOWER

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M E M O R A N D U M

To: Participants in November 28 Meeting
National Commission on Certification of Physician's Assistants

From: Nick Griffin, Secretary
Council on Health Manpower

Date: February 22, 1974

Attached is the proposed budget for the National Commission on Certification of Physician's Assistants as developed at the January 14 meeting of the Ad Hoc Committee on Finance and approved by Committee members. Both expense and income projections have been carried to Year 7, which is the estimated break-even point.

- 1). Please note the following with relation to the expense projection:
 - a). An arbitrary increment of 6% yearly to offset inflationary trends has been added to salaries and benefits; rent; auditing and accounting services; duplication, printing, and data collection; Commission meetings; member and staff travel; and consultants and legal fees.
 - b). Arbitrary increments of \$100 per year for equipment and furnishings, \$200 per year for supplies, and \$50 per year for miscellaneous administration have been added.
 - c). Expenditures for telephone, postage, insurance and bonding have been projected as constant.
 - d). Expenses for Task Force meetings have been deleted after Year 4 on the assumption that the need for such special issue-oriented groups will have diminished.
- 2). Please note the following with reference to income projections:
 - a). Again on the basis of a 6% yearly inflation, provision has been made for an approximate 20% increase in application, certification and renewal fees every 3 years.
 - b). The estimated "break-even" point is sometime during fiscal year 1980-81.

Item	Unit Cost- Year 1 (where applicable)	COMMISSION EXPENSES (att. 1)						
		Year 1 Expendi- ture	Year 2 Expendi- ture	Year 3 Expendi- ture	Year 4 Expendi- ture	Year 5 Expendi- ture	Year 6 Expendi- ture	Year 7 Expendi- ture
A. Salaries & Wages								
Director	\$30,000/yr	\$ 30,000	\$ 31,900	\$ 33,800	\$ 35,830	\$ 37,980	\$ 40,260	\$ 42,675
Asst Director or Research Assoc	\$20,000/yr	\$ 20,000	\$ 21,200	\$ 22,500	\$ 23,850	\$ 25,280	\$ 26,800	\$ 28,408
Administrative Asst	\$12,000/yr	\$ 12,000	\$ 12,720	\$ 13,500	\$ 14,310	\$ 15,170	\$ 16,080	\$ 17,045
Clerk-Typist	\$ 8,000/yr	\$ 8,000	\$ 8,500	\$ 9,050	\$ 9,600	\$ 10,175	\$ 10,785	\$ 11,432
Clerks (2)	\$ 7,000/yr	\$ 14,000	\$ 14,850	\$ 15,750	\$ 16,700	\$ 17,700	\$ 18,760	\$ 19,885
Employee Benefits	15% of total salaries	\$ 12,600	\$ 13,375	\$ 14,190	\$ 15,040	\$ 15,950	\$ 16,910	\$ 17,925
B. Equipment, Rent, Furniture, Supplies								
Equipment & Furniture	\$8/sq ft/yr for 1600 sq ft	\$ 15,875*	\$ 1,000	\$ 1,200	\$ 1,300	\$ 1,400	\$ 1,500	\$ 1,600
Rent		\$ 12,800	\$ 13,500	\$ 14,300	\$ 15,160	\$ 16,060	\$ 17,025	\$ 18,050
Supplies		\$ 2,200	\$ 2,400	\$ 2,600	\$ 2,800	\$ 3,000	\$ 3,200	\$ 3,400
Telephone		\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
Postage		\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Audit, Acctng Service		\$ 1,000	\$ 1,060	\$ 1,125	\$ 1,200	\$ 1,272	\$ 1,350	\$ 1,431
Insurance		\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Bonding		\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700
Misc. Admin.		\$ 1,000	\$ 1,050	\$ 1,100	\$ 1,150	\$ 1,200	\$ 1,250	\$ 1,300
C. Duplication, Printing, Data Collection								
		\$ 6,000	\$ 6,360	\$ 6,740	\$ 7,150	\$ 7,580	\$ 8,035	\$ 8,517
D. Commission Meetings								
	\$6,500 per 1-day meeting \$150 food per meeting	\$ 19,950	\$ 14,100	\$ 14,950	\$ 15,850	\$ 16,800	\$ 17,810	\$ 18,880
E. Other Meeting, Travel Expenses								
Task Force Meetings		\$ 10,000	\$ 8,000	\$ 4,000	\$ 4,000			
Member & Staff Travel		\$ 4,000	\$ 4,240	\$ 4,490	\$ 4,760	\$ 5,045	\$ 5,345	\$ 5,665
Consultants & Legal Fees		\$ 4,200	\$ 3,200	\$ 3,390	\$ 3,595	\$ 3,810	\$ 4,040	\$ 4,280
TOTAL		\$181,825	\$165,655	\$170,885	\$180,495	\$186,622	\$197,350	\$208,693

COMMISSION INCOME

SOURCE	AMOUNT	ESTIMATED INCOME						
		Year 1 1974-75	Year 2 1975-76	Year 3 1976-77	Year 4 1977-78	Year 5 1978-79	Year 6 1979-80	Year 7 1980-81
APPLICATION FEES (non-refundable)	\$25.00 Years 1-3							
	\$30.00 Years 4-6	\$ 50,000 (2,000 applicants)	\$ 50,000	\$ 50,000	\$ 60,000 (2,000 applicants)	\$ 60,000	\$ 60,000	\$ 72,000
	\$36.00 Year 7							
CERTIFICATION FEES	\$10.00* Years 1-3							
	\$12.00 Years 4-6	\$ 10,000 (1,000 certifi- cates)	\$ 10,000	\$ 10,000	\$ 12,000 (1,000 certifi- cates)	\$ 12,000	\$ 12,000	\$ 15,000
	\$15.00 Year 7							
CERTIFICATE RENEWAL FEES (biennial)	\$30.00 Years 1-3							
	\$36.00 Years 4-6	0	0	\$ 30,000 (1,000 renewals)	\$ 36,000 (1,000 renewals)	\$ 72,000 (2,000 renewals)	\$ 72,000	\$126,600 (3,000 renewals)
	\$42.00 Year 7							
TOTAL		\$ 60,000	\$ 60,000	\$ 90,000	\$108,000	\$144,000	\$144,000	\$213,600
ESTIMATED DEFICIT		\$121,825	\$105,655	\$ 80,855	\$ 72,495	\$ 42,622	\$ 53,350	+ \$ 4,907

Note: Examination fees, to be assessed by the Commission for transmittal to the NBME, would be based on the actual cost of administering, scoring, analyzing and maintaining the examination, and thus would not constitute "income" to the Commission.

*Amount to be charged over and above actual cost of the certificate.
Thus, actual fee to the certificatee might be larger, say, \$13.50.