

**REPORT OF THE COMMITTEE OF THE HOUSE OF DELEGATES
ON COMPENSATION OF THE GENERAL OFFICERS**

The following report was presented by Robert Gibbons, MD, Chair:

REPORT ON THE COMPENSATION OF AMA GENERAL OFFICERS

**HOUSE ACTION: RECOMMENDATIONS ADOPTED AND
REMAINDER OF REPORT FILED**

BACKGROUND

This report is presented for the continuing information of the House of Delegates in accordance with Recommendation 13 of the Final Report of the Ad Hoc Committee on Structure, Governance, and Operations of the American Medical Association (I-98). The Committee on Compensation of the General Officers submitted reports to the House of Delegates at the 1999 Interim Meeting, and the 2000 Annual and Interim Meetings.

At the 2000 Annual Meeting, the House adopted Option B of Council on Constitution and Bylaws Report 2, which specified that the Committee present an annual report to the House recommending the level of compensation of the General Officers for the ensuing year subject to the approval of the House. The report also established that the Committee not direct the nature of the work of the Board, the mechanisms to accomplish Board work, nor the method utilized in designating work assignments. Option B of CCB Report 2-A-00 also stipulated that the annual report of this Committee may be adopted, or referred back to the Committee, and may be amended for clarification, only with the concurrence of the Committee.

FREQUENCY AND PURPOSE OF COMMITTEE REPORTS

The intent of the Committee is to present a report to the House at each Interim Meeting on the premise that the Committee's decisions and recommendations become effective for seated and newly-elected General Officers on the following July 1. This report schedule will permit the House, the Board of Trustees, and appropriate AMA staff to review and discuss the contents and consequences of the reports prior to implementation of their provisions.

In its I-00 report, the Committee identified difficulty in obtaining detailed expense information related to the work assignments of the General Officers. As a result, the Committee reaffirmed its compensation decisions made in its I-99 and A-00 reports and recommended that the compensation of the AMA General Officers remain unchanged for the period July 1, 2001 through June 30, 2002. However, the Committee reserved the right to submit an amended report at the 2001 Annual Meeting.

Since the 2000 Annual Meeting, a data collection system has been developed to compile General Officer expense data beginning with October 1, 2000. For its I-01 report, the Committee will have nine months of General Officer expense data to analyze and use as a basis for decisions and recommendations to be implemented during the period July 1, 2002 through June 30, 2003.

As the basis of this report, the Committee reviewed General Officer expense data from the new collection system for the six month period of October 1, 2000 through March 31, 2001.

COMMITTEE RECOMMENDATIONS

Air Travel

Domestic

- President, President-Elect, Immediate Past President, and Board Chair:
The Committee recommends establishment of the policy that the AMA pay for coach fare with reimbursement for upgrades.
- All others:
The Committee recommends the establishment of the policy that the AMA pay for coach fare.

In rare instances, the Committee recognizes that short notice assignments may require first class travel because of the lack of availability of coach seating, and recommends authorizing such for all General Officers when necessary.

Foreign

The Committee recommends reimbursement for Business Class air fare for authorized foreign travel, except Mexico, Canada, and the Caribbean, while on AMA business.

Per Diem Costs

The Committee, following the recommendations of the Ad Hoc Committee of Structure, Governance, and Operations of the AMA and the intent of the HOD, emphasizes that the President, President-Elect, Immediate Past President, and Board Chair are compensated as full-time equivalents and should function as such. The Committee also recognizes, following the recommendations of the Ad Hoc Committee of Structure, Governance, and Operations of the AMA and the intent of the HOD, that the shift in assignments to the President, President-Elect, Immediate Past President, and Board Chair has been made to reduce compensation costs. Thus far, the collected data verify that the intended shift in assignments has taken place with a noticeable reduction in per diem costs.

Spouse Travel

The Committee noted that the Standing Rules limit reimbursement of spouse travel to coach fares, only for the Annual, Interim, April and October Board meetings. However, recognizing the need for cost containment, the Committee recommends that reimbursement for spousal travel be provided at coach fare, only for the Annual and Interim meetings.

Membership in the International Club of the Drake Hotel

The AMA currently offers memberships in the International Club of the Drake Hotel for the Board Chair, Chair-Elect, and the three President positions. The Committee has received data that these memberships are cost effective and appropriate. The Committee recommends continuing these memberships.

Audit of Board Expenses

The Committee recognizes that the Board currently assigns twice annual reviews of five percent of General Officers expense reports to the Committee on Organization and Operation of the Board. However, the HOD Committee on Compensation of General Officers, as part of its charge, will also review Board expenses and perquisites and include appropriate findings as part of its report.

Compensation Of AMA General Officers for the Period July 1, 2001 through June 30, 2002

In consideration of the cost for General Officers to maintain their practices while on AMA business, the Committee recommends that the following compensation rates be effective for AMA General Officers for the period July 1, 2001 through June 30, 2002:

- Increase compensation of the Board Chair, President, President-Elect, and Immediate Past President from \$225,000 to \$230,000;
- Increase compensation for other General Officers from \$1,120 to \$1,150 per day for weekdays, and from \$560 per day to \$575 for weekends (Saturday and Sunday);
- Continue the \$15,000 stipend for the Resident Trustee; and
- Continue the \$6,000 stipend for the Student Trustee.

ACKNOWLEDGEMENT

The HOD Committee on Compensation of General Officers wishes to commend the Board of the AMA for its continuing effort to define and implement cost control. The Committee also wishes to thank the Office of Officer Services for its considerable effort in responding to Committee requests to gather and organize Board expense data.