



About ABIM and ABIM Foundation's Consolidated Financial Statement

The American Board of Internal Medicine (ABIM) and ABIM Foundation are dedicated to demonstrating our commitment to transparency by voluntarily posting their audited financial statements. This annual activity is a reflection of our commitment to an ongoing, open dialogue with the internal medicine community.

This explanation provides additional information about the most recent [Consolidated Financial Statement](#) (year ending June 30, 2023), which ABIM and ABIM Foundation post annually on our websites.

Though ABIM and ABIM Foundation are separate legal entities, the financial statements are reported together in a Consolidated Financial Statement; the Foundation is considered a support organization of ABIM, so Generally Accepted Accounting Principles require that a Consolidated Financial Statement be issued.

In order to comply with Financial Accounting Standard Board (FASB) Accounting Standard Update No. 2016-02, Lease Liability Recognition, the consolidated ABIM/ABIM Foundation statement of financial position was adjusted as of June 30, 2023. This new standard increases the transparency and comparability among organizations by requiring the right of use (ROU) assets and corresponding lease liability to be reported on the consolidated statement of financial position beginning with year-end June 30, 2023. The June 30, 2023, consolidated statement of financial position includes the addition of \$47.0M in ROU assets and a corresponding increase in lease liability of \$47.0M. While both assets and liabilities were increased in order to comply with the reporting standard, there was no net impact to the consolidated statement of financial position as of June 30, 2023.

For the year ending June 30, 2023, net assets increased from \$73.2M to \$103.7M; cash and receivables represent 79% of total liabilities.

What drove the changes this year?

ABIM and the ABIM Foundation's revenue and expenses fluctuate from year to year due to a variety of factors, including the number of physicians with programmatic requirements due, investments in program and infrastructure enhancements, and investment market performance. In FY23 ABIM/Foundation revenue as of June 30, 2023, was \$30.6M greater than expenses incurred and can be attributed to:

Increase in initial certification registrations

- 7.3% increase in physicians registering for initial certification exams.



Increases in Maintenance of Certification (MOC) participation

- 7,700 physicians pre-paid their 2023 MOC fees in 2022. (This income is realized in FY23.)
- 20,000 physicians paid past due balances in FY23.
- 63% increase in physicians paying their annual MOC fee in FY23.
 - ~80% of physicians due for an assessment are choosing the Longitudinal Knowledge Assessment (LKA®), which is included in the annual MOC fee at no extra cost.

Increases in investment income

- Increase in realized investment income from interest income and capital gains.
- Unrealized increase in investment portfolio value due to favorable investment market performance July 2022 to June 2023.

How ABIM reinvests in the profession

Everything ABIM does—including writing, administering and scoring exams, creating new and more convenient assessment products like the LKA and offering an improved personalized digital experience—is funded 100% by physicians, free of influence from industry or government. We understand the responsibility you've entrusted us with and, led by the ABIM Board of Directors, undertake rigorous processes to ensure physician dollars are spent wisely and judiciously in support of the mission with which the community has charged us.

Some of the ways we've supported the profession include:

- Creating a scholarship program for early career physicians to reduce the cost of initial certification exams (launching in 2025).
- Keeping fees unchanged for three years, including 2024.
- Improving our technological infrastructure to create better experiences for physicians.

On this last point, since 2017, ABIM has reinvested more than \$35.3 million, with an additional \$4.5 million committed and included in the FY24 budget, for the sole purpose of improving and enhancing the quality of the program while remaining focused on ABIM's mission and commitment to enhancing the quality of healthcare. Previous investments include the development and implementation of new, leading-edge assessment tools such as the LKA® (launched in 2022), several diplomate-centric process improvement initiatives, the development of new platform technology and the enhancement of existing platforms.



For those who seek specific information in the statement, the Table below shows you where to look:

Topic	Where to look in the statement
Audit Opinion	Pages 1–2
Consolidated Statement of Financial Position (2023 & 2022)	Page 4
Consolidated Statement of Activities (Revenue and Expenses)	Page 5
Notes to Financial Statements	Pages 7–24
ABIM and ABIM Foundation Consolidating Statements	Pages 25–29
Supplementary Information Schedules	Pages 30–32

Audit Opinion

As has been the case in all prior years, the 2023 audit opinion from ABIM’s independent audit firm, Clifton Larson Allen, is an “unmodified” audit opinion. This means that the evidence obtained by Clifton Larson Allen gathered while performing the 2023 audit is deemed sufficient and appropriate to provide the opinion that, without reservation, the Consolidated Financial Statements present fairly the financial position of ABIM and ABIM Foundation as of June 30, 2023, in accordance with Generally Accepted Accounting Principles.

Additional Financial Information

[ABIM’s 990](#) is available on our website, along with a Reader’s Guide of where to find information of interest. The [ABIM Foundation has a separate 990](#) on its website.