

THE FOLLOWING DOCUMENTS  
ARE ATTACHED:  
(Please do not remove)

ER 0429X 88  
COMPT 804 88  
ER 2641X 88

SUBJECT:

**EXECUTIVE SECRETARIAT**

**ROUTING SLIP**

TO:

		ACTION	INFO	DATE	INITIAL
1	DCI				
2	DDCI				
3	EXDIR		X		
4	D/ICS				
5	DDI				
6	DDA		X		
7	DDO				
8	DDS&T				
9	Chm/NIC				
10	GC		X (added 881114)		
11	IG				
12	Compt		X		
13	D/OCA				
14	D/PAO				
15	D/PERS		X		
16	D/Ex Staff				
17	D/OMS/DA		X		
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SUSPENSE

Date

Remarks

STAT

Executive Secretary

29 Jun '88

Date

3637 (10-81)



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

EXECUTIVE REGISTRATION

88-2641X

JUN 27 1988

Mr. James H. Taylor  
Executive Director  
Central Intelligence Agency  
Washington, D. C. 20505

Dear Jim:

This letter advises you that the Central Intelligence Agency's Physicians Comparability Allowance (PCA) plan submitted on 9 June 1988 is consistent with the requirements and policy on comparability based on data presented and proposed policy actions included in the PCA plan. The plan will operate through September 30, 1989. Given the continuing changes in physician supply, reimbursement policies, demographics, and related health status indicators, an updated assessment of PCA requirements for FY 90, reflecting the latest available data, will assist in clarifying CIA's physician retention priorities.

In revising CIA's plan for FY 90, PCA bonus-levels should reflect program and physician labor market changes since the previous plan. To ensure time for careful review of the PCA plan submission before conclusion of the FY 88/89 operating period, please submit the updated PCA plan and all supporting documentation at least 30 days before the date on which the revised plan is scheduled to become effective.

Sincerely,

Robert E. Howard  
Deputy Associate Director  
National Security

cc: Barry Clendenin  
Bill Dorotinsky



L-2471L

### ROUTING AND RECORD SHEET

**SUBJECT:** (Optional)  
Physicians Comparability Allowance Plan

**FROM:**  
Daniel A. Childs  
Comptroller

EXTENSION

NO. COMPT 88-804

DATE  
7 June 1988

**TO:** (Officer designation, room number, and building)

DATE

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

RECEIVED

FORWARDED

1. Executive Registry  
09 JUN 1988 *W*

2. Executive Director  
09 JUN 1988 *gt*

3. Comptroller

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*L-247-1R*

DCI  
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EXEC  
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7 June 1988

MEMORANDUM FOR: Executive Director

FROM: Daniel A. Childs, Jr.  
Comptroller

SUBJECT: Physicians Comparability Allowance Plan

1. I recommend that you sign the attached memorandum to the Director of OMB. The memorandum forwards for OMB approval the Agency's plan for implementation of the Physicians Comparability Allowance Extension Act of 1987 (Public Law 100-140) which authorizes bonuses to General Schedule physicians of \$10,000 to \$20,000 (depending on length of service and categorized duties). The Office of Medical Services considers this allowance essential to attract qualified physicians for employment.

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2. Until the attached plan is approved by OMB, we do not have the authority to offer these allowances to new physicians entering on duty with the Agency, and currently employed physicians are limited to the previous authority for such allowances of \$7,000 to \$14,000.

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3. Please return the signed memorandum and plan for forwarding to OMB.

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Daniel A. Childs, Jr.

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Attachments:  
As stated

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~~SECRET~~

Central Intelligence Agency



Washington, D. C. 20505

The Honorable James C. Miller III  
Director  
Office of Management and Budget  
Washington, D. C. 20503

9 JUN 1988

Dear Mr. Miller:

In accordance with OMB Circular M-88-11 dated 25 January 1988, enclosed is CIA's plan for the implementation of the Physicians Comparability Allowance and a summary of retention and recruitment data for Agency physicians. This revised plan supersedes our 25 March 1988 submission. [redacted]

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Over the past several years, we have faced continuing problems recruiting and retaining qualified physicians because of the highly specialized nature of the work at CIA as well as the broader problem of the noncompetitive Federal Government salary structure. More important, CIA requires extremely strict qualifications, including a Top Secret security clearance and the willingness to undertake sensitive duties and assignments both here and abroad. [redacted]

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Between 1984 and 1988, separations of Agency physicians averaged three per year--more than 10 percent of our staff of physicians--and vacancies averaged five per year. Despite the increased availability of graduates from medical schools, our pool of qualified applicants has not grown appreciably. We often review 500 to 600 applicants to recruit two or three physicians and, even after initial selection, a high percentage of applicants fail the rigorous security and medical screening process. Others decline our employment offers because of the time required to complete the processing. For those physicians who do accept employment, the Physicians Comparability Allowance has been a decisive element in the applicant's decision. Almost all of our applicants stated that they would not have accepted employment with the Agency without the comparability allowance. [redacted]

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In order to meet our goal of hiring and retaining a highly qualified staff of physicians, we must continue to offer the Physicians Comparability Allowance to all our physicians. We ask that you approve CIA's implementation plan for the program. [redacted]

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Sincerely,

[redacted signature box]

25X1

James H. Taylor  
Executive Director

Enclosures:  
As stated

[redacted enclosure box]

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## PHYSICIANS COMPARABILITY ALLOWANCE PLAN

Section 1: Statement of statutory and regulatory authority for Physicians Comparability Allowance.

The Federal Physicians Comparability Allowance Act of 1978 (Public Law 95-603) and the Physicians Comparability Allowance Extension Act of 1987 (Public Law 100-140) authorize federal agencies to pay under certain conditions bonuses to General Schedule physicians.

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The Central Intelligence Agency submitted its initial implementation plan for the Physicians Comparability Allowance (PCA) program on 3 August 1979. Amended plans were submitted on 31 August 1979, 4 December 1980, 30 September 1981, and 11 June 1984. Internal regulations for the administration of the program are based on the approved implementation plans.

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Section 2: Statement of Agency employees eligible for the Physicians Comparability Allowance, including the occupational series number and pay system.

All physicians employed by the Agency who are assigned to physician positions (occupational series designation 0602.00 to 0602.99) are eligible to receive the Physicians Comparability Allowance provided they satisfy the criteria for the allowance. Agency physicians are paid on the GSM schedule, a special pay schedule patterned after the schedule for physicians authorized by the Office of Personnel Management, or the Senior Intelligence Service (SIS) schedule. There are currently 29 physicians receiving the allowance.

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Section 3: Statement of the purpose and necessary conditions for use of the Physicians Comparability Allowance.

The Physicians Comparability Allowance is authorized only to solve severe and well-documented problems in recruiting and retaining physicians. Agency physician positions qualify for this allowance if all of the following conditions exist:

- Positions remain vacant for extended periods of time.
- Positions requiring well-qualified physicians experience high turnover rates.
- Applicants often do not have all of the qualifications for the position.
- Existing vacancies cannot be filled with well-qualified candidates without using the PCA.

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Section 4: Determination of Individual Allowances.a. General Statement

The CIA employs a small staff of physicians. These employees require special qualifications--including United States citizenship; Top Secret security clearance; Doctor of Medicine degree from a medical school approved by the American Medical Association; license to practice medicine in any of the 50 states; eligibility for certification as a diplomate of or qualified for the Boards in internal medicine, family practice, psychiatry, pediatrics, or occupational health; and willingness to undertake sensitive duties and assignments in the United States and abroad, including temporary and permanent reassignments to remote areas of the world. These special qualifications present significant recruitment and retention problem for all physician positions. We require these qualifications of all of our physicians, all of whom perform the same clinical activities. Thus the Agency implements the PCA equally for all full-time physicians whom we employ.

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b. Categories of Work

All of the physicians employed by the Agency are qualified and required to perform Category I (clinical) duties. Because recruitment and retention is so difficult, Agency management concluded that our few physicians must all be clinical practitioners. There are a limited number of our physicians assigned Category II C (one) and Category IV B (four) positions, however, these physicians are also required to carry out Category I duties. Because we have such a small number of physicians and must provide direct patient care in response to worldwide requirements, all physicians must be qualified to perform duties assigned in any category, frequently on short notice and for extended or frequent temporary duty assignments. Inside the Agency, part-time contract physicians, medical technicians, and nurses perform almost all of the occupational health (Category III) activities.

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c. Allowance Eligibility

Eligibility for the Physicians Comparability Allowance will be based on the following:

- CIA's Director of Medical Services will certify that a position requires a physician.
- All physicians will have satisfied all criteria for employment with the Central Intelligence Agency.
- Each physician will execute a continued service agreement (copy attached) that defines the terms and conditions for payment and for repayment of the comparability allowance. Any waiver of repayment will require approval of the Agency's Deputy Director for Administration.

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- Physicians who have served less than 24 months as a US Government physician will receive under the terms of a continued service agreement \$14,000 per year.
- Physicians who have served 24 months or more as a US Government physician will receive under the terms of a continued service agreement \$20,000 per year.
- The Deputy Director for Administration will be responsible for administering the Physicians Comparability Allowance Program.  25X1

d. Limitations on Eligibility

For physicians signing a two-year agreement, the maximum allowances payable are: \$14,000 per annum for physicians with less than 24 months creditable Federal service (as defined in P.L. 100-140); and, \$20,000 per annum for physicians with 24 months or more creditable Federal service (as defined in P.L. 100-140).  25X1

For physicians signing a one-year agreement, these maximum allowances are reduced to \$10,000 and \$15,000, respectively.  25X1

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SUBJECT: Physicians Comparability Allowance Plan

Distribution:

- Orig - James C. Miller III, Director, OMB
- 1 - Executive Director
- 1 - Executive Registry
- 1 - DDA
- 1 - D/OP
- 1 - D/OMS
- 1 - DDA Registry
- 1 - Compt Subject
- 1 - Compt, DCompt
- 1 - C/AG
- 1 - Reading File

O/COMPT/C/AG/



(COMPT 88-804) (6Jun88)

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**ROUTING SLIP**

TO:

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SUSPENSE \_\_\_\_\_

Date

Remarks

STAT

*[Signature]* Executive Secretary

10 Feb 88

Date

**3637** (10-81)



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

Executive Registry
88-0429X

January 25, 1988

M-88-11

MEMORANDUM FOR HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM: Joseph R. Wright, Jr. *J. Wright*  
SUBJECT: Agency Plans To Pay GS Physician Bonuses

On October 28, 1987, the President signed P.L. 100-140, the Physicians Comparability Allowance Extension Act of 1987. The Act extends agency authority to pay bonuses for General Schedule (GS) physicians serving in areas or specialties with documented recruitment and retention problems; increases the maximum annual bonus from \$7,000 to \$14,000 for physicians with less than 24 months Federal service and from \$10,000 to \$20,000 for physicians with 24 months or more Federal service; and, allows prior service credit for purposes of determining bonus levels for former Veterans Administration and Public Health Service Commissioned Corps physicians entering the GS system. The Administration sought this legislation to selectively address specific physician recruitment problems in keeping with its goal of improving government services.

Regulations issued by the Office of Personnel Management implementing the original Federal Physicians Comparability Allowance Act of 1978 require agencies who wish to pay bonuses to submit a plan to the Office of Management and Budget for review and approval. On September 30, 1987, Office of Management and Budget approval of all previously-approved plans expired. While bonus payments can be continued under existing agreements through September 30, 1989, departments and agencies wishing to enter into new agreements or to renew existing agreements must submit new or updated plans for implementing the Act within 60 days after the date of this memorandum.

In developing your plans, you may wish to limit bonuses to levels which reflect a balance between agency requirements within current appropriations levels and the well-documented growing surplus of physicians.



L-247-1r

Higher bonus levels should be targeted at specific shortage areas and specialties. Of the four categories specified in OPM's regulations, higher bonus levels should be limited to Category I direct patient care, Category II clinical research, and Category IV (B) medical program administrative positions. Any increase in Category IV (B) physician position bonuses over current levels should be awarded, in addition to the current statutory and OPM regulatory requirements (e.g. position requires a physician; documented recruitment and retention problems; etc.), on a merit basis similar to the annual Senior Executive Service awards.

All agency plans should adhere to these guidelines unless they can provide justification of compelling need, including sufficient supporting documentation, to warrant an exception.

You should refer to the Act, its extension, and to forthcoming OPM revised regulations in preparing your plans, which are to be submitted to the OMB examiner responsible for your department or agency.