The American Medical Association/Specialty Society Relative Value Scale Update Committee (RUC) is a panel of 29 physicians comprised of different specialties who recommend updates to relative value units (RVUs) under the Physician Fee Schedule to the Centers for Medicare and Medicaid Services (CMS). The Resource-Based Relative Value Scale (RBRVS), which sets the formula for physician reimbursement for Medicare services, use RVUs as a primary determinant in constructing the reimbursement formula. Recently, there has been controversy surrounding the RUC’s level of impartiality and the extent to which CMS’s relies on their recommendations.

Of the 29 physicians comprising the RUC, 23 physicians represent the following major medical specialties: Anesthesiology, Cardiology, Colon and Rectal Surgery, Dermatology, Emergency Medicine, Family Medicine, General Surgery, Internal Medicine, Nephrology, Neurology, Neurosurgery, Obstetrics/Gynecology, Ophthalmology, Orthopedic Surgery, Otolaryngology, Pathology, Pediatrics, Plastic Surgery, Pulmonary medicine, Psychiatry, Radiology, Thoracic Surgery, and Urology. The remaining six slots include the RUC Chair; the Co-Chair of the RUC Health Care Professionals Advisory Committee Review Board; the chair of the Practice Expense Review Board; and, representatives of the American Medical Association (AMA), Current Procedural Terminology (CPT) Editorial Panel, and American Osteopathic Association. The panel meets three times per year to discuss and make recommendations regarding a multitude of medical procedures. Additionally, the RUC contains various advisory committees and workgroups responsible for participating in the decision-making process, handling procedural maintenance, and developing and refining RUC and relative value methodology. The RUC recommendation process begins with a list of all new and revised CPT codes. Members of the RUC Advisory Boards indicate their specialty associations’ interest level and suggested revisions to the RVUs associated with these codes by completing an AMA distributed survey, which collects information regarding how physician members of specialty groups view the work of a specific service. The RUC may adopt a recommendation, refer it back to the specialty society, or modify it. When the process is complete, the RUC submits its suggestions to CMS.

Certain criticisms from those opposing the RUC process claim that suggestions are based on outdated assumptions. Over the past seven years CMS approved increases in physician w RVUs by an average of 22 percent, while actual physician-reported work times declined 8.4 percent. Some critics also suggest that CMS gives the RUC too much influence in the RBRVS decision-making process. In response, the AMA has commented that the RUC is not an advisory committee. Historically, however, CMS has followed 90 percent of the recommendations given by the RUC regarding physician reimbursements, basing at least 20 percent of physician payments on RUC recommendations. Additionally, it is claimed that the RUC has indirect influence over private insurers and Medicaid programs that set their reimbursement rates according to Medicare.

The disparity between specialty and primary reimbursement rates has also drawn criticism from RUC challengers, who claim that because a number of RUC members are selected by medical-specialty trade groups, their financial interests may lead to encouraging increases in Medicare reimbursements rates for certain procedures used by specialty physicians. Critics note the RUC’s reluctance to suggest increases to work RVUs for evaluation and management (E&M) services heavily utilized by primary care, and CMS commonly rejects E&M code recommendations by the RUC. As such, primary care physicians are lobbying for more representation in the RUC. The American Academy of Family Physicians (AAFP), the most vocal opposition to the RUC, wrote to CMS urging them to follow a 2006 MedPac Advisory Report to Congress, which suggested lowering reliance on the RUC by forming a group of less financially invested experts to identify over-valued services and work with the RUC to increase transparency and encourage provider efficiency.

Current RUC Chairwoman Barbara Levy has claimed that the panel is working on correcting evaluation strategies that lead to “over-reimbursements” for certain specialties. In response to the 2006 pressures from MedPAC, the RUC formed an internal workgroup to identify misvalued services; however the Government Accountability Office in 2009 downplayed their efforts.
saying that they did not focus on services that accounted for the largest Medicare payouts.\(^5\) The GAO report also suggested that CMS should ensure that physician fees reflect efficiencies occurring through integrated care.\(^6\) CMS officials have said they would be hard pressed to replace the RUC process, and emphasized that reforms in healthcare require that CMS ensure that physician fee values are accurate.\(^7\) As of now the RUCs’ influence remains, but as criticism continues, CMS has reported proposed plans to establish more an extensive validation processes, and has asked for public comments on the issue.\(^8\)

\(^1\) Indicates rotating seats.
\(^2\) “AMA/Specialty Society RVU Update Committee: The RUC is... The RUC is Not...” American Medical Association: Chicago, IL, June 16, 2007.
\(^5\) “AMA/Specialty Society RVU Update Committee (RUC)” By Barbara S. Levy, American Medical Association, March 5, 2010.
\(^7\) “Missing Productivity Gains in Medicare Physician Fee Schedule: Where are They?” By Jerry Cromwell, et al., Medical Research and Review, June 16, 2010, p.8, 14.

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