An Introduction to the RUC

RUC 101

The American Medical Association/Specialty Society Relative Value Scale Update Committee (RUC) is an expert panel of physicians which makes recommendations to the federal government on the resources required to provide medical services. When making recommendations to the federal government, the RUC considers physician work (including the time and intensity associated with a service), clinical staff time, supplies and equipment, and professional liability insurance associated with performing a service. The RUC is comprised of a volunteer group of 32 physicians and over 300 medical advisors, other health care professionals, and experts that represent each sector of medicine, including primary care physicians and specialists.

The RUC regularly reviews medical services to determine whether they are appropriate, undervalued, or overvalued, and volunteers its recommendations to the federal government through the Centers for Medicare & Medicaid Services (CMS) for the agency's consideration.CMS makes all final decisions about what payments should be for each service under the Medicare program.

Why the RUC is Important

While the RUC is not required to submit recommendations and CMS is not obliged to accept them, it is crucial for the federal government to consider input from the doctors and front-line healthcare professionals about the medical services they perform in their daily patient care. The input of the RUC also helps ensure that the government adopts policies that reflect current medical practice.

The result of this process is a balanced system in which physicians volunteer their highly technical and unique hands-on expertise regarding complex medical procedures while the government retains oversight and final decision-making authority.

RUC Composition

The RUC is comprised of a volunteer group of 32 physicians and over 300 medical advisors, other healthcare professionals and national specialty society experts that represent each sector of medicine, including primary care physicians and specialists.

Tasked with evaluating thousands of individual services across the medical spectrum, the RUC relies on the expertise of over 100 specialty societies and health care professional organizations, ranging from anesthesiology to pediatric surgery to neurology. The Committee's relative value recommendations to CMS reflect the continued importance of services that all physicians, including primary care physicians, perform.

Primary care physicians play a crucial – and expanding – role in the RUC's highly technical work. In April 2012, the Committee added a rotating primary care seat to enhance the expertise of primary care physicians within the RUC process. For CY 2021, CMS implemented the RUC's recommendations from April 2019 for the valuation of primary Evaluation and Management office visit codes. The RUC has also played a crucial role in the valuation of telemedicine codes and the resources involved in patient care and immunization administration during the COVID-19 pandemic.

Accuracy, Efficiency, and Transparency in the RUC Process:

The RUC places a premium on ensuring accuracy, efficiency and transparency throughout the entire RUC process.

To make the RUC process more accessible and transparent to stakeholders and the public, the RUC publishes meeting dates, meeting minutes, and vote totals for each service evaluatedon the <u>AMA's</u> <u>website</u>.

The RUC has established a high bar for its methodology standards to ensure that it is collecting the most reliable and robust data. The RUC requires a minimum number of respondents for each survey of commonly performed codes:

- For services performed more than 1 million times per year in the Medicare population, at least 75 physicians must complete the survey.
- For services performed between 100,000 and 999,999 times annually, at least 50 physicians must complete the survey.
- For services performed fewer than 100,000 times annually, at least 30 physicians must complete the survey.

To further strengthen physician survey methodology, the RUC also strongly encourages specialty societies to utilize a centralized online survey process, coordinated by the AMA, which utilizes external specialty society expertise to ensure the RUC obtains accurate, independent survey and reporting data.

This process is designed to strengthen the RUC's primary mission of providing the most accurate physician recommendations on medical services to CMS, the federal agency responsible for determining the physician payment schedule for medical services under the Medicare program. The AMA believes that updating and maintaining the Medicare relative value scale is a clinical and scientific activity that must remain in the hands of the medical profession and regards the RUC as the principal vehicle for refining the work and practice expense components of the resource-based relative value scale (RBRVS). From the AMA's perspective, the RUC provides a vital opportunity for the medical profession to continue to shape its own payment environment. For this reason, the AMA has strongly advocated that Medicare adopt RUC's recommendations.