

The American Medical Association/Specialty Society RVS Update Committee's Long History of Improving Payment for Primary Care Services

Recent concerns regarding primary care workforce issues and resulting comparisons to specialty physician income have led many health policy experts to question the accuracy of the Resource-Based Relative Value Scale (RBRVS). As a key advocate for improvements in the RBRVS, the AMA/specialty Society RVS Update Committee, commonly referred to as the "RUC," is erroneously assigned blame for any perceived flaws in this payment system, utilized by Medicare, Medicaid, and private payors. The RUC has actually led the effort to improve primary care relativity within the RBRVS since 1992. The implementation of the RUC recommended improvements have been over-shadowed by a flawed sustainable growth rate (SGR) formula, reluctance by the Centers for Medicare and Medicaid Services to adopt several recommendations, and distortions created by private payors in their implementation of the RBRVS. It is critical that policy-makers fully understand the improvements recommended by the RUC, including:

- **Improved Payment for Evaluation and Management (E/M) Services** – The RUC has recommended increases in E/M services each time that the primary care organizations and/or CMS have requested review. The most recent improvements led to more than \$4 billion in redistribution from surgery and other services to E/M, leading to a divisive debate within medicine, that while difficult, was ultimately productive to primary care. Since the inception of the RBRVS, a mid-level office visit (99213) has increased from \$31 in 1992 to \$61 in 2009. In comparison, payments for cataract surgery (66984) have decreased from \$941 to \$639 and payments for MRI of the lumbar spine have decreased from \$485 to \$370.
- **Improved Payment for Preventive Services** – The RUC review of many preventive services have led to increased Medicare payment for preventive medicine. The most dramatic improvement, immunization administration payment increases from less than \$4 in 2002 to \$21 in 2009, is a result of years of advocacy by the RUC and the AMA to ensure that the resource-costs required to provide immunizations are recognized. Although Medicare and many Medicaid plans have implemented these improvements, primary care physicians continue to report that private payors have been slow to adopt these improvements.
- **Continued Advocacy Related to Coordination of Care and Medical Home** – The RUC has proposed valuation and separate payment for care coordination, team conferences, patient education, and telephone calls, however CMS has failed to recognize these services as distinct, and therefore payable, from other physician services. CMS has announced, however, adoption of the RUC recommendation related to the Medicare Medical Home Demonstration Project. CMS, the American Academy of Family Physicians, and the American College of Physicians all expressed appreciation for the RUC's unanimous decision to submit robust recommendations for the physician work and practice costs recognized in serving as a medical home.

The RUC continues to strive for an improved RBRVS. The RUC's has expressed serious concern related to the CMS practice expense and professional liability methodology, which distorts relativity within these components of the payment system. Most recently, the RUC has engaged in an aggressive review of the relativity within the existing system to identify any physician work misvaluations. More than 400 services have been identified to review to date, many requiring CPT definitional improvements prior to revaluation. CMS announced on October 30, 2008 that it will adopt all of the RUC recommendations for reduced payment for services reviewed as misvalued in 2008, resulting in a redistribution within the RBRVS via a slight improvement in the 2009 conversion factor.