Whereas, the American Medical Association/Specialty Society Relative Value Scale (RVS) Update Committee (RUC) plays a pivotal role in determining the relative values of healthcare services, which in turn influences payment rates, resource allocation, and the overall healthcare landscape; and

Whereas, the Centers for Medicare and Medicaid Services included a request for comment in its proposed 2024 Medicare Physician Fee Schedule rule, asking for comments on evaluating Evaluation and Management Services more regularly and comprehensively; and

Whereas, the healthcare industry is evolving rapidly with advancements in medical technology, changes in care delivery models, and a growing emphasis on value-based care, necessitating a more dynamic and evidence-based approach to relative value determinations; and

Whereas, current RUC processes primarily rely on expert opinions and surveys of physicians and other healthcare professionals, which may not fully capture the diverse and nuanced factors that affect the value of healthcare services; and

Whereas, leveraging metadata, evidence-based data, and modern data analytics tools may provide a more accurate, comprehensive, and transparent basis for relative value determinations; and

Whereas, modernizing RUC processes to incorporate evidence-based data and metadata can enhance the accuracy and relevance of payment rates, leading to more equitable compensation for healthcare services and improved patient outcomes; and

Whereas, the use of evidence-based data can also promote equity in healthcare by accounting for variations in patient populations, geographical regions, and healthcare settings; and

Whereas, patient access to care and physicians would benefit from a clear timeline for the implementation of steps to modernize RUC processes; therefore be it

RESOLVED, that our American Medical Association encourage the AMA/Specialty Society RVS Update Committee (RUC) to modernize the RUC’s processes and implement the following principles:

1. Data-Driven Decision Making: Enhance the data used in making recommendations by shifting from almost exclusive reliance on surveys of physicians and others who perform services to
broader use of evidence-based data and metadata (e.g., procedure time from operating logs, hospital length of stay data, and other extant data sources) that permit assessment of resource use and the relative value of physician and other qualified healthcare professional services comprehensively. This can ensure that data is reliable, verifiable, and can be accurately compared to or integrated with other important databases.

2. Collaboration and Transparency: Seek collaboration with healthcare data experts, stakeholders, and relevant organizations to maintain transparent data collection and analysis methodologies.

3. Continuous Review and Adaptation: Expand and enhance its system for continuous review and adaptation of relative value determinations beyond its Relativity Assessment Workgroup and other current strategies (e.g., New Technology/New Services list) to stay aligned with evolving healthcare practices and technologies.

4. Equity and Access: Work with the Current Procedural Terminology Editorial Panel and others, as appropriate, to identify the impact that factors related to healthcare equity and access have on the resources used to provide the services of physicians and other qualified healthcare professionals and how to account for those resources in the description and subsequent valuation of those services.

5. Broader Engagement: Actively engage with other parties to gather input and ensure that relative value determinations align with the broader healthcare community's goals and values.

6. Education and Training: Invest in the education and training of its members, AMA and specialty society staff, and other participants (e.g., specialty society RUC advisors) to build expertise in evidence-based data analysis and metadata utilization.

7. Timely Implementation: Invest the necessary resources and establish a clear timeline for the implementation of these modernization efforts, with regular progress self-assessments and adjustments as needed (Directive to Take Action); and be it further

RESOLVED, that our AMA provide an informational report back to the House of Delegates at the 2025 annual meeting on the RUC process and modernizations efforts. (Directive to take Action)

Fiscal Note: $4.4 million: Professional fees for data collection and the hiring of two new senior professional staff.

Received: 10/10/23

RELEVANT AMA POLICY

H-400.969 RVS Updating
Status Report and Future Plans: The AMA/Specialty Society RVS Update Committee (RUC) represents an important opportunity for the medical profession to maintain professional control of the clinical practice of medicine. The AMA urges each and every organization represented in its House of Delegates to become an advocate for the RUC process in its interactions with the federal government and with its physician members. The AMA (1) will continue to urge CMS to adopt the recommendations of the AMA/Specialty Society RVS Update Committee for physician work relative values for new and revised CPT codes; (2) supports strongly use of this AMA/Specialty Society process as the principal method of refining and maintaining the Medicare RVS; (3) encourages CMS to rely upon this process as it considers

**H-400.959 Refining and Updating the Physician Work Component of the RBRVS**
The AMA: (1) supports the efforts of the CPT Editorial Panel and the AMA/Specialty Society RVS Update Committee's (RUC's) work with the American Academy of Pediatrics and other specialty societies to develop pediatric-specific CPT codes and physician work relative value units to incorporate children's services into the RBRVS; (2) supports the RUC's efforts to improve the validity of the RBRVS through development of methodologies for assessing the relative work of new technologies and for assisting CMS in a more comprehensive review and refinement of the work component of the RBRVS; and (3) continues to object to use of the relative values as a mechanism to preserve budget neutrality. [BOT Rep. I-93-26Reaffirmed by BOT Rep. 8 - I-94Res. 806, I-94Reaffirmed: Sub. Res. 816, I-99Reaffirmed: CMS Rep. 4, I-02Reaffirmed: BOT Rep. 14, A-08Reaffirmed: Sub. Res. 104, A-14Reaffirmation A-15]

**H-400.956 RBRVS Development**
(1) That the AMA strongly advocate CMS adoption and implementation of all the RUC's recommendations for the five-year review;
(2) That the AMA closely monitor all phases in the development of resource-based practice expense relative values to ensure that studies are methodologically sound and produce valid data, that practicing physicians and organized medicine have meaningful opportunities to participate, and that any implementation plans are consistent with AMA policies;
(3) That the AMA work to ensure that the integrity of the physician work relative values is not compromised by annual budget neutrality or other adjustments that are unrelated to physician work;
(4) That the AMA encourage payers using the relative work values of the Medicare RBRVS to also incorporate the key assumptions underlying these values, such as the Medicare global periods; and

**D-400.986 The RUC: Recent Activities to Improve the Valuation of Primary Care Services**
Our AMA continues to advocate for the adoption of AMA/Specialty Society RVS Update Committee (RUC) recommendations, and separate payment for physician services that do not necessarily require face-to-face interaction with a patient. [BOT Rep. 14, A-08Reaffirmed: CMS Rep. 01, A-18]

**H-70.980 Bundling CPT Codes**
1. Our AMA, through its CPT Editorial Panel and Advisory Committee, will continue to work with CMS to provide physician expertise commenting on the medical appropriateness of code bundling initiatives for Medicare payment policies.
2. Our AMA strongly urges the Centers for Medicare & Medicaid Services (CMS) to not treat bundling of existing services into a common code as a new procedure and new code.
3. Our AMA will advocate for a phase-in of new values for codes where the cuts resulting from the identification of misvalued services cause a significant reduction from the value of the existing codes and work with CMS to achieve a smooth transition for such codes.
4. The RUC will take into consideration CMS's willingness or reluctance to transition large payment reductions as it schedules the review of relative values for bundled services or other codes that come before the RUC as a result of the identification of potentially misvalued services.
5. Our AMA strongly supports RUC recommendations and any cuts by CMS beyond the RUC recommendations will be strongly opposed by our AMA. [Sub. Res. 801, I-91Reaffirmed: Res. 814, A-
H-400.962 The AMA/Specialty Society RVS Update Process