The RUC Under Fire

Time may be running out for the group that helps divide the Medicare pie.

A few years ago, I suspect, most physicians were at best vaguely aware of the existence of the Relative Value Update Committee (RUC). Now, though, I hope most physicians know that this AMA committee of 29 physicians who spend hours arguing over tenths and hundredths of relative value units (RVUs) assigned to CPT codes plays a huge role in determining how much physicians are paid. (See "What Every Physician Should Know About the RUC," http://www.aafp.org/fpm/2008/0200/p36.html.) With the current Medicare conversion factor of $33.9764 per RVU, those tenths of RVUs are worth $3.40 apiece. Multiply the number of office visit codes you submit in a year by $3.40 to see how much even one tenth can mean to you.

For some time, the AAFP and other primary care physician organizations have contended that the RUC process is biased toward procedural specialties, thus perpetuating and worsening the income gap between specialties and contributing to the primary care shortage. Some have urged the primary care specialties to quit the RUC in protest, and while the AAFP has declined so far, it did send the RUC a letter in June urging more primary care representation and more seats for stakeholders from outside the house of medicine (http://bit.ly/RUCLetter); it also formed a task force to explore alternatives to the RUC.

Now, a group of Georgia physicians is suing the Centers for Medicare & Medicaid Services (CMS) alleging that CMS has harmed them by its reliance on the RUC and asking for an injunction to interrupt the CMS/RUC relationship until the committee can be brought into compliance with the Federal Advisory Committee Act, which requires balanced representation and transparent proceedings, among other things (http://bit.ly/RUCSuit).

Given the way the RUC allegedly overvalues procedural services, thereby encouraging continual growth in the volume of those services and driving up health care costs, I have to wonder if the fumbling efforts of Washington to reduce the deficit (or to reduce the annual increase in the deficit) won't bring the whole RUC process into question. Accountable care organizations (ACOs; see page 17) might offer a fairer process for dividing the pie. Of course, the state of the budget and the mood of Congress make it likely that there won't be as much pie to go around, so the interspecialty battles over what is available may simply reappear in the internal politics of ACOs. *Plus ça change* ...

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