

Public Citizen Calls for End to RUC

The consumer advocacy group Public Citizen has gone on the offensive against the American Medical Association's (AMA) Relative Value Scale Update Committee (RUC), whose recommendations to the Centers for Medicare and Medicaid Services (CMS) play a major role in determining Medicare Part B physician payments. The consumer group, in a report called "Inside Job," contends the AMA control over a committee that largely determines physician pay is a conflict of interest that inflates health care costs in both Medicare and the private sector.

The report rehashes many of the arguments leveled against the RUC in recent years -- a lack of transparency over the committee's work; control of the committee by an industry stakeholder; membership that favors medical specialties over primary care, leading to higher pay rates for specialists; CMS historically rubber stamping roughly 90 percent of the committee's recommendations; and the panel's control of the procedure coding system. Public Citizen does concede since 2012 CMS' approval rate of the RUC's recommendations has dropped to 65 percent of the time.

The American Academy of Family Physicians (AAFP) president-elect Robert Wergin said his organization agrees in most part with Public Citizen's rebuke of the RUC process. The AAFP is pushing Congress to establish a new coding system for primary

care outside of the RUC process that more accurately reflects what primary care physicians do. AAFP is also working to provide CMS with different payment modalities that move away from the fee-for-service model into a value-based payment system. This movement away from fee for service, which includes an emphasis on team-based care, will help more adequately compensate primary care providers.

Both Public Citizen and the AAFP support legislation called Medicare Physician Payment and Assessment Act of 2013, introduced by Rep. Jim McDermott (D-WA), which would establish a CMS panel of independent experts to identify review and adjust the values assigned to physician services under Medicare. Under the terms of the legislation, which has idled in two House committees without any action since being introduced, the independent panel would still consult with the RUC, but because the panel would be a CMS entity all work -- including RUC consultation and recommendations -- would fall under FACA rules.

Public Citizen says the RUC, if continued, should be required to adhere to the Federal Advisory Committee Act (FACA) and be expanded to include more primary care physicians and non-physician members, including consumers, health insurance plans, health systems and economists.