

Understanding Medicare Payments

What Every Optometrist Should Know about the RUC and RUC Surveys

What is the RUC?

The Relative Value Scale Update Committee (RUC) was created by the American Medical Association in 1991 in response to congressionally mandated changes related to how payments to physician under Medicare are determined. The Omnibus Budget Reconciliation Act of 1989 (OBRA 89) created the Medicare Resource-Based Relative Value Scale (RBRVS). The RBRVS replaced the previous reimbursement system which allowed for physicians to be paid based on the usual and customary charges associated with a procedure. The RBRVS is considered a more precise reimbursement system as the values associated with a particular procedure are based on analysis of physician work, assessments of the practice expense required for providing the service to patients, and the professional liability related to the specific service. Under the RBRVS, a payment for a service is determined by evaluating the resource costs needed to provide the service. As such, a procedure such as the removal of the small intestine has a higher value than an allergy test because more resources are necessary to perform the surgical service.

The RUC plays an important role by serving as an expert panel regarding the work involved in performing medical procedures and the RUC makes recommendations to CMS regarding the relative values of *Current Procedural Terminology* (CPT) codes. As optometrists know, the amount of work, practice expenses for providing services and the professional liability associated with a particular service are constantly changing and need to be continually monitored as the practice of medicine evolves and new technologies are developed. The RUC provides a forum to discuss whether changes are needed in how medical services are currently valued and the RUC also develops values for any new procedures that are created and are identified by CPT codes.

The AOA is represented at all RUC meetings and assists in the development of recommendations for values for the CPT codes that optometrists report. It is important to note that while the RUC makes recommendations regarding how services should be valued, ultimately CMS makes all final decisions regarding how services are paid under Medicare. The work of the RUC is very different from the CPT panel that develops CPT codes. The RUC only makes recommendations to CMS related to the code values that are used to develop payment rates. In contrast, the CPT panel specifically develops the code set that is required for use under Medicare, Medicaid and all Health Insurance Portability & Accountability Act (HIPAA) covered entities. While CMS and other payers must use the CPT codes, CMS and other payers can dictate relative values (and corresponding payments), or negotiate rates with physicians.

Why is the RUC important?

The RUC provides a forum for physicians to provide specific input regarding the health care services they perform and how they should be valued. Every effort is made to create valid comparison across disciplines by the utilization of standard processes by which all participants must abide.

How do I participate?

In order to develop values for CPT codes, surveys are used to gather data. Physician types who perform a particular service are surveyed to gather data on the work involved in the new or revised code. When codes that optometrists report are under review, the AOA conducts the survey, reviews the results, and prepares our recommendations to the RUC. Because many of the services performed by optometrists are also performed by ophthalmologists, the survey data from both professions are pooled and jointly presented to the RUC. Based on the input received from AOA and the deliberations which occur during the code valuation presentation, the RUC makes final recommendations to CMS.

If you receive a survey and you perform the service under review, it is critical to provide feedback and complete the survey. This feedback gives AOA the data necessary to make appropriate recommendations to the RUC. The AOA manages the survey process and surveys sent to optometrists will come from Kara Webb, AOA's Associate Director for Coding and Regulatory Policy. Kara can be contacted at kcwebb@aoa.org if you receive a survey and have questions regarding how to proceed.

Why is optometry involved?

Optometry is involved in the RUC in order to have input on how the services that optometrists perform are valued. The valuation process is no different for optometry than for any other specialty and no less important.

What is the RUC HCPAC?

The RUC Health Care Professionals Advisory Committee (HCPAC) represents physician assistants, social workers, physical therapists, occupational therapists, podiatrists, chiropractors, psychologists, audiologists, speech pathologists, registered dietitians, and optometrists. The HCPAC was formed to allow for participation of non-MD/DO physicians and allied health professionals in the RUC process. AOA has had a seat on this committee since 1991.

Does AOA collaborate with ophthalmology to develop code values?

When more than one specialty performs a particular code that is under review, the RUC encourages the specialties to work together to develop recommendations to present to the RUC. The AOA works with the American Academy of Ophthalmology on many RUC initiatives of mutual interest. It is important to remember that services paid for under Medicare are reimbursed at the same amount, regardless of the physician type performing the service.

If you have questions regarding the RUC, please contact Kara Webb at kcwebb@aoa.org

Additional Resources

[Overview of the RBRVS](#)

[The RVS Update Committee](#)

[RUC Minutes/Votes for CPT 2014](#)

[AOA Letter to the Editor of Optometry Times regarding the RUC](#)