The AMA/Specialty Society Relative Value Scale Update Committee

Annual updates to the physician work relative values are based on recommendations from a committee involving the AMA and national medical specialty societies. The AMA formed the AMA/Specialty Society Relative Value Scale Update Committee (RUC) to act as an expert panel in developing relative value recommendations for new or revised CPT codes to CMS. This process was established in the course of the AMA’s normal activities and as a basis for exercising its First Amendment right to petition the federal government as part of its research and data collection activities, for monitoring economic trends, and in connection and related to the CPT development process. In addition, CMS is mandated to make appropriate adjustments to the new RBRVS in response to the Omnibus Budget Reconciliation Act of 1989 to account for changes in medical practice coding and new data and procedures. The purpose of the RUC process is to provide recommendations to CMS for use in annual updates to the Medicare Physician Fee Schedule. There have been numerous changes and improvements to the payment system since 1992, many initiated by the RUC, but the principal role and purpose of the RUC remains to provide final RVS update recommendations to CMS. The RUC is a unique committee that includes the AMA and specialty societies and gives physicians a voice in shaping Medicare relative values. The AMA is responsible for staffing the RUC and providing logistical support for the RUC meetings. Neither the RUC nor any of its subcommittees or workgroups has the authority to direct the AMA to conduct work projects, products or research.

Composition of the RVS Update Committee

The RUC represents the entire medical profession, with 21 of its 28 voting members appointed by major national medical specialty societies including those recognized by the American Board of Medical Specialties, those with a large percentage of physicians in patient care, and those that account for high percentages of Medicare expenditures. Four seats rotate on a two-year basis, with two reserved for an internal medicine subspecialty, one seat reserves for a primary care representative and one for any other specialty. The RUC Chair, the Co-Chair of the RUC Health Care Professionals Advisory Committee Review Board, and representatives of the AMA, American Osteopathic Association, the Chair of the Practice Expense Review Committee and CPT Editorial Panel hold the remaining six seats. The AMA Board of Trustees selects the RUC chair and also the AMA representative to the RUC. The individual RUC members are nominated by the specialty societies listed below, and are approved by the AMA.

- Anesthesiology
- Cardiology
- Colon and Rectal Surgery*
- Dermatology
- Emergency Medicine
- Family Medicine
- General Surgery
- Geriatric Medicine
- Hematology*
- Internal Medicine
- Neurology
- Neurosurgery
- Obstetrics/Gynecology
- Ophthalmology
- Orthopedic Surgery
- Otolaryngology
- Pathology
- Pediatrics
- Plastic Surgery*
- Primary Care
- Psychiatry
- Radiology
- Thoracic Surgery
- Urology

*Indicates rotating seat


What Is CPT?
Current Procedural Terminology (CPT) is a listing of descriptive terms and identifying numeric codes used for reporting medical, surgical, and diagnostic services and procedures. CPT is a widely accepted system of medical nomenclature about health care provided to patients that enables reliable communication among physicians, other health care providers, patients, and third parties.

How Is CPT Used?
CPT descriptive terms and numeric codes are a widely accepted. The Centers for Medicare and Medicaid Services (CMS) and private payers require CPT codes for reporting services and procedures.

Who Oversees the Development of CPT Codes?
The American Medical Association (AMA) owns the rights to the CPT code set, which is maintained by the AMA CPT Editorial Panel (“Panel”). The Panel meets three times each year to discuss and approve any CPT code additions, deletions, and revisions. An updated CPT book is published on an annual basis. The new book comes out around August 31, giving approximately four months to learn about the changes before they take effect on January 1 of each year.

How does the Academy Participate in the CPT Process?
The Academy participates in the CPT process by submitting proposals for new codes and changes to existing codes, and by commenting on coding changes proposed by other specialty societies.

The Academy's representatives consist of a CPT Advisor, a CPT Alternate Advisor, and a staff representative to the AMA Editorial Panel. The AAN’s CPT team members serve also on the Academy's Coding Subcommittee under the Medical Economics and Management Committee, which oversees coding, billing, and reimbursement processes.

The AAN’s CPT team reviews all proposed changes relevant to neurology and submits comments to the Panel members regarding the proposals. The Panel considers these written comments as they make determinations on changes to appear in the CPT book. The Academy’s CPT representatives also attend in-person Panel meetings to speak to any issues of relevance to neurology, and to present all coding change proposals submitted by the AAN.

Learn more by reading the AAN CPT Process Manual.

Category I CPT Codes—Services and Procedures
Category I CPT codes describe services or procedures using traditional five-digit CPT codes and descriptor nomenclature.

In developing new and revised Category I CPT codes, the Advisory Committee and the Editorial Panel requires that:

- The service/procedure receives approval from the Food and Drug Administration (FDA) for the specific use of devices or drugs.
- The service/procedure is performed across the country in many locations.
- Many physicians or other health care professionals perform the service/procedure.
The clinical efficacy of the service/procedure has been well established and documented in peer-reviewed publications.

After a new Category I code is approved by the Panel, it is referred to another AMA committee—the AMA/Specialty RVS Update Committee (RUC)—for determination of physician work relative value units (RVUs) and practice expense RVUs.

**Category III CPT Codes—Emerging Technology**

This category of codes facilitates data collection and assessment of new services and procedures, often ones that are still investigational. One uses of these codes is to collect data to substantiate widespread usage or during the FDA approval process.

Category III CPT codes do not need to meet the Category I CPT code requirements about widespread use, FDA approval, and/or literature demonstrating clinical efficacy. The service/procedure must have relevance for research or development of future Category I code(s).

Category III CPT codes are assigned an alphanumeric identifier with the letter “T” in the last field (e.g., 0123T). Sometimes these codes are referred to as tracking codes, and these codes are in a separate section of the CPT manual, with their own introductory language to explain their purpose. Requests for Category III CPT codes follow the existing procedures for new or revised CPT codes; however Category III CPT codes are not referred to the RUC for valuation because no RVUs are assigned.

Once approved by the Editorial Panel, newly added Category III CPT codes are made available on a semi-annual basis via electronic distribution on the AMA/CPT website.

**What Is the Composition of the AMA CPT Editorial Panel?**

The CPT Editorial Panel is responsible for maintaining the CPT code set. The Panel is authorized by the AMA Board of Trustees to revise, update, or modify CPT codes, descriptors, rules, and guidelines. The Panel is comprised of 17 members. Of these, 11 are physicians nominated by the National Medical Specialty Societies and approved by the AMA Board of Trustees. One of the 11 is reserved for an expert in quality performance measures. One physician is nominated from each of the following: the Blue Cross and Blue Shield Association, America's Health Insurance Plans, the American Hospital Association, and the Centers for Medicare & Medicaid Services (CMS). The remaining two seats on the CPT Editorial Panel are reserved for two members of the CPT Health Care Professionals Advisory Committee (HCPAC). The HCPAC is the organized group of non-physician health care professionals. HCPAC membership includes psychologists, podiatrists, physical therapists, and other allied health practitioners. This allows those groups a voice in coding and a pathway to alter codes that pertain to their areas of practice. Five members of the Editorial Panel serve as the Panel's Executive Committee.

Supporting the CPT Editorial Panel in its work is a larger body of CPT advisors, the CPT Advisory Committee. Currently, membership on the Advisory Committee is limited to national medical specialty societies seated in the AMA House of Delegates and to the HCPAC. Additionally, the Performance Measures Advisory Committee (PMAC)—a group that represents various organizations concerned with performance measures—provides expertise.

*Source material for this article was derived from the AMA’s About CPT pages. Read more about CPT coding at the [AMA CPT Website](http://www.ama-assn.org).*