May 3, 2013

**Via Electronic Mail**
Marc Hartstein, Director
Hospital and Ambulatory Policy Group
Centers for Medicare and Medicaid Services
Department of Health and Human Services
7500 Security Boulevard
Mail Stop C4-01-26
Baltimore, MD 21244

**Re: Relative Value Update Committee Data Related to Potentially Misvalued Codes**

Dear Mr. Hartstein:

As CMS prepares to release the 2014 Physician Fee Schedule Proposed Rule, the Advanced Medical Technology Association (AdvaMed) would like to offer a recommendation regarding the transparency of the process for evaluating the proposed Relative Value Update Committee (RUC) valuations for codes that are deemed “potentially misvalued.”

AdvaMed member companies produce the medical devices, diagnostic products, and health information systems that are transforming health care through earlier disease detection, less invasive procedures, and more effective treatments. AdvaMed members range from the largest to the smallest medical technology innovators and companies. We are committed to ensuring patient access to life-saving and life-enhancing devices and other advanced medical technologies in the most appropriate settings.

The RUC meets three times a year. During each of these meetings the committee is asked to review codes from multiple specialties that may be misvalued. The RUC is charged with using data provided by various physician specialty societies to determine if the existing physician work and practice expense relative value units (RVUs) for particular codes are appropriate, too high, or too low. Relative value unit data for “potentially misvalued” codes, compiled over the course of various RUC meetings during an annual cycle, is submitted to CMS by May of each year. CMS evaluates the RUC recommendations and uses the data to develop work and practice expense values for these “potentially misvalued” codes when they are placed on the Physician Fee Schedule (PFS).
In late June/early July of each year CMS publishes the proposed PFS payment rule for the upcoming calendar year with a 60-day public comment period. The proposed rule, however, does not include proposed relative value changes for “potentially misvalued” codes. Instead, information regarding any changes to “potentially misvalued” codes is only released in the final PFS payment rule, published in October. While CMS provides a comment period for those codes in the final rule, any changes resulting from those comments will not be effective until the following calendar year.

Therefore, the publication of these rates in the October final rule does not provide interested stakeholders with an opportunity to submit comments on modified relative values prior to their implementation on January 1st. Stakeholders have no information regarding the level or impact of the relative value unit changes on individual procedure codes until they are published. Waiting until publication of the final PFS rule to reveal this information may result in codes which are inaccurately valued, even after going through RUC review, and result in insufficient reimbursement for an entire year.

**AdvaMed recommends that CMS publish preliminary proposed relative values for “potentially misvalued” codes in the proposed PFS rule to provide a reasonable opportunity for stakeholder input prior to issuance of the final rule.**

Providing an opportunity for stakeholders to have a first look at proposed value unit changes when the proposed PFS rule is published furthers the goals of the re-valuation process by providing an earlier opportunity for comment. Access to this data also ensures that accurate values for these procedure codes are available for use as soon as possible following RUC deliberations. AdvaMed urges CMS to consider our request and to make the preliminary RUC findings for potentially misvalued codes available in the proposed PFS rule beginning with the rule for CY 2014.

Please feel free to contact DeChane Dorsey (ddorsey@advamed.org or 202-434-7218) with any questions. We appreciate your consideration of this request and look forward to your response.

Sincerely,

Ann-Marie Lynch
Executive Vice President
Payment and Health Care Delivery Policy

cc: Sara Vitolo