RBRVS
The Point System That Gets You Paid

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What does RBRVS Stand For?

Resource

Based

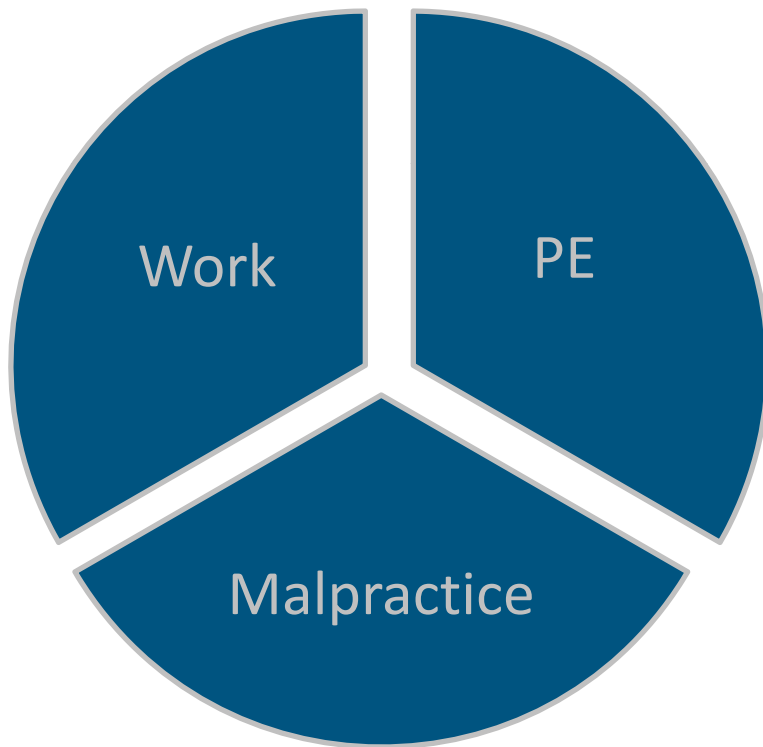**R**elative

Value

Scale

Where did RBRVS come from?

- Developed at Harvard in the late 1980's and implemented in 1992, it's a point system for each code which is reviewed annually by the Relative Value Update Committee (RUC)

- Facilitated fair and objective compensation for physician practices, independent of specialty and allowed the development of a uniform fee schedule, moving payment away from usual, customary and reasonable (UCR) charging

- Accounts for geographical cost differentials for items like staff costs, facility rent, and utilities

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How does RBRVS Work? – RVUs

- RBRVS assigns Relative Value Units (RVU) to three categories for each code:
- Physician Work RVUs
  - (Work)
- Physician Practice Expense RVUs
  - (PE)
- Professional Liability (PL) or Malpractice RVUs

Physician Work RVU's

- "Work RVUs" is the RVU that most physicians are familiar with. It encompasses:
  - Time
  - Training / Skill sets necessary to perform the code
  - Mental effort and judgment

Practice Expense RVU's

- PE RVUs are typically less familiar to physicians but they're intended to measure the cost of doing business:
  - Space rental & utilities
  - Equipment & supplies
  - Staff salaries
  - Billing & EMR systems

Malpractice RVUs

- Malpractice RVUs are intended to accommodate the difference in malpractice liability risk by procedure. Physicians typically know very little about this value.

  - Evaluated based on a rolling 3-year average of each state's reported malpractice costs

Location Location Location

- RVUs are adjusted according to Geographic Practice Cost Indices (GPCIs)
  - A provider in San Francisco CA or New York NY has a greater GPCI value than a provider in Cleveland Ohio
  - Includes cost of living for the physician and staff

- Place of service (POS) changes the Practice Expense (PE) RVUs.
  - Performing a laser surgery in the office vs. in the hospital assumes that the physician bought the laser & absorbed the cost of the room, supplies & surgical staff.

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Example POS 11 – Office Owned by Doc

Code	Location	Work RVU	PE RVU	PL RVU	Total RVU	Total PMT
99213 Lev 3 Est	Cleveland, Ohio	0.9700	1.0197	0.0868	2.0765	$70.65
99213 Lev 3 Est	New York, NY	1.0301	1.2782	0.0890	2.3973	$81.56
99213 Lev 3 Est	San Francisco, CA	1.0398	1.4960	0.0361	2.5720	$87.51
99213 Lev 3 Est	NATIONAL AVG	0.9700	1.1000	0.0700	2.1400	$72.81

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Example POS 22 – Hosp Outpt (facility)

Code	Location	Work RVU	PE RVU	PL RVU	Total RVU	Total PMT
99213 Lev 3 Est	Cleveland, Ohio	0.9700	1.0197	0.0868	2.0765	$70.65
99213 Lev 3 Est	New York, NY	1.0301	0.4880	0.0890	1.6072	$54.68
99213 Lev 3 Est	San Francisco, CA	1.0398	0.5712	0.0361	1.6472	$56.04
99213 Lev 3 Est	NATIONAL AVG	0.9700	0.4200	0.0700	1.4600	$49.67

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A Tale of Two Cities – Vaginal Delivery

Richmond Virginia	
CPT	59409 Vaginal delivery only (with or without episiotomy and/or forceps);
Work RVUs	14.3700
PE RVUs	6.0867
Mal RVUs	2.9094
Total RVUs	23.3661
PMT	$794.98

| Santa Clara California	
CPT	59409 Vaginal delivery only (with or without episiotomy and/or forceps);
Work RVUs	15.4765
PE RVUs	8.3295
Mal RVUs	2.0537
Total RVUs	25.8597
PMT	$879.82

A Tale of Two Cities C-Section

Richmond Virginia	
CPT	59514 Cesarean delivery only;
Work RVUs	16.1300
PE RVUs	6.7999
Mal RVUs	3.3407
Total RVUs	26.2706
PMT	$893.80

Santa Clara California	
CPT	59514 Cesarean delivery only;
Work RVUs	17.3720
PE RVUs	9.3055
Mal RVUs	2.3581
Total RVUs	29.0356
PMT	$987.88

Putting It All Together
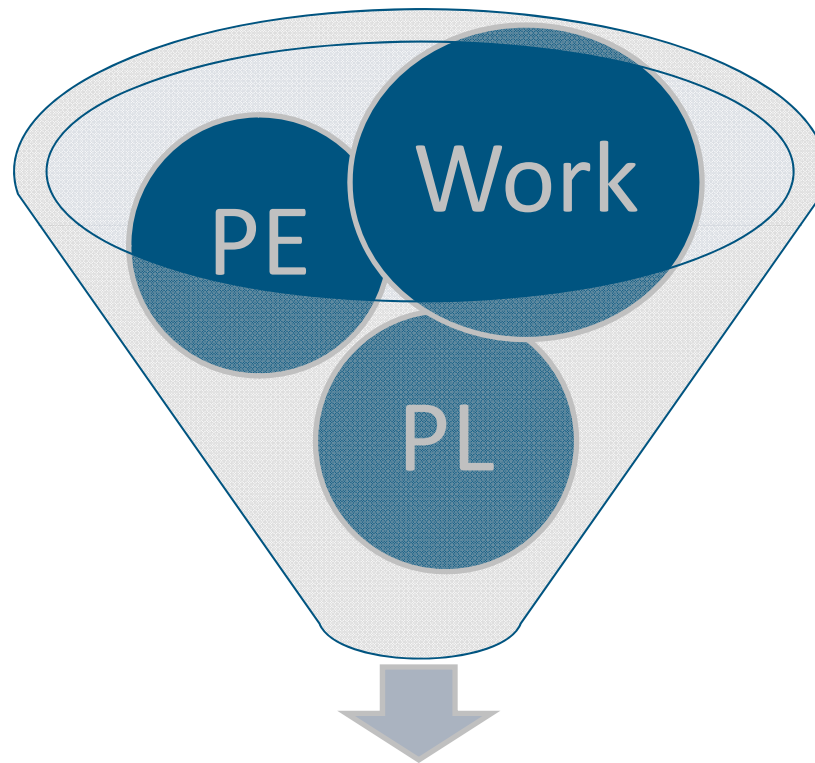
Work + PE + Med Mal (PL) x's GPCI = Total RVU

How does RBRVS become a payment?

- Claims are paid on a fee schedule by multiplying the total RVUs per procedure by a "conversion factor". The conversion factor is a certain amount of dollars per RVU.

- The factors that can make payments vary are:
    - Place of Service
    - Code Modifiers
    - Multiple procedures on same DOS

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Connecting the Dots

Total RVUs **+** **Place of Service** **✕** **$ Factor** **=** **Total Payment**

RBRVS – Time Standards

- The RBRVS system also tells us about the typical times that physicians spend doing each individual CPT code.

- It's broken into
  - Pre service
  - Intra service
  - Post service

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RBRVS – Time Standards

- Time standards are arrived at by survey and studied every few years.

- In addition to direct patient care, they include:

  - Surgical preparation

  - Documentation

  - Discussion w/ other providers

Vaginal Delivery Time Benchmarks

59409 – Vaginal delivery only (with or without episiotomy and/or forceps) All times are measured in minutes	
Pre-Service Evaluation time	202.5
Dress, Scrub, and Wait time	5
Other Pre-Service time	10
Intra-Service Time	45
Same Day Post-Service Time	35
Total Service Time	298

C-Section Time Benchmarks

59514 Cesarean delivery only All times are measured in minutes	
Pre-Service Evaluation time	232.5
Dress, Scrub, and Wait time	10
Other Pre-Service time	10
Intra-Service Time	45
Same Day Post-Service Time	35
Total Service Time	332

Lap for Ectopic Pregnancy w/o S/O

59150 Laparoscopic treatment of ectopic pregnancy; without salpingectomy and/or oophorectomy All times are measured in minutes	
Pre-Service Evaluation time	60
Dress, Scrub, and Wait time	Not reported in survey
Other Pre-Service time	Not reported in survey
Intra-Service Time	70
Same Day Post-Service Time	30
Post Op Hosp Visit POD 1	19
Post Op Office Visits (all)	46
Total Service Time	225

Summary

- RBRVS is the bedrock for physician compensation in the United States. It is maintained annually by the RUC and licensed by the American Medical Association (AMA).

- RBRVS divides all procedures into three key components, each with their own RVUs:

  - Work, Practice Expense and Mal Practice

- RBRVS measures provider effort and expense, but does *not* measure efficacy. In the era of healthcare reform and value based purchasing, RBRVS may change.

Disclaimers

- ## ICD-9-CM Notice

- The International Classification of Diseases, 9th Revision, Clinical Modification (ICD-9-CM) is published by the United States Government. A CD-ROM, which may be purchased through the Government Printing Office, is the only official Federal government version of the ICD-9-CM. ICD-9-CM is an official Health Insurance Portability and Accountability Act standard.

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Resources

- AMA RBRVS (overview, history, reviews)
  - https://www.ama-assn.org/ama/pub/physician-resources/solutions-managing-your-practice/coding-billing-insurance/medicare/the-resource-based-relative-value-scale.page

- CMS RBRVS and fee schedule downloads
  - http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeeSched/index.html?redirect=/physicianfeesched/

- ACOG Change on the Horizon
  - http://www.acog.org/About%20ACOG/ACOG%20Departments/Practice%20Management%20and%20Managed%20Care/Change%20on%20the%20Horizon%20for%20Compensation%20Models.aspx

Questions?

Q & A:

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