APTA INDIANA JULY 2026 PRACTICE AND PAYMENT NEWSLETTER

As a benefit of APTA Indiana membership, the Practice and Payment Specialist and Committee serve as a resource for assisting with practice and payment issues and updates. This includes disseminating updates, educating members, answering questions, and hearing from membership about practice and payment concerns. Please reach out to Andrea Lausch, PT, DPT, APTA Indiana Practice and Payment Specialist, at **andrealausch@inapta.org**, with questions or to inform the Committee of payor concerns.

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CENTERS FOR MEDICARE AND MEDICAID SERVICES (CMS)

CY 2027 Medicare Physician Fee Schedule Proposed Rule-Highlights

- Physical Therapy codes will receive an estimated 1-3% increase resulting from an increase in code practice expense values (~3%) and a 1.68% decrease in the conversion factor.
    - Advanced Alternative Payment Model participant conversion factor decreased -1.19% (statuary increase of .75% increase minus budget neutrality requirement decrease).
    - Non-qualified APM participant conversion factor (most PT providers) decreased -1.68% (.25% statutory increase minus budget neutrality requirement).
    - TAKE ACTION: Write CMS commenting on the once again proposed reduction to the conversion factor impacting payment while supporting the increase in the code values, asking CMS to finalize the increase to these values.
        - Click **HERE** to be directed to the APTA Action Center and template to easily send your comments to CMS before the September 14 deadline.
- CMS proposes increasing the value of biofeedback code 90901 and establishing a new code for each additional 15 minutes.
- CMS is proposing RTM restrictions to limit its use to clinical staff employed by a practice, reduced payment of RTM codes (averaging ~10% decrease across codes 98975, -77, -79, -80, -81, -85), and seeking information on replacing existing codes with a smaller set of four new G-codes.
    - Follow the link above to the APTA Action Center to make your comments on the proposed changes and G-code proposal.
- KX modifier threshold CY 2027: proposed increase to $2,540 for PT and ST combined services. The medical review threshold remains at $3,000.
- CMS proposes sunsetting MIPS and transition to MVPs (MIPS Value Pathways) by 2029.

Resources

- **CMS Proposed 2027 Medicare Physician Fee Schedule**
- **Addendum B and C Excel Files with RVUs for Each CPT and GPCI Locality**
- **CMS Fact Sheet** Medicare Physician Fee Schedule
- **CMS Fact Sheet** MIPS Proposed Rule
- **Proposed 2027 Medicare Physician Fee Schedule: What PTs Need to Know, Part 1**

Register for **APTA's Regulatory, Legislative, and Payment Update** webinar, August 6, at 2:30 pm ET for more information on the proposed fee schedule.

CY 2027 Home Health Prospective Payment System Proposed Rule

- Medicare provider enrollment new fraud, waste, and abuse provisions proposed.
    - Moving revocations to retroactive to the date the provider became noncompliant.
    - Adding/expanding bases for Revocation or denial.
        - Change in majority ownership.
        - Program or License Suspension/Termination expanding to the provider's owner or managing employees/organizations when a provider has a suspended/revoked license in another state or is suspended/revoked from Medicaid or another federal healthcare program.
- 2027 Proposed Payment and Policy Updates for Home Health Agencies
    - Medicare payments to HHAs in CY 2027 would increase in the aggregate by 2.4%.
    - −3.0% temporary adjustment to the CY 2027 national, standardized payment rate for overpayments made for CYs 2020-2025.
    - CMS is proposing to recalibrate the case-mix weights including the functional levels and comorbidity adjustment subgroups and LUPA thresholds to more accurately pay for the types of patients HHAs are serving.
    - Request for Information (RFI) on a Home Health-Specific Wage Index, how to best promote access to community-based palliative care services through home health.
    - Initiatives to improve alignment between the HH QRP and expanded Home Health Value-Based Purchasing Model are summarized by CMS.

Resources

- **CMS 2027 Proposed Home Health Prospective Payment System Fact Sheet**

CMS Medicare Advantage Plan Complaint form

- CMS has implemented an online complaint submission process for providers to report concerns regarding Medicare Advantage (MA) plans. Providers can access the form through **CMS.gov** (Medicare -> Health & drug plans -> Report a provider complaint about an MA plan).
- Submitted complaints will be routed to the Health Plan Management System (HPMS) Complaints Tracking Module (CTM) for CMS review, triage, and assignment.
- The form collects information about the provider, beneficiary, MA plan, complaint details, and optional service/claim information.
- MA plans do not receive the original complaint form attachment, as complaint information will be captured directly through the online system.
- Provider complaints will be placed into a queue in the CTM, where CMS will review and triage prior to assigning a contract number.

WPS

WPS Targeted Probe and Educate (TPE) Review Error Rates for 97112 is 25% Error Rate

- Ensure documentation supports billed charges. For more on Outpatient Therapy Documentation Requirements review: **https://www.wpsgha.com/guides-resources/view/outpatient-therapy-services**

VETERANS AFFAIRS (VA)

The VA launched an External Provider Scheduling (EPS) platform over the past year to partner with providers to streamline scheduling veterans and enhance care coordination.

For more information and to enroll, click **HERE** or scan the QR code below.

Start Your Onboarding Journey Today!

1. Please scan the QR Code
2. Fill in the intake form to determine your onboarding path and next steps.

INDIANA MEDICAID

HIP Work Requirement Provider Toolkit: Help Your Patients Stay Covered

Beginning January 1, 2027, certain Healthy Indiana Plan (HIP) members ages 19–64 will have new monthly activity and reporting requirements unless exempt.

Help prevent unnecessary coverage disruptions by sharing resources with your patients and posting information in your clinic. FSSA has created a partner toolkit to help providers educate HIP members.

- A Partner Toolkit at myfssa.in.gov includes:
  - Toolkit: **https://www.in.gov/fssa/hip/hip-work-requirements/index**
  - Social Media image Facebook and X: **https://www.in.gov/fssa/hip/images/HWRSocFB.jpg**
  - Social Media image Instagram: **https://www.in.gov/fssa/hip/images/HWRSocIG.jpg**
- Indiana law requires a three-month lookback period for new applicants.
  - Individuals applying in January 2027 must demonstrate compliance in October, November, and December 2026.
  - Applicants in later months must show compliance for the three consecutive months immediately prior to their application.
- Exemptions
  - Exemptions may apply for pregnancy, caregiving responsibilities, medical frailty, SUD treatment, or recent release from incarceration. Members must keep contact information updated so exemptions can be verified.
- Verification of Compliance
  - Compliance reviewed quarterly, starting with available wage/program data. When unverifiable electronically, members will receive a notice requesting documentation.
- Statewide Communication Efforts
  - Notices issued to all HIP members.
  - Explainer videos posted on **myfssa.in.gov** and **YouTube**.
  - Members encouraged to create a **Benefits Portal Account** for reporting hours, uploading documents, and checking exemptions.

FFS Payment Rates

In accordance with the payment rate transparency requirements of the Ensuring Access to Medicaid Services Final Rule, 89 FR 40542 (2024 Access Final Rule), Medicaid published fee-for-service (FFS) rates by July 1, 2026. Click **HERE** for more information.

NEW APTA PRACTICE AND PAYMENT RESOURCES

- **Tests and Measures**
- APTA Pediatrics: **Physical Therapy Management of Children with Developmental Coordination Disorder - 2026**
- American College of Sports Medicine: **Resistance Training Prescription for Muscle Function, Hypertrophy, and Physical Function in Healthy Adults**
- **Clinical Summaries**: **Guillain-Barre Syndrome**

APTA INDIANA PAYER REPORTING PORTAL

Having payer concerns or barriers impacting patient care or creating administrative burdens?

The **APTA Indiana Payer Reporting Portal** has been developed for providers to use as they experience a payer issue in real time related to prior authorization, credentialing, claims payment, contracting issues or other related payment concerns.

- This portal will remain available until further notice, to be used as reportable events occur. You may save this link permanently on your desktop and/or access this portal on your mobile device for future use.
- Please share the link with staff.
    - Staff may bookmark the link to the portal on their web browser. They do not need to be a member of APTA Indiana to complete the payer reporting issue.