APTA INDIANA FEBRUARY 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)

Telehealth Extension

Congress passed legislation on February 3, 2026, allowing outpatient therapy to be provided via telehealth starting February 1, 2026, through December 31, 2027. This legislation applies to all outpatient therapy settings.

2026 Medicare Physician Fee Schedule

APTA's 2026 Medicare Physician Fee Schedule Calculator is now available to calculate payment for services furnished on or after January 1, 2026. This tool helps both participating and nonparticipating PTs determine 2026 Medicare payment.

WPS 2026 Physician Fee Schedule for Indiana - Effective January 1, 2026

- **https://www.wpsgha.com/uploads/01_06_2026_Indiana_mw_0507ea413c.pdf**
- **https://www.wpsgha.com/guides-resources/view/1295**

CMS NEW LEAD Model

What Indiana Physical Therapists Should Know About the New CMS LEAD Model
CMS recently announced the **Long-term Enhanced ACO Design** (LEAD) Model, a new 10-year Accountable Care Organization (ACO) model launching January 1, 2027. LEAD is designed to bring more providers, especially smaller, independent, and rural practices—into value-based care, while improving outcomes and controlling total cost of care. This creates a meaningful opportunity for physical therapists.

LEAD emphasizes:

- Earlier intervention
- Team-based, coordinated care
- Managing high-cost, high-need populations
- Preventive care and reduced downstream utilization

Physical therapists are experts in musculoskeletal (MSK) care, one of the largest drivers of healthcare spend, and have strong evidence showing early PT reduces imaging, injections, opioid use, surgeries, and overall downstream costs. These outcomes align directly with what ACOs are accountable for under LEAD.

What this means for PTs in Indiana:

- ACOs participating in LEAD will need proven MSK strategies to manage cost and quality.
- PTs can position themselves as strategic partners, not just referral destinations.
- Early PT access, care pathways, and outcomes reporting are tangible ways PTs can add value.
- To learn more about LEAD as you consider opportunities to engage local ACOs, health systems, and physician groups please see the resources below:
    - **LEAD Model**
    - **CMS Innovation Center Strategic Direction**
    - **Value-Based Care Spotlight**
    - **Innovation Insights**

CMS NEW MAHA ELEVATE MODEL

The new **CMS MAHA ELEVATE** voluntary model will provide approximately $100 million to fund 3-year cooperative agreements for up to 30 proposals that promote health and prevention for Original Medicare beneficiaries focused on nutrition and physical activity that may slow or prevent chronic disease. The funding opportunity involves piloting evidence-based whole-person approaches to functional or lifestyle medicine interventions that are currently not covered services but have documented evidence of the intervention's efficacy.

CMS will release a Notice of Funding Opportunity (NOFO) in early 2026 for the first cohort, and the voluntary model will launch on September 1, 2026. A second cohort will follow in 2027. Those interested in exploring the opportunity please review CMS resources below:

- **MAHA ELEVATE**
- **HHS MAHA in Action**
- **CMS Innovation Center Strategic Direction**
- **Value-Based Care Spotlight**
- **Innovation Insights**

CMS DMEPOS: Updated List of Items Potentially Subject to Conditions of Payment

CMS added 18 items to the **Master List of DMEPOS Items Potentially Subject to Conditions of Payment** while no items were removed from the list. If CMS selects these items for face-to-face encounter, written order prior to delivery, prior authorization, and/or both may be required.

For more information on requirements, see the below resources:

- **Required Face-to-Face Encounter and Written Order Prior to Delivery List (PDF)**: Added eight new oxygen items.

- **Required Prior Authorization List (PDF)**: Added five new orthoses and two pneumatic compression device items (see devices listed in red).
- **Required Lists Comparison Chart (PDF)**
- **Lists Comparison Chart (PDF)Standard Elements for DMEPOS Order, and Master List of DMEPOS Items Potentially Subject to a Face-to-Face Encounter and Written Orders Prior to Delivery and, or Prior Authorization Requirements (PDF)** MLN Matters® Article

CMS DMEPOS Fee Schedule: CY 2026 Update
Learn about the **updated payment policies (PDF)**, effective January 1, 2026:
- Fees for New Codes
- Annual Covered Item Fee Updates

TRICARE

TRICARE-Allowable Charges and Balance Billing: What You Need to Know

Review the **TriCare News** article to learn more on non-network non-participating providers ability to balance up to 15% of the Tricare allowable charges.

INDIANA MEDICAID

Paper Claims Processing Fees - Effective January 29, 2026

Paper Claims Processing Fees begin January 29, 2026. See **BT202610** for more information.

MDwise Prior Authorization and UM Transition

Please review **BT2025183** to learn more about MDwise PA processing runout and transition.

IHCP CMS Prior Authorization Final Rule - Effective January 1, 2026

IHCP announced in **BT2025165** on November 25, 2025, that effective January 1, 2026, IHCP fee-for-service and Acentra Health updated guidelines regarding PA decisions and additional submissions as defined by Code of Federal Regulations 42 CFR 421.60(b)(6).

Acentra Health will continue to be required to make a PA decision within seven calendar days of the initial standard PA request. The time may be extended up to an additional seven calendar days if one of the following occurs:
- The member or submitting provider requests an extension.
- Acentra Health determines more information is needed and requests that information from the provider.

How is this impacting PT PA requests? A signed plan of care must be returned to Acentra within seven days of the notice for more information or the PA request will be denied.

HUMANA

Humana has published their Medicare Advantage and Dual Eligible Special Needs Plans Preauthorization and Notification list for outpatient physical and occupational therapy services for calendar year **2026**.

ANTHEM

Indiana PathWays for Aging Dual Care Plan Updates

Members participating in Indiana PathWays for Aging Dual Care plan will now have one member ID card that will reflect both their PathWays and Medicare Advantage benefits, replacing the need for two separate cards. To read more from Anthem click **HERE**.

EVICORE

EviCore announces shortened turnaround times for Medicaid and Medicare routine prior authorization requests. Click **HERE** for more details.

NEW APTA PRACTICE AND PAYMENT RESOURCES

- APTA Indiana Spring Meeting: April 18, 2026, Fortt Wayne, IN
  - **Speaker Rick Gawenda: Improving the Financial Success of Your Physical Therapy Practice and Department**
- **APTA Indiana Supported State Prior Authorization Reform in 2025**
  - Recorded on December 2, 2024
    Passcode: %U$0oRw5 (webinar begins at about 8 minutes into recording)
- **Contracting for Smart PTs: Strategic Contracting Series**
  - **New**PRIVATE PRACTICE - Strategic Contracting Series - Module 7: Better Together-How to Cooperate and Not Collide**
- New: **Code of Ethics for the Physical Therapy Profession**
  - Explore the Following Resources to Learn More About the New Code:
  - Learn About the **Standards for Ethics and Professionalism in Physical Therapy, as well as Related APTA Policies**
  - Learn How to **File a Complaint, and Review APTA's Updated Disciplinary Action Procedural Document**
  - Listen to the APTA Podcast Episode "**What to Know About the New Code of Ethics for the Physical Therapy Profession**," Featuring Members of the APTA Ethics and Judicial Committee.
- **SPARC Resources**
  - Economic Value of PT Report, State Medicaid Payment Guide, Administrative Burden, Contracting Education and Resources, Denials and Appeals, and MPPR Resources

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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.