



Federal Affairs Liaison Monthly Meeting

November 19, 2025

8:00 p.m. ET

Agenda

- **Congressional Update**
 - Justin Elliott, VP, Government Affairs
 - Brian Allen, Senior Specialist, Government Affairs
 - Steve Kline, Senior Specialist, Government Affairs
- **Regulatory Update**
 - Sharon West, Director, Health Policy and Payment
- **PTPAC and Grassroots Update**
 - Michael Matlack, Director of Congressional Affairs

Congressional Update



Hill Happenings – Back to the Grind

- Shutdown over – for now
 - Parts of government (including MILCON/VA) funded through fiscal year
 - Other parts (including Labor-HHS) funded through January 30th
- Important time for advocacy
 - Telehealth extenders need to be permanent
 - Fix for physician fee schedule
- Key education issues remain
 - Ed Dept. reorganization
 - Student loan caps



Department of Education's Reimagining and Improving Student Education (RISE) Committee

Negotiated rulemaking process aimed at clarifying which academic degrees should be classified as “professional degrees” versus “graduate degrees” for the purposes of federally subsidized student loans. Being done as a result of H.R. 1 from this past summer.

Existing regulation states "examples includes but are not limited to" - Pharmacy (PharmD), Dentistry (DDS or DMD), Veterinary Medicine (DVM), Chiropractic (DC or DCM), Law (LLB or JD), Medicine (MD), Optometry (OD), Podiatry (DPM, DP, or Pod D), Theology (MDiv or MHL), and Clinical Psychology (PsyD).

Graduate degree: \$20,500 per year, with a lifetime cap of \$100,000.

Professional degree: \$50,00 per year, with a lifetime cap of \$200,000.

Next steps: Department of Education will need to issue a proposed rule in 2026 based on the recommendations from the RISE Committee. Seeking Congressional intervention as the RISE Committee is not following Congressional intent.

Regulatory Update



2026 Medicare Physician Fee Schedule Final Rule



2026 PFS: Conversion Factor Update

2026 Conversion Factor

Non-Qualifying APM Participants: 3.26%

2.5% Statutory Update; 0.49% Budget Neutrality; 0.25% APM Update

Qualifying APM Participants: 3.77%

2.5% Statutory Update; 0.49% Budget Neutrality; 0.75% APM Update



\$32.3465

Final 2025

\$33.40

Final 2026

Short Term Congressional Funding

Congress adjusted the conversion factor by 2.5% in

One Big Beautiful Bill.

KX Modifier

CMS finalized the proposed increase to the 2026 KX modifier threshold at \$2,480, a 2.9% increase from last year.

2026: \$2,480 for PT and SLP services combined

2026 PFS: Final Changes to RVUs

Changes to Practice Expense RVUs

- CMS rejects Clinical Practice Information survey results and will maintain the current PE and cost shares for 2026 rate setting.
- Changes to indirect practice cost index from 2025 to 2026.

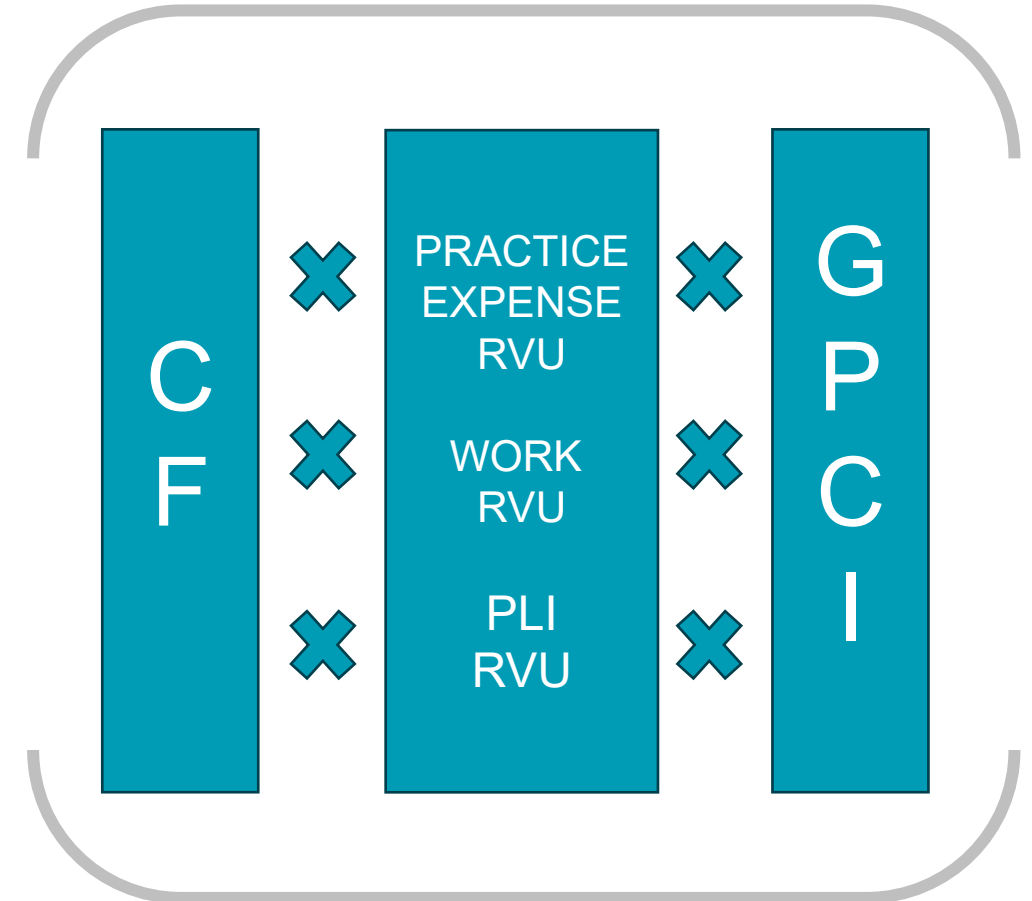
Changes to Work RVUs

CMS expresses concern about the overvaluation of work RVUs for non-time-based codes.

The agency finalized an efficiency adjustment to account for changes in medical practice over time.

- 2.5% reduction for CY 2026

Changes to Professional Liability RVUs



2026 PFS: Estimated Impact on PT/OT Services

Total Allowed Charges (2025 to 2026)

Estimated Overall Impact: 1.75%

CMS Impact Table: -1%

→ Does not include Congressional funding or APM adjustment

Top PT Codes (Includes RVU Updates)

HCPCS	2024 Services	% Change in Total Pay	FINAL % Change in Total Pay
97110	55,445,560	1.00%	0.9%
97530	36,573,001	1.40%	1.34%
97112	31,281,147	2.30%	2.23%
97140	26,074,093	-0.40%	2.04%
97116	4,814,845	1.00%	0.95%
97161	1,671,630	0.30%	0.20%
97162	1,471,337	0.30%	0.20%



PFS Context. Nearly all specialty providers will not feel the full impact of the 3.26% increase. Varied impact by CPT code.



RVU Changes Persist. Unexplained changes to practice expense and malpractice RVUs across PM&R codes.



GPCI Changes Finalized. Every three years, the geographic price cost index is recalculated. Payment will vary based on GPCI.

2026 PFS: Digital Health

Telehealth

Reduced Steps in Submission Process

CMS removed Steps 4 and 5 from the current 5-step telehealth review and request process.

All Provisional Codes Gain Permanent Status

All physical therapist codes that currently have provisional status on the Medicare Telehealth Services List would be given permanent status.

Congress MUST extend telehealth flexibilities for PTs and PTAs past Jan. 30!

Remote Therapeutic Monitoring

New RTM supply codes will apply to 2-15 days of transmitted data.

- **98985, 98986, and 98977:** 2 or more days of monitoring in a 30-day period
- **98979:** 10-19 minutes of treatment management

The existing codes will be adjusted to apply to 16-30 days of transmitted data.

- **98980:** First 20 minutes per month
- **98981:** 20 additional minutes over 98980

2026 PFS: Administrative Priorities in the Final Rule

Administrative Priorities

Tackling Chronic Disease

CMS received comments from stakeholders on how to improve chronic disease management and prevention.

Regulatory Relief

Through multiple requests, CMS received comments on how to reduce provider burden through regulatory relief.

Ambulatory Specialty Model

- Mandatory alternative payment model for low back pain and congestive heart failure in select regions.
- Adjusts payment for specialists based on targeted measures to see if it enhances quality and reduces costs.

CMS Response to APTA Comments:

CMS appreciated APTA's recommendation the model include a measure to incentivize access to our high value services for low back pain but did not revise the model's proposed measure set.

Start Date: January 1, 2027.

Run Time: Five performance years through December 31, 2031.

More Info: <https://www.cms.gov/priorities/innovation/innovation-models/asm>

2026 QPP: What You Need to Know in 2026

PT/OT Quality Measure Set

- Measure Additions
 - High Blood Pressure
- Measure Removals
 - Screening for Social Drivers of Health
 - Connection to Community Service Provider
- Measure Modifications
 - Preventive Care and Screening: Screening for Depression and Follow-Up Plan
 - Gains in Patient Activation Measure (PAM) Scores at 12 Months
 - Dementia: Cognitive Assessment

No Changes to Data Completeness or Performance Thresholds

- Performance Threshold: 75 points
- Data Completeness Threshold: 75 points

Promoting Interoperability Exemptions



Hardship Deadline. Applications for the exemption must be submitted by **8 pm et on Dec. 31, 2025**



Small Practice Eligibility. Check to see if you are a designated small practice on the QPP eligibility page

2026 QPP: Rehabilitative Support for Musculoskeletal Care MVP

Changes to MSK MVP

New Quality Measures

- Q134: Preventive Care and Screening: Screening for Depression and Follow-Up Plan
- Q182: Functional Outcome Assessment

Measures Slated for Removal

- Q487: Screening for Social Drivers of Health

Measures With Modifications

CMS is proposing to remove denominator exclusions for 'patients that are non-English speaking and translation services are unavailable' for the following measures:

- MSK6: Neck
- MSK7: Upper Extremity
- MSK8: Back
- MSK9: Lower Extremity

Changes to MSK MVP Cont.

New Improvement Activities

- IA_BE_15: Engagement of Patients, Family and Caregivers in Developing a Plan of Care
- IA_BE_16: Evidenced-based techniques to promote self-management into usual care
- IA_AHW_X: Chronic Care and Preventative Care Management for Empaneled Patients

Improvement Activities Slated for Removal

- IA_AHE_9: Implement Food Insecurity and Nutrition Risk Identification and Treatment Protocols
- IA_AHE_12: Practice Improvements that Engage Community Resources to Address Drivers of Health
- IA_CC_1: Implementation of Use of Specialist Reports Back to Referring Clinician or Group to Close Referral Loop
- IA_PM_26: Vaccine Achievement for Practice Staff: COVID-19, Influenza, and Hepatitis B.

2026 PFS: Updated APTA Resources

Expect the following resources to be updated heading into 2026:

- Medicare Physician Fee Schedule Calculator
- Remote Therapeutic Monitoring Practice Advisory
- Quality Payment Program

Updated MLN on Plan of Care Certifications



Medicare Learning Network Fact Sheet: Plan of Care Changes

Complying with Outpatient Rehabilitation Therapy Documentation Requirements

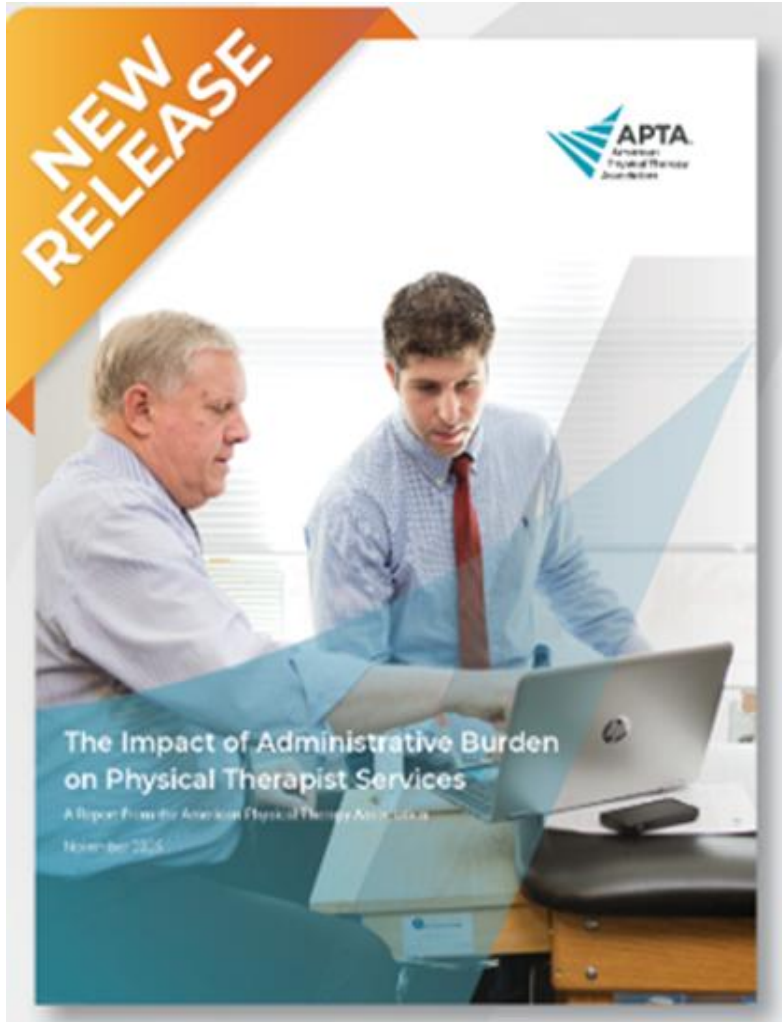


Confirm the physician or NPP certified the POC (and recertified it when appropriate) with their signature and date. **Starting January 1, 2025, for therapist-established POCs, the physician's or NPP's dated signature on the order or referral may be substituted for a signature on the initial POC if that physician or NPP hasn't signed and returned the patient's POC to the therapist within 30 calendar days of the initial evaluation. This applies only when the patient's physician or NPP signs and dates the written order or referral, including information to identify the physician or NPP as well as the patient, and indicates the type of therapy needed, for example, physical therapy, occupational therapy, or speech-language pathology services. Documentation requirements are met for this "exception to the signature requirement" on the initial POC when the patient's medical record includes that written order or referral, along with further evidence that the POC was delivered to the physician or NPP within 30 calendar days of the therapist's initial evaluation. This policy doesn't apply to recertifications or to POCs in a comprehensive outpatient rehabilitation facility (CORF).**

Administrative Burden Report and Infographic



Admin Burden Report: Introduction



A new APTA report compares seven years of survey data and reveals a steady escalation in **prior authorization, denied claims, and documentation requirements.**



Admin Burden Report: History & Details of Current Report

APTA's third administrative burden survey of members across practice settings:

- Previous surveys conducted in 2018 and 2022.
- Distributed to 18,888 members with 856 completing the survey.
- 2025 added a report and an infographic where previous years had only infographic.
- Report compares data from all surveys through the years.

Report and Infographic Published to APTA.org on November 12, 2025:

Assist in fighting to reduce administrative burden with information for payers, lawmakers and regulators. The report also lists wins and advocacy efforts to reduce administrative burden.

Admin burden takes many forms: Obtaining prior authorization, appealing denied claims, fulfilling documentation requirements, etc.

APTA Public Policy Priorities, 2025-2026: Includes reducing administrative burden.

Admin Burden Report: Findings & Related Wins

Key findings from the report:

- Wait times for prior authorization have escalated steadily over the last seven years, with **30% of survey respondents waiting one to two weeks for prior authorization approval.**
- Prior authorization requirements negatively impacted patients' clinical outcomes, according to 85% of respondents. A similar number, 83%, of respondents agreed or strongly agreed that prior authorization has caused their patients to abandon treatment.
- In the latest survey, 75% of respondents said they had to hire administrative staff to keep up with the administrative demands.
- A majority of respondents, 57%, agreed or strongly agreed that administrative burden has led their practice to discontinue participation with a payer or network.

Recent state legislative wins:

Indiana, Oregon in 2025; Mississippi, Vermont, Wyoming in 2024, Maine in 2023

Improving Seniors' Timely Access to Care Act:

Addresses unnecessary preauthorization requirements and introduced in the House on May 20, 2025.

PTPAC and Grassroots Update



APTA Capitol Hill Day 2026

- April 19-21
- Hilton Washington DC Capitol Hill
 - Walking distance to Capitol Hill
- Registration opening in early 2026

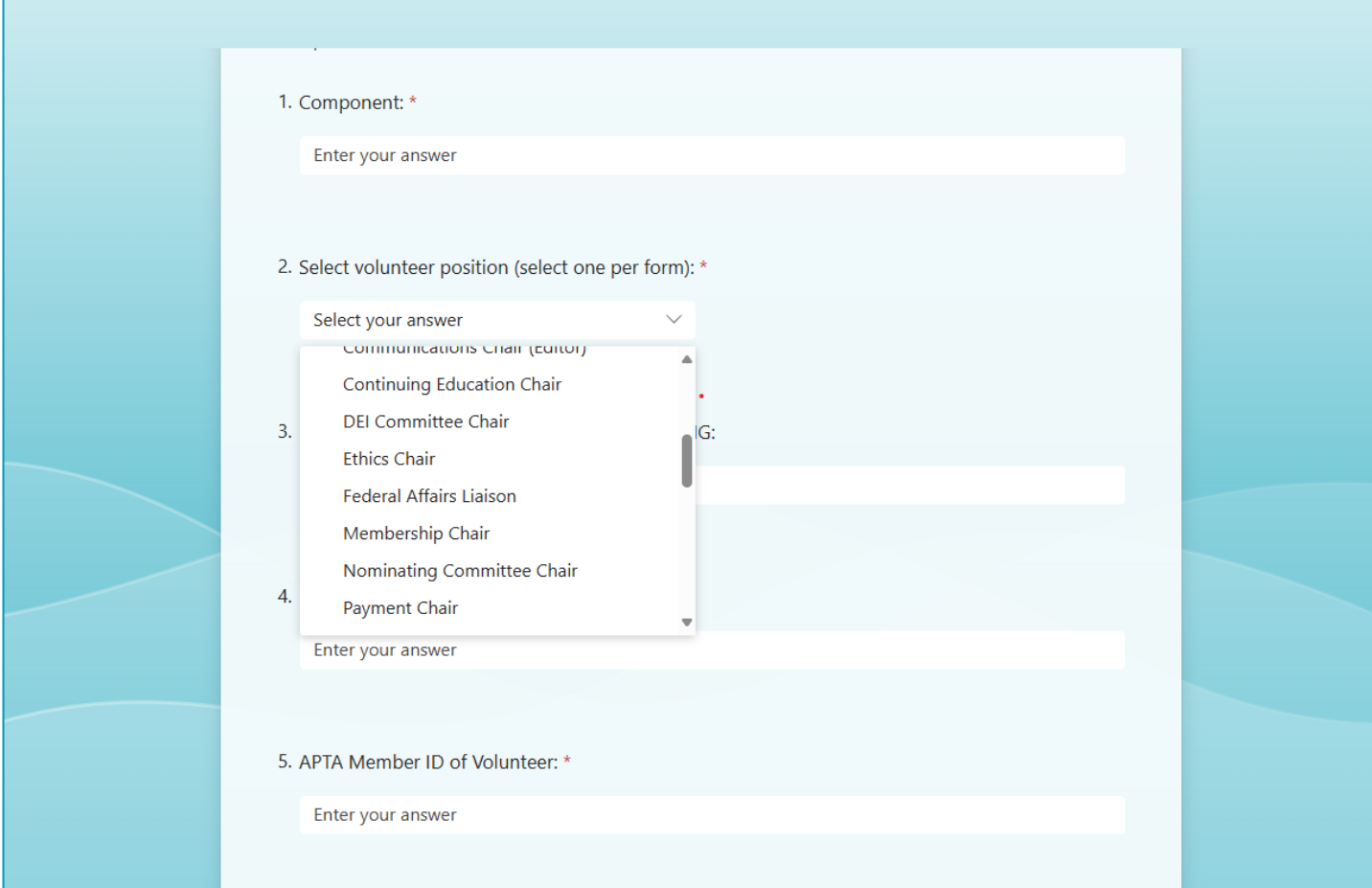


How is 2026 different from 2025?

- Longer (2 days)
 - Breakout sessions
- Priority Key Contacts funded
- FALs are **NOT** funded

2026 FAL Appointments

- Appointed by component leadership
- Express your interest/intent
- Form must be completed for all FALs
- Centralized process
- **Due Dec. 19**



The screenshot shows a web form with five numbered sections:

- 1. Component: ***
Enter your answer
- 2. Select volunteer position (select one per form): ***
Select your answer
A dropdown menu is open, listing the following options:
 - Communications Chair (editor)
 - Continuing Education Chair
 - DEI Committee Chair
 - Ethics Chair
 - Federal Affairs Liaison
 - Membership Chair
 - Nominating Committee Chair
 - Payment Chair
- 3. IG:**
Enter your answer
- 4. ***
Enter your answer
- 5. APTA Member ID of Volunteer: ***
Enter your answer

2026 FAL Schedule

- Wednesday, January 28
 - Wednesday, February 25
 - Wednesday, March 25
 - Wednesday, April 29
 - Wednesday, May 27
 - Wednesday, June 24
 - Wednesday, July 29
 - Wednesday, August 26
 - Wednesday, September 30
 - Wednesday, October 28
 - Wednesday, November 18**
 - Wednesday, December 16**
- Last Wednesday of the month

Honors and Awards

- Federal Government Affairs Leadership Award
 - APTA member
 - Check out description on submission page
 - Completed online application, CV, and letters of support
 - **Deadline is December 1**

Questions & Answers



Thank You

Next call is Wednesday, December 17 at 8:00 p.m. ET

