WHITE PAPER

MRAT

CMS Releases CY 2027 Medicare Physician Fee Schedule Proposed Rule

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EXECUTIVE SUMMARY

The 2027 Medicare Physician Fee Schedule (MPFS) Proposed Rule, which the Centers for Medicare & Medicaid Services (CMS) issued July 14, 2026, describes potential changes to the fee schedule starting next year. Following is a summary of proposed changes likely to affect clinician reimbursement in 2027, as well as Wakely's analysis of prospective rate changes using national Medicare fee-for-service (FFS) data and the Wakely Medicare Repricing Analysis Tool (WMRAT).

Wakely estimates that average MPFS reimbursement will decrease by approximately 2.2% under the proposed changes.

Key observations from the proposed rule and our analysis include:

- The conversion factor will decrease by 1.2% in 2026–2027 for all qualifying participants (QPs) in an Alternative Payment Model (APM) and 1.7% for non-QPs. The reduction is largely driven by the expiration of the temporary 2.5% statutory payment increase applied in calendar year (CY) 2026.
- The Geographic Practice Cost Indices (GPCIs) undergo a comprehensive rebasing every three years, with the most recent one occurring in CY 2026. The CY 2026 GPCI update will be phased in over two years, with half implemented in CY 2026 and the remainder in CY 2027. Wakely observed notable changes to the malpractice expense (ME) GPCIs in certain geographic areas and some variation by locality in payment changes.
- Relative Value Unit (RVU) factors are slated to change in CY 2027, with effects varying by provider specialty. Notably, CMS proposes a significant overhaul of the methodology used to develop practice expense (PE) RVUs, replacing reliance on survey-based data with more objective, routinely updated, and auditable data sources. The proposed methodology would be phased in over two years.
- CMS proposes changes to the coding and payment for the office/outpatient evaluation and management (O/O E/M) visit complexity add-on. Specifically, the complexity add-on would transition from Healthcare Common Procedure Coding System (HCPCS) code G2211 (i.e., billed and paid as a separate line item) to a modifier appended to the associated O/O E/M service. Under the proposal, the modifier would increase payment for the underlying O/O E/M service by 16%. For practitioners who participate in the Medicare Shared Savings Program (MSSP) or Long-Term Enhanced Accountable Care Organization Design (LEAD), the adjustment would increase to 32%.

- CMS also proposes a reduction in payment when an O/O E/M visit occurs on the same day as a procedure with a 0-, 10-, or 90-day global period. Under the proposal, the most expensive service—either the O/O E/M visit or the global surgical procedure—would continue to be paid at 100%, while payment for the remaining qualifying services would be reduced to 50%. CMS states that the change is intended to reduce duplicative payment for overlapping resources.
- CMS proposes several changes to payment for remote physiologic monitoring (RPM) and remote therapy monitoring (RTM), including limiting services to established patients, requiring a separately reportable initiating visit, requiring services to be furnished by clinical staff rather than contractors, and updates to how these services are valued under MPFS.

Wakely used national Medicare FFS data and repriced claims using the published CY 2027 Proposed Rule fee schedules to estimate the financial impact of the proposed payment changes. Our analysis captures the effects of the proposed conversion factor change, GPCI updates, RVU updates, and the G2211 payment methodology changes. Wakely estimates that average MPFS reimbursement will decrease by approximately 2.2% for non-QPs under the proposed changes included in our analysis.

The decrease is driven primarily by the 1.7% reduction in the non-QP conversion factor, whereas proposed RVU and geographic changes each contribute approximately 0.3% of additional downward pressure. The proposed G2211 methodology change partially offsets these reductions, increasing estimated payment by approximately 0.1%. We have not modeled the proposed payment reduction for same-day O/O E/M visits and global procedures or the proposed changes to RPM and RTM payment. Additional details regarding our methodology and findings are provided later in this white paper.

Overall, the proposed rule would create meaningful variation across provider specialties, with orthopedic surgery and neurosurgery among the provider specialties experiencing the largest projected payment decreases. Conversely, clinical psychologists, licensed clinical social workers, and physical therapists in private practice are among the practitioner types projected to see the largest payment increases. Estimated payment impacts also varied by geographic area, ranging from a 3.6% decrease in Arkansas to a 0.8% decrease in Atlanta, GA.

Wakely will closely monitor which of the proposed changes CMS includes in the final rule, which is expected to be released later this fall.

CONVERSION FACTOR DECREASES

The conversion factor is a multiplier applied to the RVUs and GPCIs to determine payment rates for services reimbursed under the MPFS. Beginning in CY 2026, CMS established two conversion factors: one for QPs and one for non-QP physicians and practitioners.

For CY 2027, CMS proposes a conversion factor of $33.1693 for QPs and $32.8409 for non-QPs, representing decreases of 1.19% and 1.68%, respectively, from the CY 2026 conversion factors. Much of the decrease is driven by the expiration of the temporary 2.5% statutory payment increase that applied only to CY 2026. The remainder reflects applicable statutory updates and the budget neutrality adjustment required by the proposed RVU changes.

Because provider-specific QP status is not publicly available, all analysis presented in this white paper is based on the proposed CY 2027 non-QP conversion factor.

Table 1 summarizes the proposed CY 2027 conversion factor build-up.

Table 1. CY 2027 Proposed Conversion Factor Build-Up

Conversion Factor Build-Up	QP	Non-QP	Description
CY 2026 Conversion Factor	$33.5675	$33.4009	(a)
Expiration of Temporary CY 2026 2.5% Statutory Payment Increase	0.976	0.976	(b) = 1 / 1.025
Statutory Update Factor (0.75% for QPs, 0.25% for non-QPs)	1.0075	1.0025	(c)
CY 2027 RVU Budget Neutrality Adjustment Factor	1.0053	1.0053	(d)
Resulting CY 2027 Conversion Factor	$33.1693	$32.8409	(e) = (a) x (b) x (c) x (d)
Conversion Factor Change (%)	−1.19%	−1.68%	(f) = (e) / (a) −1

GEOGRAPHIC CHANGES

GPCIs are used in Medicare physician reimbursement to account for geographic differences in the cost of providing care. GPCIs undergo a comprehensive rebasing every three years, with the most recent rebasing occurring in CY 2026. The CY 2026 GPCI update is being phased in over two years, with half of the adjustment implemented in CY 2026 and the remaining half in CY 2027. CMS did not otherwise propose any significant policy or methodological changes to the GPCIs for CY 2027.

Wakely compared the CY 2027 Proposed Rule GPCIs with the CY 2026 Final Rule GPCIs and found small changes in the physician work and PE GPCIs. More substantial changes were observed for the malpractice expense[1] (ME) GPCIs. Because meaningful changes to the ME GPCIs also occurred as part of the CY 2026 rebasing, CY 2027 represents a second consecutive year of notable movement in these values. Although malpractice RVUs typically represent a relatively small component of total Medicare physician payment, these changes in ME GPCI factors may have a meaningful impact on specific provider specialty groups in the affected geographic areas.

Wakely's analysis also found meaningful variation in overall estimated payment impacts across Medicare localities. Additional results are presented in the Estimated Payment Impact by Geographic Locality section of this white paper.

RELATIVE VALUE UNIT CHANGES

RVUs are used to establish relative payment amounts across a variety of services and are updated annually. The MPFS uses physician work, PE, and malpractice expense RVUs, together with the conversion factor and GPCIs, to determine Medicare physician payment rates. CMS has published proposed CY 2027 RVUs in the CY 2027 MPFS Proposed Rule Addenda.

Notably, CMS proposes a significant overhaul to the methodology used to develop PE RVUs, replacing reliance on survey-based data with what CMS considers more objective, routinely updated, and auditable data sources. The proposal would phase out the Indirect Practice Cost Index step from the PE RVU methodology over two years and introduce a stabilizer that limits annual changes in PE RVUs to +/-5%.

[1] This is a measurement of the geographic difference in physician malpractice insurance premiums.

Because the revised methodology would be phased in over two years, the CY 2027 PE RVUs represent only the first year of implementation. Additional movement in PE RVUs should be expected in CY 2028, although the magnitude and direction of those will also depend on other annual updates to the MPFS.

Wakely used the 2024 Medicare 5% Sample Limited Data Set (LDS) to evaluate the impact of the proposed CY 2027 MPFS changes. We limited our analysis to Medicare FFS carrier claims and excluded claims associated with ambulatory surgery centers (ASCs). Using WMRAT, we repriced eligible claims under both the CY 2026 Final Rule and the CY 2027 Proposed Rule. Facility and non-facility rates were applied based on place of service. Multiple procedure payment reduction (MPPR) adjustments were excluded as the 2027 proposed rule addenda lacks the level of detail needed to perform MPPR adjustments. Our analysis was limited to services appearing on both the CY 2026 Final Rule and CY 2027 Proposed Rule fee schedules. We did not reprice services reimbursed under the clinical laboratory, durable medical equipment, anesthesia, ambulance, or Part B drug fee schedules.

Because the analysis applies CY 2026 and proposed CY 2027 payment rates to CY 2024 utilization, the results do not reflect changes in coding or utilization patterns that occurred after CY 2024. This limitation may be more significant for specialties affected by material coding changes between CY 2024 and CY 2027 and may result in differences between Wakely's estimates and CMS's published specialty-level impact estimates.

The Estimated Payment Impact by Provider Specialty section of this paper includes a summary of the combined impact of the proposed conversion factor, GPCI, and RVU changes by provider, along with the impact of the proposed complexity add-on change.

EVALUATION AND MANAGEMENT (E/M) COMPLEXITY ADD-ON CHANGES

CMS proposes changes to coding and payment for the office/outpatient evaluation and management (O/O E/M) visit complexity add-on, HCPCS code G2211. G2211 is currently reported in addition to an eligible O/O E/M visit to recognize the inherent complexity associated with providing longitudinal care. The code is billed as a separate claim line and receives a separate payment in addition to the underlying O/O E/M service.

Under the CY 2027 Proposed Rule, CMS proposes replacing HCPCS code G2211 with a modifier appended to the associated O/O E/M service. Rather than paying a separate add-on code, the modifier would increase payment for the underlying O/O E/M service by 16%. For practitioners participating in MSSP or LEAD, the payment adjustment would increase to 32%. CMS states that a flat dollar add-on payment does not scale with the complexity of the underlying O/O E/M visit. The proposed modifier would instead provide a percentage-based payment adjustment that is proportional across eligible O/O E/M visit levels.

After using WMRAT to reprice eligible claims under both the CY 2026 Final Rule and the CY 2027 Proposed Rule, we applied an additional adjustment to estimate the impact of the proposed complexity add-on change. We identified HCPCS code G2211 claim lines in the O/O setting in the 2024 LDS data and the associated O/O E/M service on the claim (CPT codes 99202–99205 and 99211–99215). To model the proposed payment methodology, we set the CY 2027 repriced amount for the G2211 claim line to $0 and increased the CY 2027 repriced amount for the associated O/O E/M service by 16%. Because practitioner-level MSSP and LEAD participation could not be identified in the data, our analysis applies the 16% adjustment to all identified services and does not model the proposed 32% adjustment for eligible MSSP and LEAD participants.

Wakely reviewed the 2024 LDS data to evaluate the prevalence of G2211 among O/O E/M visits and found that the G2211 code was reported in 11% of O/O E/M visits. G2211 use varied considerably across provider specialties, with nephrology, rheumatology, endocrinology, urology, and family practice having the highest observed utilization rates. Conversely, podiatry, dermatology, orthopedic surgery, otolaryngology, and optometry had among the lowest observed utilization rates. Because the proposed payment change replaces the current flat dollar add-on with a percentage-based adjustment, the financial impact will also vary based on the mix of O/O E/M visit levels within each specialty.

Table 2 summarizes prevalence across the 30 provider specialties with the highest O/O E/M visit counts in the 2024 LDS data. Because CY 2024 was the first year Medicare paid for HCPCS code G2211, utilization observed in the 2024 claims data may not reflect mature billing patterns. Accordingly, the estimated impact of the proposed payment methodology may differ from estimates based on more recent utilization.

Table 2. Prevalence of G2211 Among O/O E/M Visits by Provider Specialty

Provider Specialty Code	Provider Specialty Description	2024 LDS O/O E/M Visit Count	% of O/O E/M Visits with G2211
08	Family Practice	1.13M	20%
11	Internal Medicine	1.12M	18%
50	Nurse Practitioner	929K	10%
97	Physician Assistant	637K	7%
06	Cardiovascular Disease (Cardiology)	549K	13%
07	Dermatology	507K	1%
20	Orthopedic Surgery	416K	1%
18	Ophthalmology	363K	3%
48	Podiatry	352K	<1%
34	Urology	290K	23%
83	Hematology-Oncology	274K	19%
04	Otolaryngology	200K	1%
13	Neurology	199K	16%
41	Optometry	177K	1%

Provider Specialty Code	Provider Specialty Description	2024 LDS O/O E/M Visit Count	% of O/O E/M Visits with G2211
29	Pulmonary Disease	166K	11%
10	Gastroenterology	145K	4%
46	Endocrinology	140K	25%
66	Rheumatology	131K	30%
39	Nephrology	126K	34%
C3	Interventional Cardiology	124K	15%
25	Physical Medicine and Rehabilitation	106K	5%
02	General Surgery	106K	2%
26	Psychiatry	93K	4%
16	Obstetrics & Gynecology	86K	3%
90	Medical Oncology	85K	19%
72	Pain Management	77K	6%
21	Clinical Cardiac Electrophysiology	62K	10%
05	Anesthesiology	62K	7%
09	Interventional Pain Management	50K	6%
77	Vascular Surgery	48K	3%

SAME-DAY E/M AND GLOBAL PROCEDURE PAYMENT CHANGES

CMS proposes a reduction in payment when an O/O E/M visit occurs on the same day as a procedure with a 0-, 10-, or 90-day global period. Under the proposal, the highest paid service (either the O/O E/M visit or the global procedure) would continue to be paid at 100%, whereas payment for the remaining qualifying services would be reduced to 50%. CMS states that the change is intended to reduce duplicative payment for overlapping resources.

Wakely reviewed the 2024 LDS data to evaluate the prevalence of O/O E/M visits reported with modifier –25 occurring in conjunction with a procedure having a 0-, 10-, or 90-day global period. For this analysis, we identified qualifying global procedures reported on the same professional claim as the O/O E/M visit as a proxy for services furnished the same day.

Across all O/O E/M visits, Wakely found that 11% were reported with modifier –25 and had a procedure with a 0-, 10- or 90-day global period reported on the same claim. Exposure to the proposed policy varied considerably across provider specialties, however, with dermatology, otolaryngology, and podiatry having the highest observed rates at approximately 60%, 45%, and 35%, respectively.

While we did not model the financial impact of the proposed payment reduction, this analysis provides an indication of the specialties that may have greater exposure to the proposed change. Because this payment reduction is not reflected in Wakely's modeled specialty payment impacts presented later in this white paper, the results for specialties with high observed exposure—including dermatology, otolaryngology, and podiatry—should be interpreted accordingly

Table 3 summarizes the prevalence of same-day global procedures among O/O E/M visits by provider specialty for the 30 specialties with the highest O/O E/M visit counts in the 2024 LDS data.

Table 3. Prevalence of Same-Day O/O E/M and Global Procedures by Provider Specialty

Provider Specialty Code	Provider Specialty Description	2024 LDS O/O E/M Visit Count	% of O/O E/M Visits with Mod 25 and a Global Proc on the Same Claim
08	Family Practice	1.13M	3%
11	Internal Medicine	1.12M	1%
50	Nurse Practitioner	929K	7%
97	Physician Assistant	637K	21%
06	Cardiovascular Disease (Cardiology)	549K	<1%
07	Dermatology	507K	60%
20	Orthopedic Surgery	416K	23%
18	Ophthalmology	363K	12%
48	Podiatry	352K	35%
34	Urology	290K	9%
83	Hematology-Oncology	274K	<1%
04	Otolaryngology	200K	45%
13	Neurology	199K	2%
41	Optometry	177K	2%
29	Pulmonary Disease	166K	<1%
10	Gastroenterology	145K	1%
46	Endocrinology	140K	<1%

Provider Specialty Code	Provider Specialty Description	2024 LDS O/O E/M Visit Count	% of O/O E/M Visits with Mod 25 and a Global Proc on the Same Claim
66	Rheumatology	131K	7%
39	Nephrology	126K	<1%
C3	Interventional Cardiology	124K	<1%
25	Physical Medicine and Rehabilitation	106K	11%
02	General Surgery	106K	6%
26	Psychiatry	93K	<1%
16	Obstetrics & Gynecology	86K	9%
90	Medical Oncology	85K	<1%
72	Pain Management	77K	7%
21	Clinical Cardiac Electrophysiology	62K	<1%
05	Anesthesiology	62K	7%
09	Interventional Pain Management	50K	7%
77	Vascular Surgery	48K	3%

Note: Same-claim reporting was used as a proxy for services furnished on the same day.

MATERNITY CODE UPDATES

In May 2025, the American College of Obstetricians and Gynecologists issued new clinical guidelines recommending that maternity care professionals tailor visit schedules to each pregnant patient's needs. In response, the American Medical Association Resource-Based Relative Value System (RBRVS) Update Committee revised the maternity global code set by deleting 17 legacy CPT codes, creating 12 new CPT codes, and revising nine existing CPT codes. The revised structure separates services that were previously bundled into the maternity global period—antepartum care, delivery, and postpartum care—into individual codes.

In addition to proposing budget-neutral RVUs for the new CPT codes, CMS plans to develop 15 new G-codes that retain the prior maternity global code structure. If finalized, these HCPCS G-codes would be used for Medicare payment and would follow the existing maternity global period and code payment rules.

ESTIMATED PAYMENT IMPACT BY PROVIDER SPECIALTY

As described previously, Wakely used WMRAT to reprice eligible claims under both the CY 2026 Final Rule and the CY 2027 Proposed Rule and applied an additional adjustment to estimate the effect of the proposed complexity add-on change. **Table 4** summarizes the combined impact of the proposed conversion factor, GPCI, RVU, and complexity add-on changes by provider specialty for the 35 specialties with the highest Medicare allowed amounts in the 2024 LDS data.

Overall, the proposed changes result in meaningful variation across provider specialties. Orthopedic surgery and neurosurgery are among the specialties with the largest projected payment decreases, at approximately 6.8% and 4.6%, respectively. Conversely, licensed clinical social workers, clinical psychologists, and physical therapists in private practice are among the few specialties projected to see an increase in payment, at approximately 9.6%, 8.0%, and 1.3%, respectively.

The results in **Table 4** do not reflect the proposed payment reduction for same-day O/O E/M visits and global procedures or the proposed changes to RPM and RTM payment. In addition, because provider-specific QP status is not publicly available, the analysis uses the proposed CY 2027 non-QP conversion factor and applies the 16% complexity add-on adjustment to all identified services rather than the 32% adjustment proposed for eligible MSSP and LEAD participants.

For a more detailed summary including all provider specialties, see **Appendix A**.

Table 4. Estimated CY 2027 MPFS Payment Changes by Provider Specialty

Provider Specialty Code	Provider Specialty Description	2024 LDS Allowed Amount	Estimated Payment Change
11	Internal Medicine	$379.6M	−2.0%
50	Nurse Practitioner	$306.8M	−1.2%
08	Family Practice	$293.8M	−2.1%
30	Diagnostic Radiology	$208.4M	−0.6%
07	Dermatology*	$201.0M	−4.4%
06	Cardiovascular Disease (Cardiology)	$194.5M	−2.0%
18	Ophthalmology	$176.1M	−4.2%
65	Physical Therapist in Private Practice	$166.1M	1.3%
48	Podiatry*	$151.6M	−0.8%
97	Physician Assistant	$150.3M	−2.7%
20	Orthopedic Surgery	$150.2M	−6.8%
93	Emergency Medicine	$111.1M	−1.9%
34	Urology	$74.6M	−2.6%
02	General Surgery	$74.2M	−2.6%
13	Neurology	$61.7M	−3.1%
41	Optometry	$60.8M	−4.1%
22	Pathology	$58.3M	−2.7%
04	Otolaryngology*	$57.0M	−3.3%
29	Pulmonary Disease	$55.3M	−2.6%
83	Hematology-Oncology	$54.3M	−3.1%

Provider Specialty Code	Provider Specialty Description	2024 LDS Allowed Amount	Estimated Payment Change
C6	Hospitalist	$53.5M	−2.7%
25	Physical Medicine and Rehabilitation	$52.2M	−1.2%
10	Gastroenterology	$50.7M	−3.3%
C3	Interventional Cardiology	$48.6M	−2.2%
92	Radiation Oncology**	$42.0M	−4.5%
47	Independent Diagnostic Testing Facility (IDTF)	$41.1M	0.4%
39	Nephrology	$39.8M	−2.4%
26	Psychiatry	$37.2M	−0.3%
21	Clinical Cardiac Electrophysiology	$35.8M	−3.0%
77	Vascular Surgery	$33.7M	0.3%
14	Neurosurgery	$32.6M	−4.6%
68	Psychologist, Clinical	$32.4M	8.0%
35	Chiropractic	$29.4M	−0.5%
80	Licensed Clinical Social Worker	$27.9M	9.6%
66	Rheumatology	$25.7M	−2.7%

**Note: The modeled payment impact is exclusive of the proposed payment reduction for same-day O/O E/M visits and global procedures.*

***Note: The Wakely analysis is based on CY 2024 utilization and therefore does not capture subsequent changes in how certain radiation oncology treatment services are reported.*

ESTIMATED PAYMENT IMPACT BY GEOGRAPHIC LOCATION

To evaluate how the proposed changes might translate into provider payment across geographic areas, Wakely also analyzed the overall estimated payment change by Medicare carrier/locality. These estimates reflect the combined effects of the proposed conversion factor, RVU, complexity add-on, and GPCI changes, as well as differences in the mix of services within each location and therefore should not be interpreted as the isolated impact of GPCI changes.

Estimated payment impacts varied considerably across the 108 Medicare localities analyzed. While the nationwide average payment change was a 2.2% decrease, locality-level estimates ranged from a 3.6% decrease in Arkansas and Southern Maine to a 0.8% decrease in Atlanta. For a more detailed summary including all localities, see **Appendix B**.

Table 5. Localities with Largest and Smallest Estimated Payment Decreases

Largest Decreases	Change	Smallest Decreases	Change
Arkansas	−3.6%	Atlanta	−0.8%
Southern Maine	−3.6%	Visalia, CA	−0.9%
North Dakota	−3.3%	Rest of California	−1.0%
Kansas	−3.3%	Santa Cruz–Watsonville	−1.0%
Rest of Missouri (excl St. Louis & KC)	−3.3%	Miami	−1.1%

DISCLOSURES AND LIMITATIONS

We have relied on published data from CMS for the Medicare 5% Sample LDS and for the CY 2026 Final and CY 2027 Proposed MPFS. We have reviewed the data for reasonableness but have not performed any independent audit or otherwise verified the accuracy of the data/information. Wakely made no adjustments or changes to published data. If the underlying information is incomplete or inaccurate, our estimates could be affected, potentially significantly. In addition, because the analysis uses CY 2024 utilization to estimate CY 2027 payment impacts, the results do not reflect subsequent changes in coding or utilization patterns. This limitation may have a greater effect on specialties that experienced material coding changes after CY 2024.

The assumptions and resulting estimates included in this analysis are inherently uncertain. Users of the results should be qualified to use the information and understand the results and the inherent uncertainty.

No trends or completion factors have been applied to the allowed or repriced amounts, and we calculated repriced amounts gross of sequestration (i.e., no adjustment was made to net sequestration out). In addition, we made no adjustment for Medicare Access and CHIP Reauthorization Act (MACRA) and the Merit-based Incentive Payment System (MIPS). Some HCPCS codes are omitted from the Physician Fee Schedule National Payment File because they are not Medicare services, but nonetheless include RVUs and GPCIs in the MPFS. For these codes, we used the RVUs and GPCIs to calculate a repriced amount.

The analysis in this white paper reflects our interpretation of CMS's published guidance as of July 14, 2026. Results may differ significantly based on the CY 2027 MPFS Final Rule or other federal statutory or regulatory developments.

WAKELY MEDICARE REPRICING ANALYSIS TOOL

Wakely actuaries use the Wakely Medicare Repricing Analysis Tool (WMRAT) to assist clients in repricing medical claims to Medicare FFS rates. Comparing medical claim allowed amounts to Medicare FFS rates is a common practice across the industry, as this analysis provides a useful benchmark for payers to better understand their data and payment practices and for providers to more easily analyze how they are being reimbursed. WMRAT offers a common language for comparing payment rates across multiple lines of business, categories of service, geographic locations, and providers.

Medicare FFS payments are based on a complex and frequently changing set of rules, making both the logic and results nuanced. Whether you are interested in creating pricing assumptions, negotiating more competitive contracts, validating internal payment procedures, or setting up new capitation arrangements, Wakely's Medicare repricing team can assist you with understanding how your medical claims payments compare with Medicare FFS rates and how Medicare fee schedules from different years affect your data. Wakely has access to Medicare repricing payment systems, including IPPS, the Outpatient Prospective Payment System (OPPS), physician and other professional fee schedules, federally qualified health centers (FQHCs), ASCs, and inpatient psychiatric facilities (IPF).

For more information about Wakely's capabilities in this area, contact WMRATSupport@wakely.com.[2]

[2] For more information, go to: https://www.wakely.com/services/product/wakely-medicare-repricing-analysis-tool-wmrat

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ABOUT WAKELY

Founded in 1999, Wakely Consulting Group, an HMA Company, is well known for its top-tier healthcare actuarial consulting services. With nine locations nationwide, Wakely boasts deep expertise in Medicare Advantage, Medicaid managed care, risk adjustment and rate setting, market analyses, forecasting, and strategy development. The firm's actuaries bring extensive experience across all sectors of the healthcare industry, collaborating with payers, providers, and government agencies.

APPENDIX A

Estimated CY 2027 MPFS Payment Changes for All Provider Specialties (Expanded Version of **Table 4**)

This table summarizes estimated payment changes by provider specialty in the 2024 LDS data, sorted by Medicare allowed amount. Results reflect the mix of places of service (facility/non-facility), services, and geographic areas observed within each specialty and therefore may differ from those experienced by individual practitioners.

Provider Specialty Code	Provider Specialty Description	2024 LDS Allowed Amount	Estimated Payment Change
11	Internal Medicine	$379.6M	−2.0%
50	Nurse Practitioner	$306.8M	−1.2%
08	Family Practice	$293.8M	−2.1%
30	Diagnostic Radiology	$208.4M	−0.6%
07	Dermatology*	$201.0M	−4.4%
06	Cardiovascular Disease (Cardiology)	$194.5M	−2.0%
18	Ophthalmology	$176.1M	−4.2%
65	Physical Therapist in Private Practice	$166.1M	1.3%
48	Podiatry*	$151.6M	−0.8%
97	Physician Assistant	$150.3M	−2.7%
20	Orthopedic Surgery	$150.2M	−6.8%
93	Emergency Medicine	$111.1M	−1.9%
34	Urology	$74.6M	−2.6%
02	General Surgery	$74.2M	−2.6%

Provider Specialty Code	Provider Specialty Description	2024 LDS Allowed Amount	Estimated Payment Change
13	Neurology	$61.7M	−3.1%
41	Optometry	$60.8M	−4.1%
22	Pathology	$58.3M	−2.7%
04	Otolaryngology*	$57.0M	−3.3%
29	Pulmonary Disease	$55.3M	−2.6%
83	Hematology-Oncology	$54.3M	−3.1%
C6	Hospitalist	$53.5M	−2.7%
25	Physical Medicine and Rehabilitation	$52.2M	−1.2%
10	Gastroenterology	$50.7M	−3.3%
C3	Interventional Cardiology	$48.6M	−2.2%
92	Radiation Oncology**	$42.0M	−4.5%
47	Independent Diagnostic Testing Facility (IDTF)	$41.1M	0.4%
39	Nephrology	$39.8M	−2.4%
26	Psychiatry	$37.2M	−0.3%
21	Clinical Cardiac Electrophysiology	$35.8M	−3.0%
77	Vascular Surgery	$33.7M	0.3%
14	Neurosurgery	$32.6M	−4.6%
68	Psychologist, Clinical	$32.4M	8.0%
35	Chiropractic	$29.4M	−0.5%

Provider Specialty Code	Provider Specialty Description	2024 LDS Allowed Amount	Estimated Payment Change
80	Licensed Clinical Social Worker	$27.9M	9.6%
66	Rheumatology	$25.7M	−2.7%
24	Plastic and Reconstructive Surgery	$25.3M	−3.7%
46	Endocrinology	$25.1M	−2.1%
69	Clinical Laboratory	$24.7M	−2.9%
44	Infectious Disease	$22.9M	−2.7%
16	Obstetrics & Gynecology	$22.6M	−2.4%
05	Anesthesiology	$22.5M	−2.5%
72	Pain Management	$22.1M	−2.9%
01	General Practice	$20.7M	−1.8%
N/A	Other	$18.3M	4.1%
67	Occupational Therapist in Private Practice	$16.9M	1.3%
90	Medical Oncology	$16.1M	−3.0%
D7	Micrographic Dermatologic Surgery	$15.8M	−4.8%
94	Interventional Radiology	$15.5M	0.2%
81	Critical Care (Intensivists)	$14.2M	−2.8%
09	Interventional Pain Management	$14.0M	−3.0%
33	Thoracic Surgery	$13.0M	−2.3%
03	Allergy/ Immunology	$10.6M	−1.3%

Provider Specialty Code	Provider Specialty Description	2024 LDS Allowed Amount	Estimated Payment Change
40	Hand Surgery	$9.9M	−3.8%
38	Geriatric Medicine	$9.3M	−1.2%
23	Sports Medicine	$8.1M	−4.3%
78	Cardiac Surgery	$7.1M	−2.2%
28	Colorectal Surgery (Proctology)	$6.3M	−3.8%
12	Osteopathic Manipulative Medicine	$4.3M	−2.5%
91	Surgical Oncology	$4.0M	−3.6%
C7	Advanced Heart Failure and Transplant Cardiology	$3.8M	−2.3%
98	Gynecological Oncology	$3.4M	−3.5%
C0	Sleep Medicine	$3.3M	−3.5%
63	Portable X-Ray Supplier	$3.3M	−4.2%
37	Pediatric Medicine	$3.1M	−2.3%
82	Hematology	$3.1M	−3.0%
64	Audiologist	$3.0M	−4.6%
84	Preventive Medicine	$2.9M	−1.6%
89	Certified Clinical Nurse Specialist	$2.8M	0.0%
17	Hospice and Palliative Care	$2.7M	−2.5%
36	Nuclear Medicine	$2.2M	−0.5%

Provider Specialty Code	Provider Specialty Description	2024 LDS Allowed Amount	Estimated Payment Change
15	Speech Language Pathologist	$2.1M	−3.4%
19	Oral Surgery (Dentist only)	$1.6M	−2.1%
99	Undefined Physician type	$1.5M	−2.9%
D4	Undersea and Hyperbaric Medicine	$933.1K	−3.3%
43	Certified Registered Nurse Anesthetist (CRNA)	$656.0K	−1.8%
62	Psychologist	$615.1K	9.8%
71	Registered Dietitian or Nutrition Professional	$612.4K	−4.1%
85	Maxillofacial Surgery	$603.8K	−3.3%
27	Geriatric Psychiatry	$520.2K	−0.5%
86	Neuropsychiatry	$510.6K	−1.7%
74	Radiation Therapy Center	$490.7K	−6.6%
76	Peripheral Vascular Disease	$488.7K	0.3%
A5	Pharmacy	$481.1K	0.9%
79	Addiction Medicine	$353.8K	−2.0%
C5	Dentist	$244.6K	−2.1%
42	Certified Nurse Midwife	$216.5K	−2.1%
D8	Adult Congenital Heart Disease	$123.3K	−2.3%
31	Intensive Cardiac Rehabilitation	$108.6K	−0.1%
75	Slide Preparation Facility	$91.2K	−5.5%

Provider Specialty Code	Provider Specialty Description	2024 LDS Allowed Amount	Estimated Payment Change
45	Mammography Center	$84.5K	−1.2%
C8	Medical Toxicology	$49.1K	−1.9%
60	Public Health or Welfare Agency	$45.3K	1.1%
D3	Medical Genetics and Genomics	$44.5K	−2.9%
70	Clinic or Group Practice	$21.5K	−1.2%
87	All Other Suppliers	$9.0K	1.3%
32	Anesthesiology Assistant	$8.9K	−0.8%

**Note: The modeled payment impact is exclusive of the proposed payment reduction for same-day O/O E/M visits and global procedures.*
***Note: The Wakely analysis is based on CY 2024 utilization and therefore does not capture subsequent changes in how certain radiation oncology treatment services are reported.*

APPENDIX B

Estimated CY 2027 MPFS Payment Changes by Geographic Locality

This table summarizes the estimated payment changes by geographic locality in the 2024 LDS data, sorted by estimated payment change. Results reflect the mix of place of service (facility/non-facility), services, and provider specialty types observed within each locality and, therefore, may differ from the experience of individual providers.

Carrier	Locality	Locality Name	Estimated Payment Change
07102	13	ARKANSAS	−3.6%
14112	03	SOUTHERN MAINE	−3.6%
03302	01	NORTH DAKOTA	−3.3%
05202	00	KANSAS	−3.3%
05302	99	REST OF MISSOURI	−3.3%
03402	02	SOUTH DAKOTA	−3.2%
05102	00	IOWA	−3.2%
04312	00	OKLAHOMA	−3.1%
07302	00	MISSISSIPPI	−3.1%
08202	01	DETROIT	−3.0%
05302	02	METROPOLITAN KANSAS CITY	−3.0%
14112	99	REST OF MAINE	−3.0%
06302	00	WISCONSIN	−2.9%
04412	28	FORT WORTH	−2.8%
04412	11	DALLAS	−2.8%
15102	00	KENTUCKY	−2.8%
04412	15	GALVESTON	−2.8%
10112	00	ALABAMA	−2.8%
15202	00	OHIO	−2.7%

Carrier	Locality	Locality Name	Estimated Payment Change
03102	00	ARIZONA	−2.7%
12502	99	REST OF PENNSYLVANIA	−2.7%
04412	09	BRAZORIA	−2.7%
07202	99	REST OF LOUISIANA	−2.6%
05302	01	METROPOLITAN ST. LOUIS	−2.6%
03202	01	MONTANA	−2.6%
08202	99	REST OF MICHIGAN	−2.6%
04412	18	HOUSTON	−2.6%
01212	01	HAWAII, GUAM	−2.6%
07202	01	NEW ORLEANS	−2.6%
12202	01	DC + MD/VA SUBURBS	−2.6%
01182	74	SANTA MARIA-SANTA BARBARA	−2.5%
01112	64	SALINAS	−2.5%
13102	00	CONNECTICUT	−2.5%
11302	00	VIRGINIA	−2.5%
05402	00	NEBRASKA	−2.5%
03502	09	UTAH	−2.5%
10312	35	TENNESSEE	−2.5%
02102	01	ALASKA	−2.5%
08102	00	INDIANA	−2.4%
11402	16	WEST VIRGINIA	−2.4%
04412	99	REST OF TEXAS	−2.4%
11502	00	NORTH CAROLINA	−2.4%
12502	01	METROPOLITAN PHILADELPHIA	−2.3%
04412	20	BEAUMONT	−2.3%

Carrier	Locality	Locality Name	Estimated Payment Change
02202	00	IDAHO	−2.3%
01112	70	YUBA CITY	−2.3%
14412	01	RHODE ISLAND	−2.3%
12102	01	DELAWARE	−2.2%
06202	00	MINNESOTA	−2.2%
12302	01	BALTIMORE/SURR. CNTYS	−2.2%
01182	18	LOS ANGELES-LONG BEACH-ANAHEIM (LOS ANGELES/ORANGE)	−2.2%
10212	99	REST OF GEORGIA	−2.2%
06102	12	EAST ST. LOUIS	−2.2%
11202	01	SOUTH CAROLINA	−2.1%
13202	01	MANHATTAN	−2.1%
06102	99	REST OF ILLINOIS	−2.1%
13282	99	REST OF NEW YORK	−2.1%
13202	03	POUGHKPSIE/N NYC SUBURBS	−2.1%
01312	00	NEVADA	−2.0%
14212	01	METROPOLITAN BOSTON	−2.0%
09202	50	VIRGIN ISLANDS	−2.0%
01112	56	FRESNO	−1.9%
12302	99	REST OF MARYLAND	−1.9%
01182	17	OXNARD-THOUSAND OAKS-VENTURA	−1.9%
01112	57	HANFORD-CORCORAN	−1.9%
01112	61	REDDING	−1.8%
12402	99	REST OF NEW JERSEY	−1.8%
14312	40	NEW HAMPSHIRE	−1.8%

Carrier	Locality	Locality Name	Estimated Payment Change
09202	20	PUERTO RICO	−1.8%
03602	21	WYOMING	−1.8%
14512	50	VERMONT	−1.7%
01112	63	SACRAMENTO-ROSEVILLE-FOLSOM	−1.7%
01112	60	MODESTO	−1.7%
01112	51	NAPA	−1.7%
13202	02	NYC SUBURBS/LONG ISLAND	−1.7%
14212	99	REST OF MASSACHUSETTS	−1.7%
01112	52	SAN FRANCISCO-OAKLAND-BERKELEY (MARIN CNTY)	−1.7%
12402	01	NORTHERN NJ	−1.7%
01112	55	CHICO	−1.7%
01112	59	MERCED	−1.6%
01112	62	RIVERSIDE-SAN BERNARDINO-ONTARIO	−1.6%
02302	99	REST OF OREGON	−1.6%
04212	05	NEW MEXICO	−1.6%
13292	04	QUEENS	−1.5%
01112	68	STOCKTON	−1.5%
09102	99	REST OF FLORIDA	−1.5%
01182	72	SAN DIEGO-CHULA VISTA-CARLSBAD	−1.5%
02402	02	SEATTLE (KING CNTY)	−1.5%
01182	71	EL CENTRO	−1.5%
01112	09	SAN JOSE-SUNNYVALE-SANTA CLARA (SANTA CLARA CNTY)	−1.5%
01112	54	BAKERSFIELD	−1.4%

Carrier	Locality	Locality Name	Estimated Payment Change
04412	31	AUSTIN	−1.4%
01112	05	SAN FRANCISCO-OAKLAND-BERKELEY	−1.4%
04112	01	COLORADO	−1.4%
01112	67	SANTA ROSA-PETALUMA	−1.4%
01112	53	VALLEJO	−1.3%
01182	73	SAN LUIS OBISPO-PASO ROBLES	−1.3%
09102	03	FORT LAUDERDALE	−1.3%
02302	01	PORTLAND	−1.3%
06102	15	SUBURBAN CHICAGO	−1.3%
06102	16	CHICAGO	−1.3%
02402	99	REST OF WASHINGTON	−1.2%
01112	65	SAN JOSE-SUNNYVALE-SANTA CLARA (SAN BENITO CNTY)	−1.2%
01112	58	MADERA	−1.1%
09102	04	MIAMI	−1.1%
01112	66	SANTA CRUZ-WATSONVILLE	−1.0%
01112	75	REST OF CALIFORNIA	−1.0%
01112	69	VISALIA	−0.9%
10212	01	ATLANTA	−0.8%