November FAL Call Minutes

November 19, 2025, 8:00 PM ET

The Zoom recording can be accessed here: https://apta-org.zoom.us/rec/share/txCFBX5FzSKmdC7ZXBKFW9pfGJl8az81n5qbjTnX0gN8kotz5tAvq8pIr8BSmIiq.zyeDiW5yUbUvIUCG

Congressional Update

Government Funding Status and Advocacy Environment: Recent legislation reopened portions of the federal government, including MilCon and VA, while other departments such as Labor-HHS are only funded through January 30. This creates a compressed timeline and increases the urgency of ongoing advocacy efforts. Telehealth extenders, spending bills, and physician fee schedule issues all require immediate attention.

Telehealth Payment Clarification and Permanency Push: The reopening legislation included language making telehealth payments retroactive, ensuring providers are reimbursed despite the shutdown disruption. However, the situation highlighted the fragility of temporary authorizations. Advocacy continues to focus on securing permanent telehealth provisions.

Potential Reorganization of the Department of Education: Information released in the last 24 hours indicates an administrative effort to reorganize the Department of Education by transferring certain statutory responsibilities to other agencies. The approach uses procedural mechanisms intended to maintain nominal departmental oversight despite the functional transfer. This reorganization is expected to face legal challenges, and updates will be shared as more details emerge.

Caps on Student Loans and Professional vs. Graduate Degree Definitions: A major issue is the proposed distinction between “professional” and “graduate” degrees, which directly affects federal loan caps. Discussions transitioned to the Department of Education’s current rulemaking direction and the implications for programs such as PT, OT, SLP, and other health professions. This issue is becoming increasingly urgent due to its impact on students, academic programs, and future workforce capacity.

RISE Committee and Negotiated Rulemaking: The Department of Education convened the RISE Committee through the negotiated rulemaking process to recommend definitions for professional and graduate degrees. Despite extensive advocacy from more than 60 provider groups, the committee adopted a narrow definition listing only a small set of degrees as “professional.” This shift contradicts longstanding regulatory interpretation and congressional intent, potentially limiting federal loans for many licensed clinical professions.

Anticipated Rulemaking in Early 2026: A formal proposed rule is expected from the Department of Education in early 2026, followed by a public comment period and adoption of final regulations. Under the current recommended definition, many advanced healthcare degrees would be subject to lower annual and lifetime loan caps. Provider groups are preparing coordinated advocacy campaigns to educate Congress and encourage intervention.

RISE Committee Composition and Selection: Questions were raised regarding the makeup of the RISE Committee. The committee consisted largely of educational institutions, financial institutions, and entities involved in student lending, with few provider groups represented. Members were selected by the Secretary of Education, and political and policy considerations appear to have influenced the committee's balance and outcomes.

Regulatory Update

Medicare Physician Fee Schedule Overview: The regulatory update focused on the 2026 Medicare Physician Fee Schedule, including creation of two separate conversion factors for qualifying APM participants and non-qualifying providers, with most PTs falling into the latter group. While the final non-qualifying conversion factor changed only slightly from the proposed rule, statutory and APM-specific updates together result in a 3.26% increase at the conversion-factor level and a higher KX modifier threshold of $2,480.

RVU and Practice Expense Adjustments: Key payment drivers beyond the conversion factor include changes to all three RVU components, with particular emphasis on practice expense. CMS declined to adopt new clinical practice survey data (retaining 2006 cost shares) and appears to have reduced the indirect cost index for physical therapy, prompting follow-up with CMS to understand impacts. Additional practice expense changes, including removal of equipment under $500 from certain calculations (e.g., code 97530), are contributing to payment shifts.

Efficiency Adjustment, Work RVUs, and Other Technical Issues: CMS finalized a 2.5% downward adjustment to work RVUs for non–time-based codes based on concerns that these services are overvalued, a change that is controversial and associated with significant cuts for some specialties. Errors in the proposed rule that inappropriately included some time-based PT codes in the efficiency adjustment list were corrected in the final rule, resulting in increases for those codes. There are also apparent errors in professional liability RVUs for two codes that will be raised with CMS.

Overall Payment Impact and Geographic Adjustments: Despite the headline 3.26% conversion factor increase, the estimated overall impact for PT/OT services in 2026 is a 1.75% payment increase after factoring in RVU and statutory updates. Code-level effects vary, with some services gaining (e.g., manual therapy code 97140) and others decreasing. CMS also updated the Geographic Price Cost Index (GPCI), which will shift payments by locality and may be especially important for small practices to review.

Telehealth Policy Changes: In digital health, CMS made structural changes to the telehealth code list so that codes previously in temporary status are now permanently retained once listed. PT telehealth codes will therefore remain available on a permanent basis, though provider eligibility for telehealth billing continues to depend on congressional extensions. This cements access to key telehealth codes while advocacy continues around PTs' eligible-provider status.

Remote Therapeutic Monitoring (RTM) Updates: New RTM codes were created to allow billing for 2–15 days of monitored data rather than requiring over 16 days, better reflecting real-world musculoskeletal monitoring patterns. Although the final values did not fully match requested RUC recommendations, the added flexibility is expected to improve access and alignment with clinical workflows. Related practice advisories will be updated to reflect these new coding options.

CMS Priorities: Prevention, Chronic Disease, and Deregulation: The fee schedule includes requests for information on prevention and chronic disease management, consistent with the administration's emphasis on physical activity, healthy lifestyle, and reduced dependence on medications and procedures. Comments highlighted the role and value of physical therapy in these areas, though CMS responded only generally that feedback will inform future rulemaking. A separate RFI on regulatory relief continues the administration's focus on deregulation, and submissions have reiterated priorities such as eliminating the 8-minute rule, reducing MPPR impact, and making MIPS participation voluntary.

Ambulatory Specialty Model: CMS finalized a mandatory 5-year ambulatory specialty model for low back pain and congestive heart failure in select geographies starting January 1, 2027. The model tests whether adjusted payments for specialists affect quality and cost, with a particular focus on curbing low-value, high-utilization services. Feedback encouraged inclusion of measures incentivizing referral to physical therapy for low back pain as a high-value service; CMS acknowledged this input but did not alter the initial measure set.

Quality Payment Program (QPP) and MIPS Updates: The Quality Payment Program remains a value-based framework tying Part B reimbursement to performance, with roughly 32% of eligible clinicians participating in MIPS and most receiving modest positive adjustments around 1.3%. For 2026, the PT/OT quality measure set adds a high blood pressure measure, removes two social driver/community connection measures, and tweaks three others, resulting in one fewer available measure overall. Performance and data completeness thresholds remain at 75, and existing exemptions for Promoting Interoperability (hardship and automatic small-practice exemptions) continue.

MIPS Value Pathways (MVPs): MIPS Value Pathways are being positioned as a more streamlined, specialty-focused evolution of MIPS, but currently PTs can only use one applicable MVP: Rehabilitative Support for Musculoskeletal Care. CMS finalized changes including the addition of two requested quality measures, removal of one measure, modification of four others, and addition of three requested improvement activities, while removing several measures related to social drivers and vaccines in line with broader program trends. Participants are encouraged to seek support if they have program-specific implementation questions.

Medicare Tools and Resources: Existing APTA Medicare resources—such as the fee schedule calculator, practice advisories, and QPP articles—will be updated to reflect 2026 policies. The updated calculator is targeted for release ahead of the new year to help providers estimate payment by code. These tools are intended to support practices in understanding and planning for payment changes.

MLN Plan of Care Certification Guidance: The Medicare Learning Network fact sheet on outpatient rehab therapy documentation has been updated to include the plan of care exception finalized in the prior year's fee schedule. This update is the result of ongoing advocacy to ensure CMS guidance documents reflect current policy so that PTs and auditors have consistent information. The change is considered a significant win because it helps providers both use the exception appropriately and demonstrate its validity during review.

Administrative Burden Survey and Report: A first-ever Administrative Burden Report has been released, compiling data from three surveys (2018, 2022, and 2024) and accompanied by an infographic. Findings show a steady increase in burden related to prior authorization, documentation, claims, and appeals, with 30% of respondents now waiting 1–2 weeks for prior authorization—up 9 percentage points since 2018. New questions revealed that 83% of respondents report care abandonment due to prior authorization and 57% report dropping contracts because of uncompensated administrative demands.

Using Burden Data for Advocacy: The report is intended not only to inform members but to serve as a data-driven advocacy tool with health plans, regulators, and lawmakers at both state and federal levels. Recent state legislative wins and ongoing federal efforts on prior authorization reform are highlighted as examples of how such data can drive change. Members are encouraged to use the report and infographic in their outreach and to share questions or feedback through the advocacy contact channel.

PTPAC and Grassroots Update

APTA Capitol Hill Day 2026: Capitol Hill Day 2026 will be held April 19–21 at the Hilton Washington, D.C. Capitol Hill, within walking distance of Capitol Hill, with registration opening in early 2026. The schedule will be expanded: attendees arrive Sunday, participate in advocacy education and issue briefings on Monday, and conduct Hill visits on Tuesday while both the House and Senate are in session. In even-numbered years, priority Key Contacts receive funding to attend Capitol Hill Day, while FALs receive free registration but not travel funding. Funded Key Contacts will be selected based on the Key Contact list and whether their members of Congress serve on health care committees, which may result in some states having more funded attendees and some having none.

FAL Appointments for 2026: FAL appointments for 2026 must be completed by December 19. Appointments are made by component leadership and must be confirmed through APTA's centralized syst0em. Components are urged not to delay until CSM to finalize selections.

2026 FAL Call Schedule: Next year's FAL meetings will continue on the last Wednesday of each month, except for November and December due to holidays. The schedule will be distributed to all FALs at the start of the year.

APTA Honors and Awards: Nominations are encouraged for the Federal Government Affairs Leadership Award and other APTA honors. **The deadline for all award submissions is December 1**. Nominations require an application, CV, and letters of support from APTA members; staff cannot assist with submissions. A link to the submission form is available here. **No late submissions will be accepted.**

PTPAC Participation and Impact: Current PTPAC participation rates are 75% among FALs, 44% among Key Contacts, and 14% among APTA Advocacy Network members, with a call for increased giving, especially among key contacts and network subscribers. Multiple recent examples were shared illustrating how PAC-supported events create direct access to legislators, resulting in new bill co-sponsorships and deeper engagement on issues such as locum tenens, falls prevention, pelvic health, student loans, telehealth, MPPR, and broader payment reform.

APTA Advocacy Network Newsletter: Watch for the upcoming APTA Advocacy Network newsletter, which will include shareable updates and resources for components and advocates, and will serve as a key communication tool heading into the new year.

The next FAL call will be Wednesday, December 17 at 8:00 p.m. ET. Please note it is moved up a week due to the holidays.