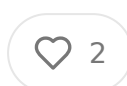


The 2027 Fee Schedule Money Section Conversion Factor Cuts, the G2211 Modifier Swap, a 32 Percent ACO Recruiting Tool, the Remote Monitoring Employment Bomb, and Practice Expense Leaving 2007

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The 2027 Fee Schedule Money Section: Conversion Factor Cuts, the G2211 Modifier Swap, a 32 Percent ACO Recruiting Tool, the Remote Monitoring Employment Bomb, and Practice Expense Leaving 2007

CMS just published the 2027 fee schedule proposal and buried a 32% E/M payment modifier inside it. Here is what that means for every primary care practice in America...

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Abstract

This article covers the payment mechanics of CMS 1848 P, where the dollars actually move. Key proposals:

1. Proposed CY 2027 conversion factors of \$33.17 for QPs (down 1.19 percent) \$32.84 for non QPs (down 1.68 percent), driven by expiration of the one year percent WFTC bump
2. Same day E/M plus global procedure by the same practice: highest priced service at 100 percent, everything else at 50 percent
3. G2211 replaced by modifiers: MOD1 adds 16 percent to the E/M base code; MOD2 adds 32 percent for MSSP ACO practitioners and LEAD Model participant providers, billable for all beneficiaries served, and flows into assignment, benchmarks, and performance year spend
4. Remote monitoring: RTM limited to established patients, initiating visit required for RPM and RTM, payment only for services performed by employed clinic staff rather than contractors, device inputs revalued downward, and a comment solicitation on collapsing the CPT families into four new G codes
5. Practice expense: phase out of the specialty PE per hour scaling step anchor 2007 or earlier data, replaced by a stabilizer; SNF Part A stay indirect PE adjustment; comment sought on the facility versus non facility differential for employed physicians
6. Global surgery: MACRA 523 data collection paused, public use file of input post op visit RVUs published, revaluation openly teased up
7. New coding for shared medical appointments, clinical staff advance care plan codes, SBIRT and tobacco cessation work RVU catch up, DSMT and MNT as stand alone RHC visits
8. A 340B Part D claims repository requirement starting January 2027 and a duplicate testing interoperability RFI

9. The build list: MOD2 aware revenue and ACO accounting, employed model enablement, PE cost evidence platforms, global period exposure analytics

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The conversion factor cliff nobody should pretend is a surprise

Start with the number every practice CFO flips to first. The proposed CY 2027 conversion factor is \$33.17 for qualifying APM participants and \$32.84 for every

else. That looks like a cut because it is one: down \$0.40 or 1.19 percent for QPs ; down \$0.56 or 1.68 percent for non QPs versus 2026. The arithmetic underneath worth spelling out because it explains the politics of the next six months. The statutory updates are positive, 0.75 percent for QPs and 0.25 percent for non QP there is another positive 0.53 percent adjustment for proposed work RVU chang The problem is that the Working Families Tax Cut legislation handed the fee schedule a one year 2.50 percent bump for 2026 only, and that bump now walks the door. Current law simply requires the cliff. Expect the usual year end congressional patch drama, and expect it to matter more this time because the Q versus non QP spread is now permanent and compounding at half a point per ye The two conversion factor structure means every payment discussion in this rule really two discussions, and every model a practice builds needs a QP toggle.

The strategic takeaway is that CMS has stopped hiding the ball. The base fee sch is designed to erode in real terms, the QP differential is designed to widen, and 1 only structurally growing payment concepts in the rule attach to accountable ca participation. The fee for service rate is becoming the mattress in a store that m its money on the delivery fees.



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