



Higher reimbursement for providers who are a qualifying APM participant

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Content Source(s):

- qpp.cms.gov/apms/advanced-apms
 - qpp.cms.gov/participation-lookup
 - qpp.cms.gov/apms/apm-determination-periods
 - cms.gov/newsroom/fact-sheets/calendar-year-cy-2026-medicare-physician-fee-schedule-final-rule-cms-1832-f
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In the CY 2026 Medicare Physician Fee Schedule (MPFS) final rule, the Centers for Medicare and Medicaid Services (CMS) finalized two separate conversion factors beginning January 1, 2026. One conversion factor includes a 0.75 percent increase for providers who meet the criteria as a Qualifying APM Participant (QP) in an Advanced Alternative Payment Model (APM). The second conversion factor includes a smaller 0.25 percent increase for providers who do not meet the QP criteria. This has prompted questions among providers and coders about what qualifies someone as a QP.

Advanced APMs are one track of the Quality Payment Program (QPP). Financial incentives are offered to eligible providers who meet specific participation thresholds. The aim is to reward providers who are providing high value and quality care. To become a QP, the clinician must receive a minimum percentage of Medicare Part B payments or see a certain percentage of Medicare patients through an Advanced APM Entity during the performance period which runs from January 1 through August 31. Beginning with the 2025 performance period, which impacts the 2027 payment year, these thresholds increased to 75 percent of Medicare Part B payments or 50 percent of Medicare patients. Note that the percentage requirements may change for each performance year. The provider may also become a QP through what is known as the All-Payer and Other Payer Option which combines Medicare and other payers including Medicaid and private insurance companies.

APM participation is reviewed after each quarter of a performance year; these reviews are called snapshots. Participation thresholds and QP eligibility are determined after the first three snapshots which cover January 1 through August 31. If the criteria are met, the QP is exempt from the Merit-based Incentive Payment System (MIPS) reporting requirements. Beginning January 2026, the QP also receives higher reimbursement for covered items and services that are included in the physician fee schedule than a provider who is not a QP. The financial incentives for 2026 will be based on performance year 2024. The provider will receive a 1.88 percent APM Incentive Payment in addition to the 0.75 percent conversion factor. Beginning with the 2027 payment year (performance years 2025 and beyond), the APM Incentive Payment will be discontinued. However, clinicians who qualify as QPs will continue to benefit from a higher conversion factor for Medicare payments for covered professional services compared to non-QPs.

QPP Participation Status can be verified in this lookup tool: qpp.cms.gov/participation-lookup. The National Provider Identifier (NPI) can be entered to determine if the provider is QP eligible and exempt from MIPS reporting requirements.

If a provider is not a Qualifying Participant, they can decide if they want to pursue participation in an Advanced APM. If the decision is to proceed, the next step is to identify an Advanced APM that aligns with the practice and confirm whether applications are currently being accepted. A list of Advanced APMs, along with application details, can be found here: cms.gov/priorities/innovation/models#views=models

*All Specialties, Allergy/Immunology, Anesthesia, Behavioral Health, Cardiac Surgery, Cardiology, Cardiothoracic, Cardiovascular surgery, Chargemaster, Chiropractic, Clinical Social Worker, Clinical Trials, Colorectal Surgery, Critical Care, Dental, Dermatology, DME, Emergency Department, Emergency Medicine, Endocrinology, ENT, E/M, Family Practice, Gastroenterology, Gastrointestinal Surgery, General Practice, General Surgery, Genitourinary Surgery, Geriatric Medicine, Gynecology, Hand Surgery, Head and Neck Surgery, Hematology, Hepatology, Home Health, Hospice, Hospitalist, Infectious Disease, Infusions, Inpatient Rehab, Internal Medicine, Interventional Radiology, Laboratory, Long Term Care, Medical Device, Medical Toxicology, Minor Surgery, Musculoskeletal, Nephrology, Nervous System, Neurology, Neurosurgery, OB/GYN, Obstetrics, Occupational Therapy, Oncology, Ophthalmology, Oral Maxillofacial Surgery (OMS), Orthopedics, Orthopedic surgery, Otolaryngology, Pain Management, Part A, Part B, Pathology, Pediatric Medicine, Pharmacy, Physical Therapy, Plastic and Reconstructive Surgery, Podiatry, Primary Care, Psychiatry, Psychologist, Pulmonary, Radiation Oncology, Radiology, Rehabilitation Medicine, Respiratory, Rheumatology, Social Work, Skilled Nursing, Speech Language Pathology, Sports Medicine, Surgical Oncology, Surgical Specialties, Transplant Cardiology, Transplants, Thoracic Surgery, Trauma, Urology, Wound Care, Vascular Surgery



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