DC UPDATE

SVS Society for Vascular Surgery

What the Medicare Physician Fee Schedule Final Rule Means For You

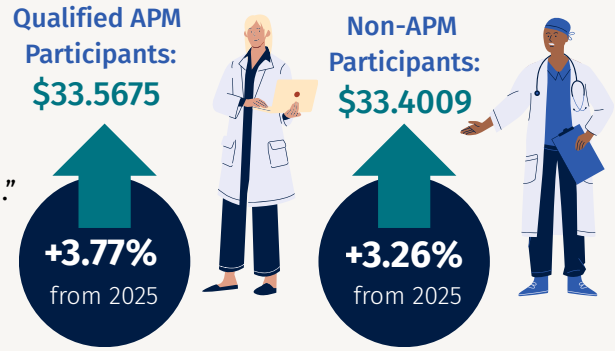
On October 31, the Centers for Medicare and Medicaid Services (CMS) released the final rule for the 2026 Medicare Physician Fee Schedule (PFS), with several provisions that will impact vascular surgery practice and reimbursement.

KEY POLICY CHANGES AFFECTING VASCULAR SURGERY

Conversion Factor Updates

The increases to the conversion factor for 2026 are due to:

- The 2025 MACRA Law that provides a .75% update for all Qualified APM participants and .25% for all others. For SVS members participating in an ACO, you may be considered in a "Qualified APM."
- Legislative changes in the One Big Beautiful Bill Act, passed earlier this year, which contributed a one year +2.5% update for 2026.
- Finalized CMS policy changes that reduce total RVUs and due to budget neutrality, increases payments for services.



Work RVU Efficiency Adjustment

CMS finalized a –2.5% reduction to intra-service times and work RVUs for nearly all non–time-based codes, including all surgical and imaging procedures for 2026, with additional reductions expected every 3 years for an indefinite period.

-2.5%

SVS expressed strong opposition to this efficiency adjustment in its comments to CMS on the CY 2026 Proposed Medicare Physician Fee Schedule Rule. SVS argued that and efficiency adjustment it is fundamentally flawed, particularly for surgical services, which are not subject to automation in the same way as other industries. Citing a 2025 study published in the Journal of the American College of Surgeons, we highlighted that operative times have actually increased by 3.1% between 2019 and 2023, directly contradicting CMS's assumption of increased efficiency. CMS' response to SVS and others' comments was to finalize the -2.5% reduction, but exempt codes that are new in 2026 from the adjustment in 2026.

SVS warned CMS that equating efficiency with speed and reducing payments for procedures perceived as faster could compromise patient safety by incentivizing rushed care. SVS will now work to delay the implementation of this finalized proposal, and we will ask all SVS Member's for their help.

Site of Service Payment Differential

Beginning in 2026, CMS will reduce the allocation of indirect practice expense (PE) costs for hospital-based services by 50%. This change may result in ~10% reduction in RVUs for all hospital inpatient, hospital outpatient, or ASC-based procedures, including those commonly performed by vascular surgeons.

Next Steps

The SVS will continue to advocate for policies that benefit our members, their practices, and the patients they serve. If you have questions or concerns about how these changes may affect your practice, please contact us at: **SVSadvocacy@vascularsociety.org.**