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PULSE

CPT Code Updates for 2026 Expand Remote Monitoring, AI, and Hearing Services

The American Medical Association has announced comprehensive updates to the 2026 Current Procedural Terminology (CPT) code set, introducing 288 new codes among 418 total changes effective Jan. 1, 2026. These updates reflect significant advances in health care technology and delivery models.

Remote Patient Monitoring Gets Shorter Duration Options

Five new codes now allow reporting of remote monitoring services over shorter periods — two to 15 days within a 30-day timeframe. Additionally, two codes report remote monitoring treatment management after just 10 minutes of service per calendar month, reduced from the previous 20-minute threshold.

These changes respond to technological advances, enabling physicians to collect and analyze patient health data for managing acute and chronic conditions outside traditional clinical settings. Research demonstrates that shorter monitoring durations provide patient benefits while keeping pace with modern medical capabilities.

AI Services Receive Dedicated Billing Codes

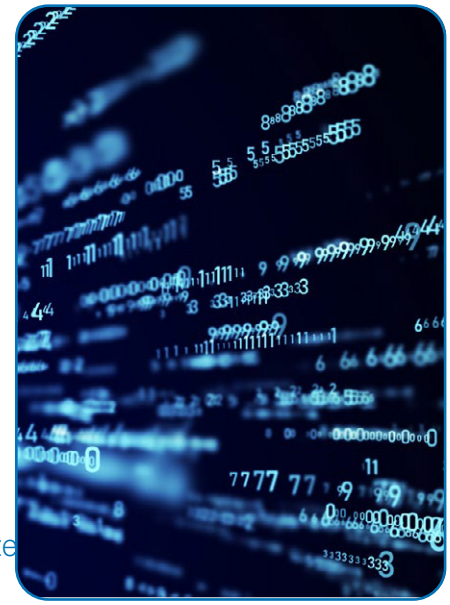
New codes address augmentative and assistive AI services that enhance physician capabilities and improve patient care. Examples include coronary atherosclerotic plaque assessment using augmentative software analysis of coronary computed tomographic angiography data, perivascular fat analysis for cardiac risk assessment, multi-spectral imaging for burn wound classification, and algorithmic analysis for detecting cardiac dysfunction through acoustic and electrocardiogram recordings.

Hearing Device Services Modernize

Twelve new codes reflect innovative approaches to hearing device services, incorporating patient-centered assessments of visual, dexterity, and psychosocial factors. The codes validate device performance and sound quality while providing training and support for patients using personal devices like smartphones connected to hearing aids.

Leg Revascularization Section Overhauled

The lower extremity revascularization section received comprehensive modernization with 46 new codes replacing previous ones. These updates reflect technological advancements and the shift toward outpatient settings,



improving access to advanced therapies that enhance mobility and functional status for patients with persistent symptoms unresponsive to medication or structured exercise.

"CPT is more than a set of billing codes," said AMA President-elect Willie Underwood, III, MD, MSc, MPH. "The CPT code set allows for the seamless flow of complex medical information across the entire health system and has a foundational role in research, analysis, and benchmarking of health care services and outcomes that promotes the delivery of high-quality care."

Cancer Patients Face Persistent Medical Debt Despite High Insurance Coverage

A new population-based study examining nearly 150,000 individuals in Massachusetts has found that cancer patients continue to accumulate medical debt for years following diagnosis, even in a state with relatively high insurance coverage rates. The findings challenge assumptions about financial protection for cancer patients and highlight critical gaps in current health care financing systems.

The retrospective study, led by Dr. Nishant Uppal from Massachusetts General Hospital and published in *JAMA Oncology*, tracked 74,146 patients with first-time cancer diagnoses from 2010 to 2019, comparing them to matched controls without cancer. The research examined nine cancer types, with breast cancer representing the largest group (38.6%), followed by lung cancer (18.6%) and colorectal cancer (14%). Using financial data collected at six-month intervals, researchers analyzed changes in total debt, debt in collections, credit scores, and bankruptcy rates over time.

The study revealed significant variations in financial impact across different cancer types:

Highest-Impact Cancers:

- **Bladder cancer**: $375.77 increase in total debt in collections at 5.5 years post-diagnosis.
- **Colorectal cancer:** $155.55 increase in total debt in collections at 6 years post-diagnosis.

Medical Debt Increases by Cancer Type:

- **Colorectal cancer:** $38.99 increase (persisting up to 6 years).
- **Cervical cancer: $**33.91 increase (up to 1 year).
- **Lung cancer:** $26.68 increase (up to 5.5 years).
- **Breast cancer:** $11.02 increase (up to 4 years)
- **Uterine cancer:** $9.77 increase (up to 1 year).

Notably, liver cancer patients experienced a significant decrease in total debt of $12,608 at 8.5 years post-diagnosis, though researchers did not elaborate on potential explanations for this finding.

Implications for Health Care Providers

Despite Massachusetts' relatively high insurance coverage rates, the study found that cancer diagnosis increased medical debt in collections by up to $15.45 at six years post-diagnosis across all patients. Among those who developed any medical debt in collections, the increase reached $160.01 at six years.

The researchers emphasized that these findings occurred "despite relatively high rates of insurance coverage in Massachusetts," suggesting that current insurance protections may be insufficient to prevent long-term financial hardship.

The study authors concluded that the results "demonstrate the importance of considering financial factors at the time of cancer diagnosis and highlight the need for financial assistance programs that prevent medical debt, which has been associated with diminished access to care."

These findings underscore the need for proactive financial counseling and robust assistance programs that address both immediate and long-term financial challenges facing cancer patients.

NEWS & NOTES

COVID-19 No Longer Top Cause of Death in U.S.

COVID-19 has dropped out of the top 10 leading causes of death in the United States, marking a significant milestone in the nation's recovery from the pandemic, according to new provisional data from the Centers for Disease Control and Prevention.

The overall U.S. death rate declined 3.8% in 2024, falling from 750.5 per 100,000 people in 2023 to 722 per 100,000 last year. This represents the lowest death rate since before the pandemic began, approaching the 2019 pre-pandemic level of 715.2 deaths per 100,000 people.

The dramatic improvement underscores the health care system's progress in managing COVID-19. The death rate had surged 16.8% in 2020 to 835.4 deaths per 100,000 at the pandemic's peak, making the recent decline particularly noteworthy for health care administrators tracking population health trends.

Despite COVID-19's retreat from the top causes of death, the nation's leading killers remain consistent: heart disease, cancer, and unintentional injury continue to top the list. This return to pre-pandemic mortality patterns suggests that health care resources can increasingly refocus on addressing these persistent public health challenges.

Read more.

New CMS Pilot Program to Use AI to Evaluate Coverage Requests

The Centers for Medicare & Medicaid Services has announced a new pilot program that will introduce prior authorization requirements to traditional Medicare for the first time, marking a significant shift from the program's longstanding fee-for-service model.

The Wasteful and Inappropriate Service Reduction (WISeR) model launches Jan. 1, 2026, in New Jersey, Ohio, Oklahoma, Texas, Arizona, and Washington. The program will require prior authorization for 17 outpatient services, including skin and tissue substitutes, nerve-stimulator implants, and knee arthroscopy procedures.

Private vendors will use artificial intelligence to evaluate coverage requests, though licensed providers will make final authorization decisions. Health care facilities can choose between pre-service authorization or face post-service review with potential nonpayment risks.

This pilot represents a major departure from traditional Medicare's appeal of fewer administrative barriers, aligning it more closely with Medicare Advantage practices. Critics worry that financial incentives tied to reducing service utilization could influence coverage decisions inappropriately.

For hospitals in affected states, the program introduces new administrative burdens and potential patient satisfaction challenges. Health care administrators must prepare for increased paperwork, potential treatment delays, and patient frustration with authorization requirements.

Read More.

Hospital Financial Performance Shows Resilience Amid Growing Expense Pressures

Hospital financial performance has remained largely stable through 2025. Still, mounting expense pressures and policy uncertainties are creating headwinds that could threaten future sustainability, according to a new analysis from health care consultancy Kaufman Hall.

Mixed Financial Indicators Signal Cautious Optimism

The report reveals a health care sector experiencing solid growth tempered by rising costs. Net operating revenue per calendar day increased 8% year-to-date through July 2025 compared to the previous year, while median operating margin improved 4% during the same period. Patient volumes have also shown positive momentum, with discharges per calendar day rising 4% compared to 2024.

However, these gains are being offset by significant expense increases. Total expense per calendar day climbed 7% during the same timeframe, with nonlabor expenses driving much of the strain. Supply expenses surged 9% per calendar day year-to-date, while drug costs jumped 10%, reflecting ongoing inflationary pressures across the healthcare supply chain.

Warning Signs Emerge in Uncompensated Care

Perhaps most concerning for hospital administrators is the 10% increase in bad debt and charity care per calendar day, suggesting health care facilities are providing substantially more care that will go unreimbursed. This trend points to growing financial vulnerability, particularly for safety-net hospitals and rural facilities that serve higher proportions of uninsured and underinsured patients.

Erik Swanson, managing director and group leader of data and analytics at Kaufman Hall, noted that "while performance has generally been strong this year, profitability has decreased slightly over the past few months. This points to potential challenges for hospitals and health systems to weather future uncertainty."

Policy Changes Threaten Financial Stability

Several major policy developments could significantly impact hospital finances in the coming months. President Trump's comprehensive tariff policies may increase costs for medical supplies and devices, adding new expense pressures to already strained budgets.

The health care sector also faces substantial disruption from the One Big Beautiful Bill Act, the reconciliation package passed in July that includes historic cuts to Medicaid. According to Congressional Budget Office analysis, this legislation will decrease federal health care spending by more than $1 trillion over the next decade and result in an additional 10 million uninsured Americans.

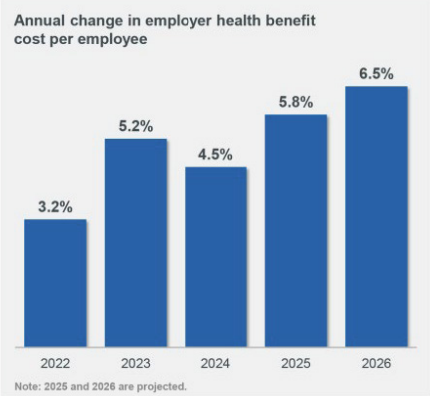
Additionally, enhanced financial assistance for Affordable Care Act marketplace insurance is scheduled to expire at year-end, potentially driving up premiums and reducing coverage for many Americans.

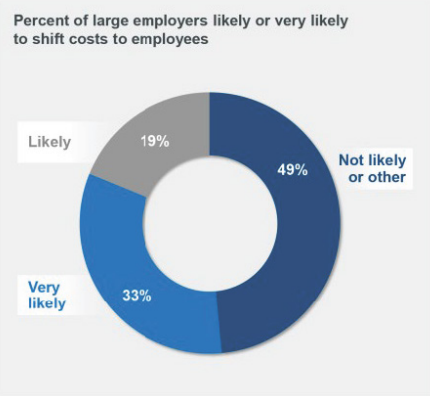
DATAWATCH

Employers Face Highest Benefit Increases in 15 Years

Health care administrators and hospital leaders should prepare for significant changes in employer-sponsored health plans as new data reveals the steepest cost increases since the Great Recession. According to Mercer's 2025 National Survey of Employer-Sponsored Health Plans, total health benefit costs per employee are projected to rise 6.5% in 2026 — the highest increase since 2010.

Health Benefit Cost Burden to Employees Continues to Rise





The Perfect Storm: Price and Utilization Converge

The dramatic cost escalation stems from a convergence of factors affecting both health care pricing and utilization patterns.

"Health benefit cost trend has two primary components — health care price and utilization. Right now, both are rising," said Sunit Patel, Mercer's U.S. chief actuary for health and benefits.

Price pressures include:

- Advanced diagnostics and therapeutics, including costly cancer treatments and weight-loss medications.
- Provider consolidation creating larger health systems with greater negotiating power.
- General economic inflation affecting health care sector wages.
- Higher reimbursement rates negotiated by consolidated provider networks.

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Employer Response Strategies

The survey of over 1,700 U.S. employers reveals that 59% plan cost-cutting changes for 2026 — a significant jump from 48% in 2025 and 44% in 2024. Without these interventions, the average cost increase would have reached nearly 9%.

Employers identified their top three priorities as greater focus on managing high-cost claims, measuring health program performance for value assurance, and making behavioral healthcare more accessible.

Impact on Health Care Delivery

Employers are increasingly measuring health program performance, creating opportunities for providers who can demonstrate quality outcomes and cost-effectiveness. This marks the fourth consecutive year of elevated health benefit cost growth, ending a decade of moderate 3% annual increases.

Chart Source: *Kaufman Hall*

PULSE is a monthly bulletin that contains information important to health care credit and collection personnel. Readers are invited to send comments and contributions to:

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