

## CMS Released CY 2027 HOPPS Proposed Rule

On July 2<sup>nd</sup>, 2026, the Centers for Medicare and Medicaid Services (CMS) released the calendar year (CY) 2027 Hospital Outpatient Prospective Payment System (HOPPS) [proposed rule](#). This rule has a 60-day comment period. The finalized changes will appear in the final rule and are effective January 1, 2027.

CMS proposes to increase the conversion factor by 2.4 percent bringing it up to \$102.004 for CY 2027. CMS proposes to continue to implement the statutory 2.0 percentage point reduction in payments for hospitals that fail to meet the hospital outpatient quality reporting requirements by applying a reporting factor of 0.9805 to the OPPS payments and copayments for all applicable services. CMS proposes that the hospitals that fail to meet the requirements of the Hospital OQR Program will use a reduced OPD fee schedule update factor of 0.4 percent (that is, the proposed OPD fee schedule increase factor of 2.4 percent further reduced by 2.0 percentage points). The reduced conversion factor for hospitals failing to meet the Hospital Outpatient Quality Reporting (OQR) Program requirements is proposed to be \$100.015 for CY 2027.

### CY 2027 HOPPS Proposed Imaging APCs

APC	APC Title	CY 2026 Payment Rate	CY 2027 Proposed Payment Rate
5521	Level 1 Imaging without Contrast	\$88.91	\$97.91
5522	Level 2 Imaging without Contrast	\$106.81	\$118.46
5523	Level 3 Imaging without Contrast	\$243.77	\$271.13
5524	Level 4 Imaging without Contrast	\$558.25	\$622.55
5571	Level 1 Imaging with Contrast	\$179.20	\$199.55
5572	Level 2 Imaging with Contrast	\$356.43	\$398.54
5573	Level 3 Imaging with Contrast	\$800.90	\$915.14

CMS has proposed no structural changes to the seven imaging APCs.

### Comprehensive-APC Policies

CMS conducted an annual review and proposes no changes in this rule to the current number of 74 C-APCs. Table 2 lists all C-APCs for CY 2027, all of which were established in past rules.

### Proposed Changes to the Inpatient Only List (IPO)

For CY 2026 and subsequent years, CMS proposes to eliminate the IPO list through a 3-year transition, completing the elimination by January 1, 2029. CMS is continuing to phase out



the IPO list by proposing to remove 637 services from the auditory, digestive, endocrine, female genital, hemic and lymphatic systems, integumentary, male genital, maternity care and delivery, mediastinum and diaphragm, respiratory and urinary clinical families from the IPO list for CY 2027.

### **Proposed CPT Code Placements**

CMS proposes CPT code 71271 for low dose CT lung cancer screening to remain in APC 5522 with payment rate of \$118.46. The proposed placement for code G0296 (visit to determine lung LDCT eligibility) is APC 5822, with a payment rate of \$118.75.

CMS proposes to place 76145 for medical physics dose evaluation for radiation exposure that exceeds institutional review threshold (including reports) in its existing APC of 5723 with payment rate \$435.61 for CY 2027.

CMS proposes to place code C8001 (3d anatomical segmentation imaging for preoperative planning, data preparation and transmission, obtained from previous diagnostic computed tomographic or magnetic resonance examination of the same anatomy) into APC 1503 with payment rate of \$150.50 for CY 2027.

CMS proposes to place codes 0559T (Anatomic model 3D printed from image data set(s): first individually prepared and processed component of an anatomic structure) and 0561T (Anatomic guide 3D printed from image data set(s): first anatomic guide) into APC 5734 with Q1 status indicator and payment rate of \$152.43 for CY 2027.

### **OPPS Payment for Software as a Medical Service (SaMS)**

CMS proposes three changes regarding software-based medical services with algorithmic analyses:

- CMS proposes to change the terminology from Software as a Service (SaaS) to Software as a Medical Service (SaMS).
- CMS proposes to use CY 2027 as a transitional period to take an incremental step toward developing a more comprehensive and appropriate payment methodology for services CMS proposes to identify as SaMS. For SaMS that are currently assigned to New Technology APCs for CY 2026, CMS proposes to maintain the current New Technology APCs for CY 2027 rather than assigning payment rates based on current claims data.
- CMS proposes to assign SaMS assigned to a New Technology APC to a proposed new status indicator “O1” – Software as a Medical Service, paid under OPPS; separate APC payment.



Table 61 in this proposed rule lists the proposed new technology APC and SI assignments for proposed SaMS codes for CY 2027.

**Software as a Medical Service (SaMS) CY 2027 Proposed APC Placements and Payment Rates**

<b>CPT Code</b>	<b>Long Descriptor</b>	<b>CY 2026 APC</b>	<b>CY 2026 Payment Rate</b>	<b>Proposed CY 2027 APC</b>	<b>Proposed CY 2027 SI</b>	<b>Proposed CY 2027 Payment Rate</b>
75577	Automated quantification and characterization of coronary atherosclerotic plaque to assess severity of coronary disease, using data from coronary computer tomographic angiography; computerized analysis of data from coronary computed tomographic angiography	1511	\$950.50	1511	O1	\$950.50
0648T	Quantitative magnetic resonance for analysis of tissue composition (e.g., fat, iron, water content), including multiparametric data acquisition, data preparation and transmission, interpretation and report, obtained without diagnostic MRI examination of the same anatomy (e.g., organ, gland, tissue, target structure) during the same session	1511	\$950.50	1511	O1	\$950.50
0649T	Quantitative magnetic resonance for analysis of tissue composition (e.g., fat, iron, water content), including multiparametric data acquisition, data preparation and transmission, interpretation and report, obtained with diagnostic MRI examination of the same anatomy (e.g., organ, gland, tissue, target structure) (List separately in addition to code for primary procedure)	1511	\$950.50	1511	O1	\$950.50



0697T	Quantitative magnetic resonance for analysis of tissue composition (eg, fat, iron, water content), including multiparametric data acquisition, data preparation and transmission, interpretation and report, obtained without diagnostic MRI examination of the same anatomy (eg, organ, gland, tissue, target structure) during the same session; multiple organs	1511	\$950.50	1511	O1	\$950.50
0698T	Quantitative magnetic resonance for analysis of tissue composition (eg, fat, iron, water content), including multiparametric data acquisition, data preparation and transmission, interpretation and report, obtained with diagnostic MRI examination of the same anatomy (eg, organ, gland, tissue, target structure); multiple organs	1511	\$950.50	1511	O1	\$950.50
0721T	Quantitative computed tomography (CT) tissue characterization, including interpretation and report, obtained without concurrent CT examination of any structure contained in previously acquired diagnostic imaging	1508	\$650.50	1508	O1	\$650.50
0722T	Quantitative computed tomography (CT) tissue characterization, including interpretation and report, obtained with concurrent CT examination of any structure contained in the concurrently acquired diagnostic imaging dataset	1508	\$650.50	1508	O1	\$650.50



0723T	Quantitative magnetic resonance cholangiopancreatography (QMRCP) including data preparation and transmission, interpretation and report, obtained without diagnostic magnetic resonance imaging (MRI) examination of the same anatomy (e.g., organ, gland, tissue, target structure) during the same session	1511	\$950.50	1511	O1	\$950.50
0724T	Quantitative magnetic resonance cholangiopancreatography (QMRCP) including data preparation and transmission, interpretation and report, obtained with diagnostic magnetic resonance imaging (MRI) examination of the same anatomy (e.g., organ, gland, tissue, target structure)	1511	\$950.50	1511	O1	\$950.50
0865T	Quantitative magnetic resonance image (MRI) analysis of the brain with comparison to prior magnetic resonance (MR) study(ies), including lesion identification, characterization, and quantification, with brain volume(s) quantification and/or severity score, when performed, data preparation and transmission, interpretation and report, obtained without diagnostic MRI examination of the brain during the same session	5523	\$243.77	1504	O1	\$250.50
0866T	Quantitative magnetic resonance image (MRI) analysis of the brain with comparison to prior magnetic resonance (MR) study(ies), including lesion detection, characterization, and	5523	\$243.77	1504	O1	\$250.50



	quantification, with brain volume(s) quantification and/or severity score, when performed, data preparation and transmission, interpretation and report, obtained with diagnostic MRI examination of the brain					
0944T	3D contour simulation of target liver lesion(s) and margin(s) for image-guided percutaneous microwave ablation	5523	\$243.77	5523	Q1	\$271.13
75580	Noninvasive estimate of coronary fractional flow reserve (FFR) derived from augmentative software analysis of the data set from a coronary computed tomography angiography, with interpretation and report by a physician or other qualified health care professional	5724	\$877.34	1510	O1	\$850.50

### Separate Payment for Diagnostic Radiopharmaceuticals

In the CY 2025 HOPPS final rule, CMS finalized a policy to pay separately for any diagnostic radiopharmaceutical with a per day cost greater than \$630 for 2025.

For CY 2027, CMS proposes to update the CY 2025 \$630 threshold amount by the four-quarter moving average PPI levels for Pharmaceuticals for Human Use, Prescription to trend the \$630 threshold forward. Based on this methodology, CMS trended the \$630 threshold forward and rounded the resulting dollar amount (\$667.44) to the nearest \$5 increment, which yields a proposed figure of \$665 per day for CY 2027. The proposed list of diagnostic radiopharmaceuticals that CMS calculated as having per day costs that exceeded \$665 and their proposed status indicators can be found in Table 4 of this rule.

CMS proposes paying qualifying diagnostic radiopharmaceuticals based on the arithmetic Mean Unit Cost (MUC) in CY 2027 while continuing to encourage manufacturers to submit Average Sales Price (ASP) data for possible future payment use.

### Proposed Packaging of Payment for HCPCS Codes that Describe Certain Drugs, Certain Biologicals, and Certain Radiopharmaceuticals Under the Cost Thresholds



CMS proposes to package drugs, biologicals, and therapeutic radiopharmaceuticals with a per day cost less than or equal to \$140 and identify items with a per day cost greater than \$140 as separately payable unless they are policy packaged.

### **Expanding the Method to Control Unnecessary Increases in the Volume of Outpatient Services – pg. 418**

In the CY 2026 OPPI/ASC proposed and final rules, CMS indicated they had concerns about the services within the imaging without contrast APCs (APCs 5521-5524). CMS stated that imaging without contrast services are often high-volume, low-intensity services that can be provided in OPDs or freestanding offices. In the CY 2026 OPPI/ASC proposed rule, CMS stated they had concerns these services had experienced unnecessary growth and that a volume control method may be appropriate to apply in the future. CMS did solicit comments on this issue in last year's proposed rule.

For CY 2027, CMS proposes to include imaging without contrast services furnished in excepted off-campus PBDs. CMS states that imaging without contrast services can be safely and effectively furnished in multiple settings, including freestanding physician offices and hospital OPDs, without compromising diagnostic quality or patient safety. CMS used the example of echocardiograms (93306) that this service was frequently provided in OPDs and freestanding physician offices, Medicare paid 294 percent more in an OPD than in a freestanding office.

Specifically, CMS proposes to use the agency's authority under section 1833(t)(2)(F) of the Social Security Act to apply the Physician Fee Schedule equivalent payment rate for any HCPCS codes assigned to the imaging without contrast ambulatory payment classifications (APCs) when provided at an off-campus PBD excepted from section 603 of the Bipartisan Budget Act of 2015. As with the existing volume control method for off-campus clinic visits and drug administration services, CMS proposes to exempt rural Sole Community Hospitals from this proposed policy.

For CY 2027, CMS estimates this provision would reduce Medicare Part B expenditures by approximately \$260 million in the first year, including approximately \$190 million in Part B savings and approximately \$70 million in reduced beneficiary premiums. In addition, beneficiary cost-sharing obligations are estimated to decrease by approximately \$70 million in the first year.

### **Hospital Quality Reporting Programs**

This proposed rule includes relatively few substantive changes to CMS quality reporting programs but continues several important trends relevant to radiology. Most notably, it proposes updates to the validation and appeal procedures for digital quality measures (dQMs) in the Hospital Outpatient Quality Reporting (OQR) Program, reflecting the agency's



continued move toward electronically generated, validated quality data. CMS is also continuing its measure portfolio review by proposing to remove the Appropriate Follow-Up Interval for Normal Colonoscopy in Average Risk Patients measure and seeking stakeholder input on potential future quality measures and reporting approaches through Requests for Information (RFIs).

### **Hospital Outpatient Quality Reporting (OQR) Program**

For the OQR Program, CMS is proposing updates to cQM validation and appeal processes and is seeking feedback on a potential Advance Care Planning measure for the outpatient hospital setting. It is also proposing the removal of the Appropriate Follow-Up Interval for Normal Colonoscopy in Average Risk Patients measure beginning with the CY 2027 reporting period/CY 2029 payment determination. While none of these proposals are specific to radiology, the continued emphasis on digital quality measurement, electronic reporting, and data validation may have future implications for radiology quality reporting, registry participation, and measure development activities.

While ACR acknowledges that the most significant issue for radiology is not a specific new measure requirement, but rather CMS's ongoing transition toward digital quality measurement and validation, which continues to shape the future direction of federal quality reporting programs.

### **Rural Emergency Hospital Quality Reporting (REHQR) Program**

Because CMS is not proposing changes to the REHQR Program, the rule does not affect radiology facilities, departments, or imaging services operating within Rural Emergency Hospitals. However, ACR will continue to monitor future rulemaking for possible changes related to quality measurement, reporting requirements, and digital quality initiatives.

### **Requests for Information (RFI)**

CMS is soliciting feedback on two future quality measurement concepts: 1) RFI on Potential Inclusion of an Advance Care Planning Measure for the Hospital Outpatient Department Setting, and 2) RFI on the Potential Stratification of the All-Cause Transfer/Admission Measure by Phase of Care.

For the Potential Inclusion of an Advance Care Planning Measure for the Hospital Outpatient Department Setting RFI, the agency is seeking input on whether an Advance Care Planning (ACP) measure should be considered for future inclusion in the Hospital OQR Program, the Potential Stratification of the All-Cause Transfer/Admission Measure by Phase of Care RFI asks for feedback on whether the existing All-Cause Transfer/Admission measure should be stratified by phase of care. The goal is to determine whether additional stratification would improve the interpretation and usefulness of the measure results.



American College  
of Radiology™

The ACR is reviewing the proposed rule and will release a detailed summary in the coming weeks. If you have any questions, please email Kimberly Greck at [kgreck@acr.org](mailto:kgreck@acr.org) or Christina Berry at [cberry@acr.org](mailto:cberry@acr.org).

**HEADQUARTERS**

1892 Preston White Drive  
Reston, VA 20191  
703-648-8900

**GOVERNMENT RELATIONS**

505 Ninth St. N.W.  
Suite 910  
Washington, DC 20004  
202-223-1670

**CENTER FOR RESEARCH  
AND INNOVATION**

50 South 16th St., Suite 2800  
Philadelphia, PA 19102  
215-574-3150

**ACR INSTITUTE FOR  
RADIOLOGIC PATHOLOGY**

1100 Wayne Ave., Suite 1020  
Silver Spring, MD 20910  
703-648-8900