FIELD INTELLIGENCE

Issue 001 Monday, August 17, 2026 · Biweekly, 4 pages

Practices

Dental · Veterinary · Aesthetics · Chiropractic & Physical Therapy · Optometry & Vision · Behavioral & Mental Health

Six trades, one publication. Every item is something that moves a number on your P&L, changes what you must do by law, or changes what parts and labor cost you.

IN THIS ISSUE

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MONEY · EVERY TRADE IN THIS ISSUE

CMS proposed cutting the Medicare conversion factor 1.68% to $32.84 for 2027, adding a richer visit-complexity modifier and new remote-monitoring staffing rules; comments close September 14

CMS released the proposed CY 2027 Medicare Physician Fee Schedule July 14, 2026, and published it in the Federal Register July 16. The rule sets two conversion factors — the dollar multiplier applied to every relative value unit on a Medicare Part B claim. For clinicians who are not qualifying Advanced Alternative Payment Model participants, the rate falls 1.68%, from $33.4009 to $32.84; for qualifying APM participants, 1.19%, to $33.17. Both cuts trace to one cause: Congress's one-year 2.5% payment increase for 2026 expires on schedule, and nothing in current law replaces it for 2027.

Two further proposals matter beyond the headline number. CMS wants to convert the G2211 visit-complexity add-on, now a flat per-visit payment, into a modifier worth 16% more on the office visit — 32% for Shared Savings Program or LEAD Model arrangements. That reaches any practice billing office E/M codes regularly, including optometry visits, psychiatric medication management and chiropractic re-evaluations. Separately, CMS would limit remote monitoring billing to a practice's employed staff, not a contracted vendor, and only for established patients after a separately billed initiating visit.

The rule also caps how much any single service's practice-expense relative value can move in a year, up or down, at 5%, while phasing out decades-old specialty survey data behind those values. It would cut payment for a same-day secondary procedure billed with an office visit to 50% of the lower-valued service, and extend current telehealth flexibilities — no geographic site restriction, audio-only coverage where appropriate — through Dec. 31, 2027. No lever moves revenue alone; for a practice heavy in E/M or remote-monitoring billing, together they can outweigh the conversion-factor cut.

Nothing here is final. Public comments close September 14, 2026, and CMS typically issues the final rule around November 1 for a January 1 effective date — roughly six weeks between a confirmed number and the start of the year it governs. Congress has overridden a scheduled Medicare cut in most recent years, most recently adding the 2.5% increase now expiring, so a full 1.68% reduction reaching practices in January isn't guaranteed. Not in doubt: the underlying formula's direction absent further legislation, and the G2211 and remote-monitoring changes, which don't depend on Congress.

> **What to do about it:** Pull your 2025 and year-to-date 2026 Medicare Part B revenue and identify what share comes from evaluation-and-management visits eligible for G2211, from remote therapeutic monitoring codes, and from codes with heavy practice-expense weighting. If you outsource remote monitoring to a third-party vendor, ask that vendor in writing now whether its staff would count as your employees under the proposed rule; if not, plan to bring the service in-house or drop it. Model 2027 on the $32.84 conversion factor for planning purposes, but do not sign a lease or add headcount assuming the cut is final. If the G2211 or remote-monitoring changes materially affect your practice, submit a comment through regulations.gov before September 14, 2026, and ask your specialty association whether it is filing comments you can join.

Calendar Year (CY) 2027 Medicare Physician Fee Schedule Proposed Rule — CMS Fact Sheet, July 14, 2026 · CMS-1848-P: CY 2027 Physician Fee Schedule Proposed Rule docket — CMS

DENTAL

TWO ITEMS

MONEY

ADA data show dental staff wages and equipment costs up 23% since January 2021, while private insurance reimbursement rose only 21% and Medicaid reimbursement only 18%.

Why it matters: ADA's Health Policy Institute (Q2 2026 update, data through June 2026) found dental staff wages and equipment/supply prices both up 23% since January 2021, against 27% overall inflation. Reimbursement lags: the private insurance index sits at 121 and Medicaid at 118 (2021 base of 100), barely changed from Q1 2026's 119/121. Medicaid trails furthest. The report carries no stated release date — treat June 2026 as the latest data point, not the publication date. Compare your fee schedule's reimbursement growth since 2021, by payer, against payroll and supply cost growth; whichever payer has fallen furthest behind is the contract to renegotiate or drop first.

The State of the U.S. Dental Economy: 2nd Quarter 2026 Update — American Dental Association Health Policy Institute · The State of the U.S. Dental Economy: 1st Quarter 2026 Update — American Dental Association Health Policy Institute

REGULATION

Federal Medicaid work requirements and six-month redeterminations start October 1, 2026; nearly half of California's Medicaid dentists may leave, the CDA warns.

Why it matters: The 2025 federal reconciliation law creates Medicaid work requirements for adults, shortens eligibility redeterminations to six months, and tightens state provider-tax financing, effective October 1, 2026 (confirmed June 17, 2026). The California Dental Association warns nearly half its Medicaid dentists could drop the program if funding cuts reach state dental programs, concentrating patients on fewer practices and lengthening wait times. Federal EPSDT keeps pediatric dental benefits protected, so adult — not children's — Medicaid dentistry is exposed. Research on 2010-2021 state Medicaid dental cuts found visits fell sharply afterward, and one in eight affected patients never realized coverage had changed. Confirm with your state Medicaid dental administrator whether provider-tax financing is affected, and build a Q4 2026 patient-communication plan.

Medicaid cuts in budget bill may threaten adult dental care — DrBicuspid.com, June 17, 2026 · Biting Into Medicaid: What Happens When States Cut and Expand Medicaid Dental Benefits? — Commonwealth Fund, March 10, 2026

VETERINARY

TWO ITEMS

SUPPLY

The FTC is investigating a proposed $3.5 billion merger of Cencora's MWI Animal Health and Covetrus that could leave two firms controlling most veterinary distribution and practice software.

Why it matters: Cencora announced in February 2026 it would sell MWI Animal Health to Covetrus for roughly $3.5 billion; Bloomberg reported August 4, 2026 that the FTC has sent civil investigative demands to veterinary customers and competitors on how the deal would affect product availability and practice-management software. Trade reporting says the deal would cut major national veterinary distributors from three to two, the combined firm controlling up to 75% of distribution against the 30% share that typically draws antitrust scrutiny. No enforcement action has been announced and there is no published timeline. Ask your distributor rep in writing now whether contracts survive a change of ownership, and get a second quote on file before any deal closes.

FTC takes closer look at Cencora-Covetrus animal health merger, Bloomberg News reports — KFGO, August 4, 2026 · FTC Takes a Closer Look at Proposed Cencora-Covetrus Merger — Vet Candy Veterinary News, August 6, 2026 · Trump FTC Investigates Veterinary Consolidation Amid Soaring Petflation Costs — The Daily Caller, July 28, 2026

LABOR

Veterinary technician turnover runs 25% to 35% a year against a median wage of $45,980, so hiring and retraining costs routinely exceed the posted pay gap with human medicine.

Why it matters: BLS puts the median annual wage for veterinary technologists and technicians at $45,980, with employment projected to grow 9% from 2024 to 2034. Industry benchmark data (June 15, 2026, drawing on 2025 practice-management and BLS figures) puts annual turnover at 25%-35% for technicians and 30%-40% for assistants, with fully loaded employer cost — wages plus payroll tax, health insurance and paid time off — running 28%-35% above base wage across roles. At those rates, a six-technician practice can expect to replace one to two every year, each adding recruiting, onboarding and lost-productivity costs. Track your own turnover for the trailing twelve months against these benchmarks; above 35%, exit interviews and a schedule review will likely help more than another round of raises.

Veterinary Technologists and Technicians — Occupational Outlook Handbook, U.S. Bureau of Labor Statistics · Veterinary practice staffing costs 2026: salaries by role, turnover, and what back-office VAs actually save

AESTHETICS

TWO ITEMS

REGULATION

Indiana's SB 282 (effective July 1, 2026), the first comprehensive U.S. med spa law, requires registration by January 1, 2027 for spas, IV clinics and GLP-1 practices.

Why it matters: Indiana Senate Bill 282, signed March 5, 2026 and effective July 1, 2026, is described by industry attorneys as the first comprehensive medical spa regulatory framework in the U.S. (trade reporting, July 9, 2026). It covers med spas, IV hydration clinics and GLP-1 weight-loss practices, requiring registration with the Indiana Medical Licensing Board by January 1, 2027, a named supervising practitioner, restrictions on where medical services may be performed, and new advertising compliance. Attorneys call it a template other states are expected to copy; the penalty schedule beyond "unregistered operation is punishable" could not be confirmed, so verify fines with the Indiana board. If in Indiana, start your registration file now. Elsewhere, ask your state medical board whether similar legislation is pending — several states enacted med spa laws in 2025 and 2026 already.

New Med Spa Laws in 2026: What Indiana, Texas, California, New Jersey, and Florida Mean for Owners — Decoda Health, July 9, 2026

REGULATION

New Jersey's expanded NP autonomy law (effective March 30, 2026) excludes aesthetic and cosmetic services; med spa NPs still need a collaborating physician.

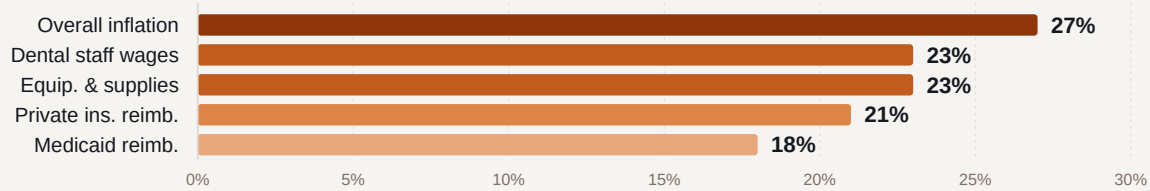
Why it matters: New Jersey S2996, signed and effective March 30, 2026, lets advanced practice nurses with 5,000+ clinical hours practice without a joint protocol agreement with a physician — but only in primary care and behavioral health. The law excludes elective aesthetic or cosmetic services from that autonomy, so nurse practitioners performing injectables, laser treatments or similar med spa procedures in New Jersey must keep a collaborating-physician agreement regardless of experience. An owner who assumed broader NP autonomy laws covered aesthetic services would be wrong here; check whether your own state's NP scope expansion carries the same carve-out before restructuring supervision. Practices already using collaborating-physician agreements for injectors see no change.

New Med Spa Laws in 2026: What Indiana, Texas, California, New Jersey, and Florida Mean for Owners — Decoda Health, July 9, 2026

INFOGRAPHIC 1 / WHAT'S OUTGROWING WHAT

Since January 2021, dental costs have outrun what insurers pay for the same work.

Cumulative percent change, January 2021 through June 2026, in dental practice cost and reimbursement indices. ADA Health Policy Institute, 2nd Quarter 2026 Update.



Dental staff wages and equipment/supply prices have both risen 23% since January 2021, in line with 27% overall inflation. Reimbursement lags: private insurance is up only 21%, Medicaid only 18%, both against a 2021 base of 100. The gap between wage/supply bars and reimbursement bars is the squeeze a practice absorbs directly. The report prints no release date; data run through June 2026. Source: The State of the U.S. Dental Economy: 2nd Quarter 2026 Update — American Dental Association Health Policy Institute

CHIROPRACTIC & PHYSICAL THERAPY

TWO ITEMS

MONEY

The fee to dispute a denied or underpaid out-of-network claim through the federal No Surprises Act arbitration process dropped from $115 to $15 per party, effective June 11, 2026.

Why it matters: A final rule on Federal Independent Dispute Resolution Operations, published in the Federal Register June 4, 2026, cut the No Surprises Act arbitration filing fee from $115 to $15 per party per dispute, effective June 11, 2026. Batching rules changed effective August 3, 2026 too: providers can combine more related services into one dispute — same patient, same or consecutive dates, comparable codes — capped at 50 items per batch. A practice that absorbed small underpayments because $115 made disputing them uneconomical faces different math now: a $200 underpayment not worth fighting at $115 may be worth fighting at $15. Applies only to out-of-network claims eligible for the process. Pull your out-of-network remittance data for the last six months, and route unresolved underpayments through open negotiation, then the federal IDR portal.

No Surprises Act Final Rule: Something for Everyone to Love, but Challenges Remain — Davis Wright Tremaine, June 29, 2026 · Federal Independent Dispute Resolution Operations — Federal Register, June 4, 2026

REGULATION

CMS proposes limiting remote therapeutic monitoring billing to a practice's own employed staff and established patients, closing off outsourced third-party RTM vendors.

Why it matters: The CY 2027 Medicare Physician Fee Schedule proposed rule, released July 14, 2026, would require remote therapeutic monitoring be performed by clinical staff employed by the billing practice, not a contracted vendor, and would restrict RTM billing to established patients following a separately billed, distinct initiating visit. PT, OT and chiropractic practices increasingly use outside RTM vendors to monitor home exercise compliance and pain between visits, billing under the practice's own Medicare number; this would cut off that arrangement unless the vendor's staff become employees. It is proposed, not final — comments close September 14, 2026, alongside the broader 1.68% conversion-factor cut proposed for the same year. Find out now whether your RTM vendor offers an employment model that keeps you compliant.

Calendar Year (CY) 2027 Medicare Physician Fee Schedule Proposed Rule — CMS Fact Sheet, July 14, 2026

INFOGRAPHIC 2 / WHAT A HIRE REALLY COSTS

A veterinary hire costs 28% to 35% more than the wage on the offer letter.

Base median annual wage versus fully loaded employer cost (wages plus payroll tax, health insurance and paid time off), by role.
BLS Occupational Employment and Wage Statistics, May 2024, as compiled in industry staffing-cost research published June 15, 2026.

The low end of each bar reflects 28% payroll overhead, the high end 35% — the range to budget between base wage and true cost per hire. An associate vet at $126,580 median wage costs $162,000-$170,900 loaded; a technician at BLS's $45,980 median costs $58,900-$62,100. Practices pricing off wage alone underestimate cost by a third. Loaded cost varies by state unemployment and workers' comp rates. Source: Veterinary practice staffing costs 2026: salaries by role, turnover, and what back-office VAs actually save

OPTOMETRY & VISION

TWO ITEMS

INSURANCE

Connecticut raised Medicaid reimbursement 10% for four optometric services effective July 1, 2026, reaching parity with ophthalmology and adding $2.27 million a year.

Why it matters: The Connecticut Association of Optometrists secured a 10% Medicaid reimbursement increase for four high-volume optometric services, effective July 1, 2026 and reported August 12, 2026, bringing optometry to parity with ophthalmology for those services. The increase adds an estimated $2.27 million a year in Medicaid spending, $1.42 million of it the federal matching share. Optometrists already perform 88.6% of Connecticut's Medicaid eye exams — 167,384 in 2025, against 21,394 by ophthalmologists — and the association expects the fix to raise member participation toward 93%. Advocacy detail sits behind the association's membership wall, so treat the specific procedure codes as unconfirmed. It's still a useful precedent if your state pays optometry below ophthalmology for identical codes: compare rates by volume and take Connecticut's result to your state association as a model.

Connecticut doctors secure Medicaid payment parity for optometry — American Optometric Association, August 12, 2026

MONEY

CMS proposes turning the G2211 visit-complexity add-on into a modifier worth 16% more on the underlying office visit, or 32% more for ACO-participating practices, starting in 2027.

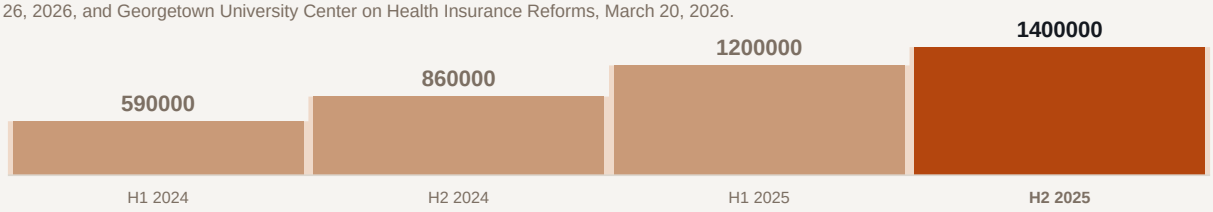
Why it matters: Under the CY 2027 Medicare Physician Fee Schedule proposed rule released July 14, 2026, CMS would convert HCPCS code G2211 — the add-on recognizing added visit complexity tied to a patient's ongoing care — from a flat per-visit code into a modifier increasing the office visit payment by 16%, or 32% for practices in the Medicare Shared Savings Program or LEAD Model arrangements. Optometrists billing established-patient eye exam codes for patients with ongoing conditions such as glaucoma or diabetic retinopathy are already eligible to use G2211 and would see the same increase if finalized. It is proposed, not final; comments close September 14, 2026, alongside the broader 1.68% conversion-factor cut proposed for the same year. Check whether your billers currently capture G2211 at all — many smaller practices under-bill it.

Calendar Year (CY) 2027 Medicare Physician Fee Schedule Proposed Rule — CMS Fact Sheet, July 14, 2026

INFOGRAPHIC 3 / THE ARBITRATION SYSTEM IS FLOODED

No Surprises Act billing disputes have more than doubled since early 2024, straight through the fee cut that makes small claims worth filing.

Approximate disputes initiated in the federal Independent Dispute Resolution portal, by six-month period. Healthcare Dive, January 26, 2026, and Georgetown University Center on Health Insurance Reforms, March 20, 2026.



Providers and insurers filed nearly 1.2 million disputes in H1 2025 and 1.4 million more in H2 2025 — volume regulators projected at about 17,000 a year for the whole program. The H2 2024 figure is calculated from a reported '40% more' growth into H1 2025, not printed directly; treat as approximate. The filing fee dropped from $115 to $15 per party effective June 11, 2026, lifting volume. Source: The No Surprises Act IDR Process: An Early Look At 2025 Data — Georgetown University Center on Health Insurance Reforms, March 20, 2026

BEHAVIORAL & MENTAL HEALTH

TWO ITEMS

MONEY

HHS announced $223.1 million in new federal grants for Certified Community Behavioral Health Clinics on June 17, 2026, with individual clinic awards reaching up to $1 million a year.

Why it matters: HHS Secretary Robert F. Kennedy Jr. announced more than $700 million in behavioral health funding on June 17, 2026, including $223.1 million for Certified Community Behavioral Health Clinics — $117.1 million for improvement grants at existing CCBHCs, $94 million for planning and implementation grants for new ones, and $12 million for state planning grants. Individual clinic grants can reach up to $1 million a year. To qualify as a CCBHC, a clinic must meet federal certification requirements including 24-hour crisis response and same-day access to treatment regardless of ability to pay; certification typically takes 12 to 18 months. The announcement bars grantees from using housing-first approaches or harm-reduction services. If your practice meets most CCBHC criteria, check SAMHSA's grants site for deadlines.

Secretary Kennedy Announces Over $700 Million in New Funding to Address Mental Illness, Addiction, Homelessness — HHS, June 17, 2026 · HHS opens applications for $700M in mental health, addiction funding, with $96M for new STREETS program — Fierce Healthcare, June 18, 2026

INSURANCE

Nearly every state raised Medicaid behavioral health rates between 2020 and 2025, but analyses published in May 2026 find that momentum is now slowing as federal funding pressure builds.

Why it matters: A Health Affairs Forefront analysis (May 4, 2026) found 49 states plus D.C. raised Medicaid behavioral health fee-for-service rates between 2020 and 2025, from 1%-2% in states tying rates to inflation up to 100% of Medicare rates for gateway services in North Carolina and 255% for bundled assertive community treatment services in Rhode Island. A KFF analysis (May 13, 2026) found more than half of states enacted a rate increase in fiscal year 2024 alone, and states recognizing CCBHCs as an enrolled Medicaid provider type grew from 9 in FY2022 to 19 today. Both warn momentum is slowing: federal work requirements threaten Medicaid enrollment among adults with behavioral health conditions, and pandemic-era funding behind many increases has ended. Confirm with your state Medicaid agency whether any FY2024-2025 rate increase you received is protected.

Nearly Every State Raised Medicaid Mental Health Rates. Now What? — Health Affairs Forefront, May 4, 2026 · Medicaid Mental Health and Substance Use: Expansion Trends and the Fiscal Pressure Ahead — KFF, May 13, 2026

THE BACKGROUND SIGNAL

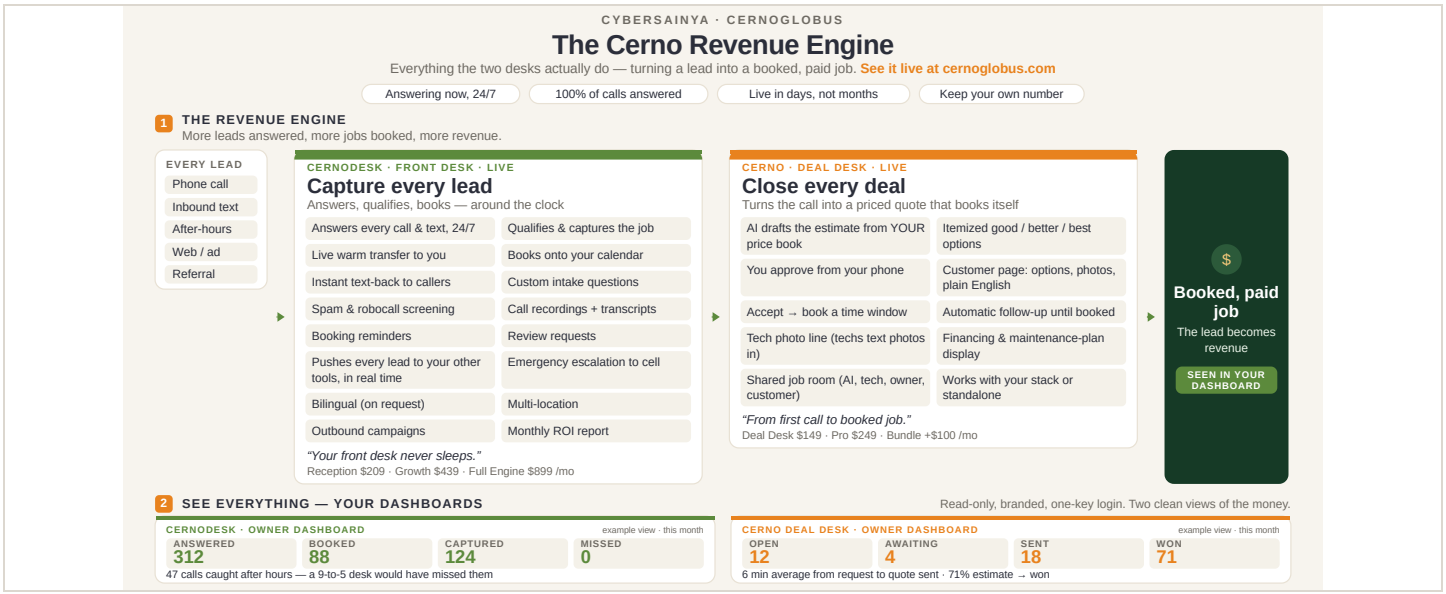
The fraud that reads your invoices before it sends one

The FBI's Internet Crime Complaint Center took 24,768 business email compromise reports in 2025, with losses of $3.05 billion — a record, after dipping to $2.77 billion in 2024 from $2.95 billion in 2023. Across all internet crime it logged 1,008,597 complaints and $20.88 billion in losses. Reported cases only, so read it as a floor.

Business email compromise, not ransomware, is the one that should concern a mechanical contractor. Someone gets into a mailbox, reads until they understand how you invoice and who pays you, then sends a real-looking progress billing with different bank details. No malware, no warning — just a payment that never arrives and an argument about who eats it. A trade that emails quotes, change orders and supplier invoices all day is the shape this is built for. The quieter number is adoption: under 20% of firms with fewer than 20 staff use AI at all.

What to do about it: You don't need a security program. You need multi-factor authentication on email and your accounting login, and one rule everybody follows: nobody changes bank details on the strength of an email or a call — you ring the number you already had on file and confirm. That covers most of it, and costs nothing. The part it doesn't — how the systems are set up — is the day job of our parent company, CyberSainya.

FBI Internet Crime Complaint Center, 2025 Internet Crime Report — reported cases only, rounded from $2,946,830,270, $2,770,151,146 and $3,046,598,558. U.S. Census Bureau, Business Trends and Outlook Survey, May 3, 2026.



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