

## 2026 STRATEGIC RCM REPORT

# The Impact of Value-Based Care on Billing in 2026

Navigating dual Fee-for-Service & Value-Based models, quality metric reporting, and risk-adjusted coding to protect practice reimbursement.

**48%**

US Healthcare Payments Tied to VBC Models in 2026

**14.2%**

Avg. Penalty Risk for Non-Compliant Quality Reporting

**3.5x**

Higher Shared Savings in Dual-Optimized Practices

## KEY VALUE-BASED BILLING SHIFTS (#1 - #3)

### Shift 1 Integration of Quality Category Codes (CPT Category II)

Direct Impact on Quality Scores

Billing in 2026 requires routine inclusion of CPT II tracking codes alongside primary procedure codes to demonstrate clinical performance (e.g., blood pressure control, HbA1c monitoring) without relying solely on manual chart audits.

**2026 Benchmark:** Practices submitting CPT II codes on >92% of qualifying claims realize maximum quality bonus tiers under MIPS and MSSP ACOs.

### Shift 2 Hierarchical Condition Category (HCC) Risk Adjustment Coding

Determines Capitation Baselines

Accurate RAF (Risk Adjustment Factor) scoring directly controls patient benchmark funding. Omitting secondary chronic condition codes leads to understated patient illness severity and substantial underfunding in capitated contracts.

**2026 Benchmark:** Annual chronic condition re-capture audits yield an average benchmark increase of \$1,150 per capitated patient.

### Shift 3 Social Determinants of Health (SDOH) Z-Code Capture

Unlocks Risk Adjustment Bonuses

Payers in 2026 mandate Z-code documentation (Z55–Z65) for health equity and care management adjustment factors. Complete SDOH coding prevents artificial penalty scoring in value-based risk corridors.

**2026 Benchmark:** Systematic SDOH reporting protects practices against risk adjustment downside adjustments by up to 8.5%.

## STRATEGIC RCM INSIGHT FOR 2026

Billing teams must transition from passive claims submitters to active clinical documentation managers—linking claims data directly to payer quality and risk algorithms.

## KEY VALUE-BASED BILLING SHIFTS (#4 - #5)

### Shift 4 Dual-Claim Engine: FFS & Value-Based Reconciliations

Prevents Revenue Leakage

Managing simultaneous fee-for-service claims alongside prospective capitation, withholding pools, and shared savings reconciliations requires specialized billing workflows and dual ledger tracking.

**2026 Benchmark:** Practices without automated dual-ledger reconciliation lose an estimated 4.8% of net contract value to untracked payer withholdings.

### Shift 5 Real-Time Clinical Documentation Improvement (CDI) at Billing

Cuts Clinical Denials by 68%

Pre-submission CDI scrubbing ensures medical necessity documentation matches payer-specific clinical pathways, preventing post-payment audits and recoupment demands.

**2026 Benchmark:** Post-payment clinical audits targeted 11% more practices in 2026; proactive CDI billing reduces clawback exposure by 82%.

## FFS VS. VALUE-BASED BILLING COMPARISON (2026 METRICS)

| Billing Dimension   | Traditional Fee-For-Service  | Value-Based Care Billing          | 2026 Financial Impact               |
|---------------------|------------------------------|-----------------------------------|-------------------------------------|
| Primary Goal        | Volume / Clean Claim Units   | Outcome / RAF & Quality Metrics   | Determines Total Contract Value     |
| Coding Focus        | CPT Category I (Procedures)  | CPT I + CPT II + Z-Codes + HCC    | +12–18% Revenue Differential        |
| Reimbursement Basis | Fee Schedule Rate per Claim  | Capitation + Shared Savings Bonus | Diversifies Practice Cash Flow      |
| Audit Risk          | Overbilling / Unbundling     | Under-coding RAF / Quality Gaps   | Protects Against Contract Penalties |
| RCM Metric Target   | First-Pass Clean Rate (≥96%) | Gaps-in-Care Closure Rate (≥90%)  | Unlocks Top Tier Payer Bonuses      |

## Maximize Your Value-Based Reimbursement in 2026

Are quality reporting gaps or uncollected RAF adjustments costing your practice valuable payer incentives? Partner with UMed RCM Solutions to align your billing, coding, and risk-adjustment strategy for total revenue success.

**GET FREE CONSULTATION**

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