IMPORTANT PATIENT NOTICE

Medicare Coverage Change

Effective January 1 2027

A Message to Our Medicare Patients

CMS has finalized its 2027 Medicare Physician Fee Schedule. The final rule lowers the standard physician conversion factor and reduces payment for certain medically necessary office visits and procedures performed during the same appointment. These changes take effect January 1, 2027.

After careful consideration, Dr. Justin Elder has formally opted out of Medicare. Beginning January 1, 2027, Dr. Elder will no longer accept Medicare payment for his physician services and will transition to a DIRECT SPECIALTY CARE MODEL.

What Changed in the 2027 Medicare Fee Schedule

Physician Rate	Same Day Services	ENT Impact
$32.63 conversion factor 2.31% below 2026	**20% reduction for other eligible services after the highest valued service is paid in full**	**CMS estimates a 5% reduction in total allowed charges for otolaryngology**

What This Means for Your Care

- **You may continue to see Dr. Elder.** ENT visits and procedures will be offered through Cape ENT & Allergy using clear, direct-pay fees.
- **Medicare will not be billed for Dr. Elder's services.** Medicare patients who choose to continue care will sign the required Medicare private contract and pay Cape ENT & Allergy directly.
- **Diagnostic audiology remains covered.** Our audiologists will continue participating with Medicare and most insurance plans for covered hearing diagnostic services. Hearing aid sales and service remain separate through Cape Hearing Center.
- **Other medical providers may still bill insurance.** Laboratory, imaging, facility, anesthesia, and pathology services are separate and may continue to be submitted to Medicare or your insurance by those providers.

Why We Are Making This Change

Medicare payment has not kept pace with the cost and time required to provide comprehensive specialty care. The 2027 reductions make it increasingly difficult for an independent ENT practice to provide timely appointments, complete evaluations, and necessary office procedures while maintaining adequate staffing and patient support. Direct specialty care allows us to use transparent pricing and focus our resources on your care.

We will continue striving to provide excellent care to our patient population.

Our Commitment to You

Our team will explain fees before care is provided and answer questions about the Medicare private contract and direct-pay options. Patients who prefer to remain with a Medicare-participating ENT may request assistance obtaining their medical records for transfer of care.

Questions or scheduling: Call (302) 703-4025 or visit www.capeent.com

Thank you for trusting Cape ENT & Allergy with your care.

Justin Elder, D.O. | Cape ENT & Allergy

17005 Old Orchard Road, Lewes, DE 19958 | (302) 703-4025 | www.capeent.com

Sources: CMS CY 2027 Physician Fee Schedule Final Rule, CMS-1848-F; AAO-HNS final-rule analysis, November 6, 2026.