Update on Medicare Operations: Telehealth, Claims Processing, and Medicare Administrative Contractors Status During the Shutdown

When certain legislative payment provisions ("extenders") are scheduled to expire, CMS directs all Medicare Administrative Contractors (MACs) to implement a temporary claims hold. This standard practice is typically up to 10 business days and ensures that Medicare payments are accurate and consistent with statutory requirements. The hold prevents the need to reprocess large volumes of claims should Congress act after the statutory expiration date, and it should have a minimal impact on providers due to the 14-day payment floor. Providers may continue to submit claims during this period, but payment will not be released until the hold is lifted.

Absent Congressional action, beginning October 1, 2025, many of the statutory limitations that were in place for Medicare telehealth services prior to the COVID-19 Public Health Emergency will take effect again for services that are not behavioral and mental health services. These include prohibiting many services provided to beneficiaries in their homes and outside of rural areas, and hospice recertifications requiring a face-to-face encounter. In some cases, these restrictions can impact requirements for meeting continued eligibility for other Medicare benefits. In the absence of Congressional action, practitioners who choose to perform telehealth services that are not payable by Medicare on or after October 1, 2025, may want to evaluate providing beneficiaries with an Advance Beneficiary Notice of Noncoverage. Practitioners should monitor Congressional action and may choose to hold claims associated with telehealth services that are not payable by Medicare in the absence of Congressional action. Additionally, Medicare would not be able to pay some kinds of practitioners for telehealth services. For further information: https://www.cms.gov/medicare/coverage/telehealth.

CMS notes that the Bipartisan Budget Act of 2018 allows clinicians in applicable Medicare Shared Savings Program Accountable Care Organizations (ACOs) to provide and receive payment for covered telehealth services to certain Medicare beneficiaries without geographic restriction and in the beneficiary's home. There is no special application or approval process for applicable ACOs or their ACO participants or ACO providers/suppliers.

Clinicians in applicable ACOs can provide these covered telehealth services and bill Medicare for the telehealth services that are permissible under Medicare rules during CY 2025, irrespective of further Congressional action. For more information:

https://www.cms.gov/files/document/shared-savings-program-telehealth-fact-sheet.pdf.

MACs will continue to perform all functions related to Medicare Fee-for-Service claims processing and payment.

Telehealth Services Revert to Pre-Public Health Emergency Waivers

National Government Services (NGS) shared information on their website on September 18, 2025, regarding the expiration of PHE Waivers for Telehealth that expire September 30, 2025 (see below: Reminder: Medicare Telehealth Extensions Set to Expire – 9/30/2025). NGS also wanted to share with providers that CMS has issued additional information regarding this expiration this morning, October 1, 2025. The information indicated below comes from the CMS MLN Connects:

Absent Congressional action, beginning October 1, 2025, many of the statutory limitations in place for Medicare telehealth services before the COVID-19 Public Health Emergency will take effect again for services that are not behavioral and mental health services. These include the prohibition of many services provided to beneficiaries in their homes and outside of rural areas and hospice recertifications that require a face-to-face encounter. In some cases, these restrictions can impact requirements for meeting continued eligibility for other Medicare benefits. In the absence of Congressional action, practitioners who choose to perform telehealth services that are not payable by Medicare on or after October 1, 2025, may want to evaluate providing beneficiaries with an Advance Beneficiary Notice of Noncoverage. Practitioners should monitor Congressional action and may choose to hold claims associated with telehealth services that are not payable by Medicare in the absence of Congressional action. Additionally, Medicare would not be able to pay some kinds of practitioners for telehealth services. For further information: https://www.cms.gov/medicare/coverage/telehealth.

For additional information, we would also direct you to the article mentioned, which was posted on September 18, 2025, and can be found here.

Reminder: Medicare Telehealth Extensions Expired – 9/30/2025

In March 2025, Congress passed a federal government spending bill that granted extensions to PHE changes for telehealth coverage. This bill allowed these telehealth changes to continue through 9/30/2025.

National Government Services is reminding all providers that, absent additional action by Congress, those extensions will expire at the end of September 2025. This means that beginning 10/1/2025, Medicare telehealth policy will, in most cases, revert to the policy as it was prior to the COVID PHE in March 2020.

With the expiration of these extensions, NGS will process telehealth claims with dates of service 10/1/2025 and after based on established Medicare telehealth policy:

1. Geographic location will be limited to non-MSA (rural) areas for patients to receive telehealth. This means the Medicare patient must be in a rural originating site location. The only exception will be for behavioral health services.
2. The patient's home will no longer be considered an originating site except for behavioral services that have been allowed by law.
3. Telehealth services may be provided by physicians and nonphysician practitioners as identified by policy: physician, nurse practitioner, physician assistant, nurse-midwife, clinical nurse specialist, clinical psychologist, clinical social worker, registered dietitian or nutrition professional, or certified registered nurse anesthetist.
4. PTs and OTs will no longer be authorized to provide services via telehealth.
5. Behavioral health telehealth visits are allowed if the patient has been present for an in-person visit within six months prior to the telehealth visit. This does mean patients being seen via telehealth would have to have been seen in person since 4/1/2025. Telehealth coverage, for behavioral health, may continue if the patient is seen at least once every 12 months after the initiation of telehealth.
6. Telehealth service definition is an audio-video service. Audio-only services will not be considered telehealth unless specifically allowed

under Medicare policy. Currently, this applies only to behavioral health services.

7. Hospital-at-home provisions expired on 9/30/2025. If you have patients receiving inpatient care in their homes, they will have to be inpatients in your facility beginning 10/1/2025.

Keep in mind, CMS has extended the below to remain through 12/31/2025:

- Practitioners may directly supervise through real-time audio-video interactive telecommunications, including presence and "immediate availability."
- Distant site practitioners may use their currently enrolled practice location in lieu of their home address when providing telehealth services from their home.
- Suspended telehealth frequency limits on subsequent inpatient visits, subsequent nursing facility visits, and critical care consultations.

The information provided in this reminder is subject to change pending any legislative actions by Congress. Please continue to review our website and the CMS website for updates as they occur.

NGS maintains a free electronic mailing list to notify you via email of all changes and important, time-sensitive Medicare information. We highly recommend you Subscribe for Email Updates to stay informed as information is available.

Medicare Coverage of Behavioral Health Telehealth Services – October 1, 2025

National Government Services (NGS) has received many questions regarding the coverage of telehealth for behavioral health services effective 10/1/25, with the expiration of the Public Health Emergency (PHE) waivers.

For telehealth coverage, effective 10/1/125 and forward, Medicare requires a behavioral health patient to have been seen in-person by the practitioner within the 6 months prior to the initial telehealth service. If the patient was being seen via telehealth prior to the expiration of the PHE waiver, then that policy provision does not apply, as that patient has been established as a telehealth patient. This will only apply to initial telehealth services that occur on or after October 1, 2025.

The other in-person requirement of needing to see the patient in person once every 12 months thereafter also begins October 1, 2025. You can refer to 42 CFR 410.78(b)(3)(xiv) for the explanation of the policy.