

Government Shutdown Impact on Telehealth for Hospice and Palliative Care Providers

October 1, 2025

At 12:01 am on October 1, 2025, the US federal government shut down without an agreement on a continuing resolution (CR) to fund the government. The shutdown affects many functions of the federal government. This memo will focus on the telehealth provisions for hospice and palliative care.

The [National Consortium of Telehealth Resource Centers](#) (NCTRC) is a great resource for the changes in telehealth that are now in effect on and after October 1, 2025.

CMS has resources for telehealth on its website, including the list of telehealth services approved by Medicare. The most current year is [CY 2025](#), although the CY 2026 Physician Fee Schedule final rule, due to be published on November 1, 2025 will have some edits to this list.

CMS has also issued a Special Edition of MLN Connects Newsletter with an October 1, 2025 issue date. [CGS](#), [NGS](#), and [Palmetto](#) have posted the issue on their websites; however, it is not yet available on the CMS MLN Connects webpage.

TOPICS ADDRESSED

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 - HOSPICE FACE TO FACE PROVIDED WITH TELEHEALTH NOW PROHIBITED
 - TELEHEALTH ORIGINATING SITE REQUIREMENTS AS OF OCTOBER 1, 2025
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MAC TEMPORARY CLAIMS HOLD

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 for reprocessing large volumes of claims should Congress act after the statutory expiration date and 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.

Source

- [*MLN Connects® Newsletter for Wednesday, October 1, 2025*](#), *Update on Medicare Operations: Telehealth, Claims Processing, and Medicare Administrative Contractors Status During the Shutdown*
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HOSPICE FACE TO FACE PROVIDED WITH TELEHEALTH NOW PROHIBITED

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 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.

Source

- [*MLN Connects® Newsletter for Wednesday, October 1, 2025*](#), *Update on Medicare Operations: Telehealth, Claims Processing, and Medicare Administrative Contractors Status During the Shutdown*
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TELEHEALTH ORIGINATING SITE REQUIREMENTS AS OF OCTOBER 1, 2025

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 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.

The originating site requirement, pre-COVID, did not and now again **does not allow the patient's home to be the "originating site" for the location of the patient**. The patient must now travel to an originating site in order to receive telehealth services. The list of originating sites for telehealth is below. The patient's home is specifically excluded except for ESRD treatment, SUD, diagnosis and treatment of acute stroke, and mental health services. The geographic requirement for an originating site is primarily in rural or non-CBSA areas.

Here is the list of originating sites for telehealth:

- Offices of a Physician or Practitioner
- Critical access hospitals
- Rural health clinics
- Federally qualified health centers
- Hospitals
- Hospital-based or critical access hospital-based renal dialysis centers (including satellites)
- Skilled Nursing Facilities
- Community mental health centers
- Renal Dialysis Facilities (under specific circumstances)
- Mobile stroke units (under specific circumstances)
- Rural emergency hospitals
- Rural health professional shortage area
- Location in a county that is not in a metropolitan statistical area or CBSA.

Any palliative care services provided through telehealth must meet the originating site requirements for the telehealth visit to be paid by Medicare. The care cannot be provided in the patient's home and must meet one of the site requirements above.

Sources

- [*MLN Connects® Newsletter for Wednesday, October 1, 2025, Update on Medicare Operations: Telehealth, Claims Processing, and Medicare Administrative Contractors Status During the Shutdown*](#)
- Center for Connected Health Policy, [*National Telehealth Policy Resource Center*](#)
- [*Telehealth.HHS.gov*](#) for information on the latest policies

PERMANENT MEDICARE TELEHEALTH POLICY ON ELIGIBLE PROVIDERS – IMPORTANT INFORMATION FOR PALLIATIVE CARE PROVIDERS

As explained by The National Telehealth Policy Resource Center, “under permanent Medicare telehealth policy, there is a specific list of providers who are eligible to use telehealth to provide services and be

reimbursed by Medicare.” CMS publishes the List of Telehealth Services each year as a part of the Medicare Physician Fee Schedule. The CY 2025 list (and HCPCS Codes) can be found [here](#).

This specific list of healthcare professionals is embedded in federal law in [the Social Security Act Section 1834\(m\)\(m\)\(1\)](#) which states:

“The Secretary shall pay for telehealth services that are furnished via a telecommunications system by a physician (as defined in section 1861(r)) or a practitioner (described in section 1842(b)(18)(C)) to an eligible telehealth individual enrolled under this part notwithstanding that the individual physician or practitioner providing the telehealth service is not at the same location as the beneficiary.”

Therefore, given what is written in statute, should the current temporary waivers expire, the health care professionals who will still be able to provide services via telehealth and be reimbursed by Medicare, according to sections [1861\(r\)](#) and [1842\(b\)\(18\)\(C\)](#), are:

- Physicians
- Nurse practitioners (NPs)
- Physician assistants (PAs)
- Nurse-midwives
- Clinical nurse specialists (CNSs)
- Certified registered nurse anesthetists
- Clinical psychologists (CPs) and clinical social workers (CSWs)
- Registered dietitians or nutrition professionals
- Marriage and Family Therapists and Counselors

Without having the waivers in place, the pool of eligible health care professionals who will be reimbursed by Medicare if they use telehealth to deliver an eligible service would be significantly reduced. Practitioners such as physical and occupational therapists, as well as speech language pathologists and audiologists, would no longer be reimbursed by Medicare if they use telehealth to treat a Medicare enrollee. Additionally, since this policy is embedded in federal statute, there is very little CMS can do through regulatory/administrative channels.

Sources

- [CMS Medicare Telehealth Services](#)
- [National Telehealth Policy Resource Center](#), ***The Telehealth Policy Cliff: Preparing For October 1, 2025***

PROPOSED CY 2026 MEDICARE PHYSICIAN FEE SCHEDULE

The proposed [CY 2026 Medicare Physician Fee Schedule](#) proposes to change the process identifying and approving which services will be on the Medicare Telehealth Services List. The proposal also eliminates

the “provisional” designation and include the services on the Medicare Telehealth Services List on a permanent basis.

HOWEVER, the proposed rule is not yet out in final form (expected by November 1, 2025) and will not take effect until January 1, 2026.

Source

- [CY 2026 Medicare Physician Fee Schedule proposed rule](#), published in the Federal Register on July 16, 2025.

PERFORMING TELEHEALTH SERVICES ON OR AFTER OCTOBER 1 – NOT PAYABLE BY MEDICARE

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>.

Source

- [MLN Connects® Newsletter for Wednesday, October 1, 2025](#), Update on Medicare Operations: Telehealth, Claims Processing, and Medicare Administrative Contractors Status During the Shutdown

Analysis by LundPerson & Associates, LLC

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4:00 pm