

Telehealth Users Face Service Disruption as Shutdown Drags on

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Erin Durkin, Health policy reporter

Ganny Belloni, Reporter

Telehealth providers may have to curtail some remote services as Medicare payments are withheld because of the government shutdown, health policy experts and industry groups have warned.

In addition to federal government funding lapsing at the end of September, legal flexibilities allowing for the payment of certain telehealth services under Medicare also came to an end, including the ability for patients to receive services in their home.

Telehealth services allow patients to see health care providers without being in the same location, and represent an especially crucial lifeline for Medicare patients in rural areas. Medicare beneficiaries face a likely disruption as the government shutdown drags into a third week.

The Trump administration on Wednesday announced it would continue to temporarily hold telehealth claims made on or after Oct. 1. Providers may continue to submit claims, the Centers for Medicare and Medicaid Services said in a statement, but “payment will not be released until the hold is lifted.”

“Every day this goes on, more and more Medicare providers, hospital systems, health systems are kind of throwing their hands up and saying, ‘We can’t last any longer,’” said Kyle Zebley, executive director of ATA Action, the advocacy arm of the American Telemedicine Association. “They’re informing their patients that they are going to have to go in person.”

Vacheria Keys, associate vice president of policy and regulatory affairs at the National Association of Community Health Centers, said she is advising community health centers to identify patients who can come in and which patients need to be seen remotely.

“A lot of health centers really can’t afford that financial risk of seeing a certain amount of patients and knowing that they won’t be able to bill for that time,” she said. “That’s really the decision making that the first week was a little easier to make and now health centers are probably going to have to really change up their workflows for these patients.”

The shutdown also means occupational therapists providing services through Medicare can no longer get paid for the virtual care they provide. Heather Parsons, vice president of federal affairs at the American Occupational Therapy Association, said her

organization is advising practitioners to convert patients to in-person services where possible.

“Anywhere it’s more difficult to get to a location, whether that’s the patients coming into an outpatient clinic or the occupational therapist getting to a facility, those are the places where we have started using telehealth the most,” she said.

Holding the claims for now will save CMS time and labor in processing payments when the government reopens. But Congress will have to provide the authority to retroactively pay these claims for providers that continued these telehealth services even though Medicare coverage lapsed, experts said.

Nathaniel Lacktman, an attorney at Foley & Lardner who advises health care providers, said he anticipated the move from CMS to hold claims and told clients months in advance to offer notices and self-pay agreements with Medicare patients to let them know that telehealth services could potentially not be covered.

“More likely than not, they’ll pass a budget that includes telehealth. If it’s retroactive, then those providers can submit all of those claims for payment going retroactive to October 1,” said Lacktman.

Mei Kwong, executive director of the Center for Connected Health Policy, said holding the claims would prevent CMS from having additional administrative work if they can be paid retroactively at the end of the shutdown. But the decision remains with Congress, she added.

Kwong also said as this shutdown continues, more providers may decide to discontinue telehealth services