

CMS Urges Providers To Resubmit Claims Denied With Modifier During Shutdown

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CMS is asking providers to resubmit claims submitted during the shutdown with the GY modifier for reimbursement, according to an announcement on CMS' website Thursday (Nov. 20).

CMS previously offered providers an option to submit telehealth claims during the shutdown with the modifier knowing the claims would be rejected. Now, CMS would like providers to resubmit these claims for proper reimbursement despite already rejecting versions of them.

On Nov. 7, CMS announced it would return batches of claims for mental health treatment delivered via telehealth during the shutdown, including by accountable care organizations, because correct mental health codes weren't attached -- a move that reflects problems sources previously told *Inside Health Policy* general practitioners and others were having because specific mental health codes were lacking for their practices.

Those claims were returned during the shutdown with the following messages: CARC 16 and RARC M77.

"Practitioners may resubmit those returned claims to CMS, as well as submit any other telehealth claims held in anticipation of possible Congressional action," CMS wrote on its website. "Practitioners are also encouraged to identify which beneficiaries were charged for telehealth services with dates of service on or after October 1, 2025, that are retroactively payable and instead submit applicable claims to Medicare, refunding any overpayment to beneficiaries."

Similarly, beginning on Nov. 10, CMS had instructed the Medicare Administrative Contractors (MACs) to return claims for the Acute Hospital Care at Home (AHCAH) program for dates of service of Oct. 1, or later. Hospitals are now encouraged to resubmit those claims to CMS, according to the information on the agency's website.

Earlier today (Nov. 20) CMS directed telehealth providers to retroactively submit other claims they held during the shutdown and to send claims as usual through Jan. 30, 2026, when pandemic flexibilities are now set to expire. The agency also clarified in brief guidance dated Nov. 14 but posted today that some telehealth providers may list physical practice locations instead of their home address on Medicare billing and enrollment forms.