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Medicare Claims Hold Update: Telehealth, Acute Care Hospital at Home, and Other Claims Remain in Limbo

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When Congress failed to pass a Continuing Resolution (CR) by September 30, 2025, a number of legislative payment provisions that have allowed broader Medicare coverage of telehealth services and at-home hospital services since the COVID-19 public health emergency (PHE) expired (effective October 1, 2025). This puts providers and practitioners who have come to rely on this expanded coverage to provide telehealth service to patients in their homes and urban clinical settings in a very difficult position with respect to the ongoing provision of these services.

On October 1, the Centers for Medicare and Medicaid Services (CMS) issued a Medicare Learning Network (MLN) Matters notice that directed all Medicare Administrative Contractors (MACs) to implement a temporary claims hold (typically around ten business days) in response to the expiration of telehealth flexibilities that had been available since the beginning of the COVID-19 PHE. This hold is intended to prevent the need for reprocessing large volumes of claims if the expired flexibilities are extended soon through a CR or other Congressional action. Providers may continue to submit claims during a claims hold, but payment will not be released until the hold is lifted. While this provides some temporary relief, providers and practitioners are still dealing with significant uncertainty regarding their telehealth programs and services due to the fact that a more permanent solution has not been implemented.

On October 15, CMS published another [MLN Matters notice](#) providing an update on the claims hold. CMS stated that the hold applied to all claims paid under the Medicare Physician Fee Schedule, ground ambulance transport claims, and all Federally Qualified Health Center claims. Within hours, CMS backtracked, issuing [an update](#) which clarified that the hold applies to services impacted by the expired Medicare legislative payment provisions passed under the Full-Year Continuing Appropriations and Extensions Act of 2025. CMS will continue to process and pay claims with the exception of claims based on those expired payment provisions, which include:

- Telehealth services covered based on the flexibilities established during the PHE (including many services provided to Medicare beneficiaries in their homes and outside of rural areas; and hospice recertifications that require a face-to-face encounter);
- Acute Hospital Care at Home (AHCAH) services;
- Physician fee schedule (PFS) services that are delivered in localities with work Geographic Practice Cost Indices (GCPI) below the 1.0 floor; and
- Ground ambulance transport claims.

CMS stated that providers could continue to submit claims but payment would not be released until the hold is lifted.

What's Your Next Move?

Providers should act now to mitigate revenue and compliance risks. Below are action steps providers can take in light of the expiration of these Medicare flexibilities, the claims hold, and general uncertainties surrounding the government shutdown.

- Continue to monitor Congressional action, as additional legislation could reinstate and extend the Medicare flexibilities that expired.
- Engage counsel to review the impact of the discontinuation of these flexibilities on existing telehealth arrangements and agreements.
- Monitor for changes from other payors and review contracts to determine if there is reliance on Medicare coverage.
- Determine whether certain telehealth and other services and arrangements will no longer be covered under Medicare if there is not a legislative fix.
- Develop and implement operational changes to continue effective patient care within the new coverage guidelines.
- Develop and implement plans for transitioning patients back to in-person care or to care from an eligible originating site location.
- Adopt a clear communication strategy for staff and patients so they understand the changes coming. This should include updating patient consents to reflect the policy and coverage changes, such as providing beneficiaries with an [Advance Beneficiary Notice of Noncoverage](#) when applicable.

We will continue to provide updates as the situation evolves. For more information, please contact [Allison M. Cohen](#), [Alex S. Lewis](#), [Samuel Cottle](#), or any member of Baker Donelson's [Telehealth](#) Group.