



We understand there's concern about the Medicare rule changes that took effect October 1, 2025. Here's the current landscape – and how TeleSpecialists is your partner in this evolving environment:

IMPORTANT UPDATE: On October 1, 2025, the federal government entered a shutdown when Congress failed to pass a spending bill. As a result, Medicare telehealth flexibilities have officially lapsed. CMS has instructed Medicare Administrative Contractors (MACs) to place a temporary hold on telehealth claims—providers can continue to submit claims, but payments will be paused until the hold is lifted. The situation remains fluid, and policies may change if Congress acts to reinstate flexibilities or passes new legislation.

- **Emergency telestroke services remain fully covered.** These were permanently protected by the FAST Act and are unaffected by recent changes.
- **Emergency telepsychiatry in hospital ED/inpatient settings remains reimbursable.** Hospital-based emergency psychiatric consults continue to be covered under behavioral health rules. *ED and inpatient consults are not subject to an annual in-person visit requirement, only home-based services (see below).*
- **Non-stroke emergency teleneurology consults (e.g. seizures, TBI) now carry elevated reimbursement risk.** As of Oct 1, 2025, Medicare no longer provides a permanent carve-out for these services in urban hospitals. While many facilities may still see claims processed under hospital acute care billing, reimbursement is not protected, and urban hospitals should expect denials unless Congress acts.
- **Outpatient teleneurology is no longer broadly covered.** Reimbursement has reverted to rural-originating site rules, limiting telehealth in non-rural outpatient settings.
- **Outpatient telepsychiatry continues to be covered.** Behavioral/mental health services have a permanent carve-out from geographic restrictions, meaning patients can receive these services in clinics or at home regardless of rural or urban location. However, as of October 1, 2025, Medicare requires an in-person visit within six months before the first **home-based** telehealth session, and every 12 months thereafter. *Clinic-based visits are not subject to an in-person requirement.
- **Medicaid and commercial payer policies vary by state and contract.** Many follow Medicare's lead, but local plans may adopt different rules or delays. Some state Medicaid programs and commercial insurers are continuing to process telehealth claims without interruption despite the federal shutdown.
- **If the shutdown is resolved quickly** (typically within 14 days) and Congress passes legislation with retroactive effect, claims will be processed and reimbursed as



normal. If the shutdown continues longer, reimbursement timelines and coverage rules may change.

What this means for you

ED- and inpatient-based telestroke and telepsychiatry consults remain safe and secure. Urban hospitals should anticipate risk for **non-stroke emergency neurology reimbursement** and for **outpatient teleneurology services**.

For telepsychiatry: Home-based patients now require an in-person visit within six months before their first telehealth visit and every 12 months thereafter (effective October 1, 2025). **Clinic-based outpatient services remain fully covered and are not subject to rural restrictions.**

How TeleSpecialists Can Help

As your trusted healthcare partner, TeleSpecialists is committed to helping your organization navigate these changes while maintaining uninterrupted patient care. Specifically, we can:

- **Provide policy updates and insights** specific to your organization's service lines and geography.
- **Evaluate financial and operational impact** so you can identify potential reimbursement risks and plan accordingly.
- **Advocate alongside you** for continued telehealth coverage through our industry and policy engagement.

Next Steps

The regulatory landscape is rapidly evolving due to the government shutdown and potential congressional action. We are monitoring the situation closely and will provide updates as soon as new guidance is issued.

In the meantime:

- Continue submitting claims as usual, understanding that payments are temporarily held.
- Consider Advance Beneficiary Notices (ABNs) for services that may not be covered.



- Contact your dedicated Quality Program Specialist or Account Manager to discuss your facility's specific situation and develop contingency plans.

We remain committed to helping you maintain uninterrupted, high-quality patient care regardless of the final policy outcome.

Medicare Telehealth Rule Changes – Q&A (October 2025)

Q: Are our emergency telestroke consults still reimbursable?

A: Yes. Telestroke has been permanently protected since the FAST Act of 2018. Reimbursement is unchanged before and after Sept 30.

Q: What about emergency psychiatry in the ED/Inpatient settings?

A: Hospital-based emergency telepsychiatry remains covered under behavioral health rules. ED and inpatient visits are not subject to an in-person requirement. For home-based telepsychiatry services, Medicare now requires an in-person visit within six months before the first telehealth visit and every 12 months thereafter, effective October 1, 2025. Enforcement timing remains uncertain.

Q: Are emergency neurology consults for seizures, TBI, or other non-stroke cases covered?

A:

- **Before Sept 30, 2025:** Covered under pandemic-era telehealth waivers.
- **As of Oct 1, 2025:** These carry elevated reimbursement risk. Although many hospitals historically have billed them as part of hospital acute care, there is no permanent Medicare carve-out. Without intervention, reimbursement may revert to rural-originating site rules, meaning urban sites are at risk for reimbursement. Payments are currently paused due to the claims hold.

Q: What about outpatient clinic visits (TeleNeuro and TelePsych)?

A:

- *Outpatient teleneurology:* Before Sept 30, 2025: Covered under waivers. As of Oct 1, 2025: Not covered for non-rural clinics; Medicare requires rural designation/originating site.
- *Outpatient telepsychiatry:* Behavioral/mental health services have a permanent carve-out from geographic restrictions. Patients may receive services in clinics or at

home regardless of rural or urban location. For home-based services, Medicare requires an in-person visit within six months before the first telehealth session, and every 12 months thereafter. Clinic-based visits are not subject to this in-person requirement.

Q: Does this affect audio-only telehealth?

A: Audio-only is permanently allowed for behavioral health when clinically appropriate, but coverage for other services remains uncertain. Continue to monitor CMS updates closely.

Q: What about Medicaid and commercial plans?

A: Policies vary widely. Many commercial payers follow Medicare's lead, but some may adopt delays, carve-outs, or different eligibility rules by state or contract.

Q: How are other hospitals handling this change?

A: Continuing hospital-based telestroke and telepsychiatry services (safe). Reviewing financial exposure for urban non-stroke neuro consults (likely no longer reimbursed; may be covered under acute care billing). Advocating through associations for Congress to extend telehealth flexibilities.

Q: What is the status of claims payments right now?

A: Due to the government shutdown that began October 1, 2025, CMS has directed MACs to implement a temporary hold on telehealth claims payments. Providers should continue submitting claims as usual, but payments will not be released until the hold is lifted. This hold was implemented to avoid having to reprocess large volumes of claims should Congress reinstate the telehealth flexibilities.

CMS recommends providers consider issuing Advance Beneficiary Notices of Noncoverage (ABNs) when delivering telehealth services that may no longer be covered by Medicare.

If the shutdown is resolved quickly (typically within 14 days) and Congress passes legislation with retroactive effect, claims will be processed and reimbursed as normal. If the shutdown continues longer, reimbursement timelines and coverage rules may change.