

Telehealth Survives Again: Understanding the Latest Federal Flexibility Extension

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December 8, 2025

On November 12, 2025, President Donald Trump signed, legislation, H.R. 5371, extending key Medicare telehealth flexibilities on a temporary basis through January 1, 2026. Our previous client alert outlined the immediate rollback of pandemic-era telehealth rules following the government shutdown and the resulting disruption. This new legislation temporarily reverses that rollback and restores the pandemic-era telehealth framework.

In addition, the Centers for Medicare and Medicaid (CMS) is expected to issue updated guidance addressing the submission of impacted claims, eligibility for retroactive reimbursement, and the processing of claims that have been held or suspended—consistent with the clarifying bulletins CMS released during the shutdown period. While these extensions preserve many pandemic-era policies, it's important to note that they do not make those policies permanent.

Providers and their organizations should plan now for potential changes when these flexibilities sunset.

Overview of Key Medicare Telehealth Flexibilities Extended Through January 1, 2026

1. *Home as an originating site:* Medicare beneficiaries may continue to receive telehealth services from their homes without geographic or originating-site restrictions.
2. *Audio-only telehealth:* Coverage for certain audio-only telehealth services remains in place subject to applicable service and documentation requirements.
3. *Expanded practitioner eligibility:* The broadened list of practitioners eligible to furnish and bill Medicare telehealth services (e.g., physical therapists, occupational therapists, speech-

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language pathologists, and others) continues as permitted by statute and CMS guidance.

4. *Federally qualified health centers (FQHCs) and rural health clinics (RHCs) as distant site providers:* FQHCs and RHCs may continue to serve as distant site practitioners for covered telehealth services, using applicable payment methodologies.
5. *In-person visit requirements:* Any delayed or modified in-person visit requirements tied to specific telehealth services remain deferred as provided in the new legislation and subsequent CMS rulemaking.
6. *Hospital and facility considerations:* Flexibilities related to hospital outpatient department telehealth arrangements and supervision maintained under the extension continue to the extent preserved by the new legislation and CMS policy.

Note: These flexibilities apply to Medicare fee-for-service and may be incorporated into Medicare Advantage plans subject to plan terms. Commercial payer and Medicaid policies may differ by payer and state.

Implications for New Jersey Providers and Their Organizations

1. *Update policies and consent:* Ensure telehealth policies, procedures, and consent forms reflect current federal requirements and New Jersey-specific laws and regulations, including licensure, scope of practice, patient identification, privacy/security, and emergency protocols.
2. *Billing and coding:* Align coding, modifiers, and place-of-service indicators with current CMS guidance for telehealth (including audio-only where permitted) and verify payer-specific requirements for Medicare Advantage and commercial plans. Confirm FQHC/RHC billing rules where applicable.
3. *Compliance and documentation:* Maintain documentation supporting modality (audio-only vs. audio-video), medical necessity, patient location, practitioner eligibility, and technology used; confirm HIPAA-compliant platforms or applicable enforcement discretion parameters as currently in effect.
4. *Cross-border practice:* Confirm New Jersey licensure or applicable compacts/exemptions when treating patients located in New Jersey or out of state; verify payer credentialing and enrollment for telehealth services.
5. *Privacy and security:* Review HIPAA and New Jersey privacy/security obligations; ensure Business Associate Agreements, risk analyses, and safeguards reflect telehealth workflows.
6. *Prepare for sunset:* Develop contingency plans for services most affected if flexibilities lapse after January 1, 2026, including:
 - Reinstatement of geographic/originating site limits.
 - Narrower practitioner eligibility.

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- Restrictions on audio-only services.
- Changes to FQHC/RHC distant site status and reimbursement.
- Potential reimposition of in-person visit prerequisites.

7. *Monitor developments:* Track CMS rulemaking and sub-regulatory guidance implementing H.R. 5371, as well as New Jersey legislative or regulatory updates that may affect Medicaid and commercial telehealth coverage.

Our Healthcare team will continue to monitor these issues and will keep you advised accordingly. Please contact the authors of this Alert with questions or to discuss your specific circumstances.

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