

Vol. 69, Issue 40

Thursday, October 2, 2025

WHA Letter to WI Congressional Delegation Lays out Impact of Federal Government Shutdown on Telehealth, Hospital at Home

Urges lawmakers to work to quickly end shutdown

On Oct. 2, WHA sent a letter to Wisconsin's congressional delegation laying out the impact the federal government shutdown is having on health care providers and patients.

As covered in a recent edition of *The Valued Voice*, WHA was in Washington, DC in early September stressing the need for continued funding for

- Telehealth
- Hospital at Home
- Medicare Dependent and Low Volume Hospitals

On Oct. 1, the Centers for Medicare and Medicaid Services (CMS) released brief guidance indicating telehealth providers may choose to continue providing telehealth waiver services while Medicare Audit Contractors have been instructed to hold claims for up to 10 days (unless the shutdown ends earlier). Because the earliest an electronic claim may be paid is 14 days after filing, CMS believes holding claims for up to 10 days will have minimal impact on providers. However, Congress would have to include retroactive funding for these waiver services in the continuing resolution (CR) that eventually passes to reopen the government. Hospitals could also choose to send Medicare beneficiaries an Advanced Beneficiary Notice of Noncoverage.

"Unfortunately, neither option is ideal, and some Wisconsin providers have already indicated to WHA they are temporarily pausing these telehealth services due to this uncertainty," said WHA President and CEO Kyle O'Brien.

Similarly, WHA's letter went on to inform lawmakers that CMS had already informed Wisconsin providers to ensure all inpatients in the program were either discharged or returned to brick-and-mortar hospitals by Sept. 30, 2025. This, despite the program being extremely popular with patients and hospitals having poured significant resources into the program.

"The uncertainty caused by the shutdown for Hospital at Home programs illustrates the need for Congress to authorize it permanently to prevent future disruptions for patients and clinicians each time a CR is scheduled to end," added WHA President and CEO Kyle O'Brien.

The letter from WHA also reminded lawmakers of the importance of including retroactive funding in a CR for the Medicare Dependent and Low-Volume Hospital programs. These programs serve rural hospitals that are not eligible for the Critical Access Hospital Program, but do not see a high enough volume of commercially insured patients to offset their losses experienced under Medicare. Without these programs, Wisconsin would see a cut in hospital payments of around \$22 million annually, or \$220 million over 10 years, impacting 17 Wisconsin hospitals that are currently eligible for the programs. Congress has included retroactive funding for these programs when they have experienced lapses in authorization in recent years.

Lastly, the letter reminded lawmakers of the importance of resolving the issue of the enhanced premium tax credits being slated to expire at the end of the year. More than 120,000 Wisconsinites have been added to an Affordable Care Act insurance plan since the enhanced premium tax credits were first offered in 2021. Not only have they allowed people at 100-150% of the federal poverty level (FPL) to access plans with \$0 premiums and low cost-sharing, these plans have also reduced premiums at higher income levels, including allowing those with incomes above 400% FPL to access subsidies, capping their premiums at 8.5% of their income.

This means their expiration could lead to a "subsidy cliff" for higher incomes. For instance, the Kaiser Family Foundation estimates a 60-year-old Wisconsin couple making \$82,000 annually would see their premiums for a benchmark silver plan increase from \$16,000 to \$23,000 annually if nothing is done to address this issue. The urgency of addressing this matter is underscored by the fact that open enrollment begins Nov. 1, meaning Wisconsinites could be discouraged from renewing coverage due to sticker shock if this is not addressed by that time.

Contact WHA Vice President of Federal Affairs and Advocacy Jon Hoelter with questions. The American Hospital Association has also compiled a helpful document about various impacts of the shutdown as well as a fact sheet on telehealth flexibilities.

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EDUCATION EVENTS

Oct. 30, 2025

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Hospital Board Education

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2026 WHA Health Care Leadership Academy