

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 13776	Date: May 27, 2026
	Change Request 14468

SUBJECT: Billing of Distant Site Telehealth Services in Rural Health Clinics (RHCs) and Federally Qualified Health Centers (FQHCs)

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to provide instructions to Rural Health Clinics (RHCs) and Federally Qualified Health Centers (FQHCs) on how to bill distant site telehealth services for dates of service on or after October 1, 2026.

EFFECTIVE DATE: October 1, 2026

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: October 5, 2026

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revise information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-Only One Per Row.

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
N/A	N/A

III. FUNDING:

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

One Time Notification

Attachment - One-Time Notification

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II. GENERAL INFORMATION

A. Background: On March 27, 2020, Congress signed into law the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). Section 3704 of the CARES Act authorized RHCs and FQHCs to provide distant site telehealth services to Medicare patients during the COVID-19 Public Health Emergency (PHE). Since then, there have been several extensions of this authority through legislation. Most recently, section 6209(c) of the Consolidated Appropriations Act of 2026 (CAA, 2026) extended the flexibilities that permit RHCs and FQHCs to serve as a distant site until January 1, 2028.

For the duration of the extension, section 1834(m)(8)(B)(i) of the Act requires that CMS make payment for distant site telehealth services that is similar to the national average payment rates for comparable telehealth services under the Physician Fee Schedule. Section 1834(m)(8)(B)(ii) of the Act precludes costs associated with distant site telehealth health services from being used to determine the amount of payment under the FQHC Prospective Payment System (PPS) and under the all-inclusive rate methodology for FQHCs and RHCs, respectively.

RHC and FQHC practitioners can provide distant site telehealth services within their scope of practice – approved by Medicare as a distant site telehealth service under the physician fee schedule (PFS) – from any location during the time that they’re working for the RHC or FQHC. RHCs and FQHCs bill Medicare Part B for distant site telehealth services, that are RHC and FQHC services, by reporting Healthcare Common Procedure Coding System (HCPCS) code G2025 (payment for a telehealth distant site service furnished by an RHC or FQHC only).

Beginning January 1, 2022, behavioral health services furnished via telecommunication technology are face-to-face encounters. RHCs and FQHCs are paid for these visits under the all-inclusive rate methodology and FQHC PPS, respectively.

CMS along with RHCs and FQHCs have determined that there is a program need to identify the specific services furnished and reported using HCPCS code G2025. For example, RHCs and FQHCs can demonstrate to their Accountable Care Organization (ACO) that they have furnished certain services.

B. Policy: For dates of service on or after October 1, 2026, RHCs and FQHCs shall bill the individual Current Procedural Terminology (CPT) or HCPCS codes that describe the distant site telehealth service furnished, instead of the single HCPCS code G2025. These codes are published annually on the CMS web-page along with the calendar year PFS rulemaking.

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	<p>service codes are billed with modifier 93 or 95, and the HCPCS code is an approved preventive service, the IOCE shall return a line item action flag (LIAF) of 7 to FISS.</p> <p>NOTE: The IOCE will bypass edits 88 and 89 when modifier 93 or 95 is present on 77X TOBs and return payment indicator of '2'.</p>									
14468.2.1	<p>Contractors shall not apply coinsurance and deductible based on the LIAF of 7 from the IOCE for RHC and FQHC claims billed with approved preventive services.</p>					X				
14468.3	<p>Contractors shall apply the distant site payment rate from the user-controlled table to the line when the modifier is 93 or 95 on 71X and 77X TOBs.</p> <p>NOTE: This does not apply to service lines with revenue code 0900.</p>					X				
14468.3.1	<p>Contractors shall apply coinsurance to telehealth services for FQHC claims (77X TOBs) unless the claim line contains LIAF of 7.</p> <p>NOTE: Coinsurance shall be based on the lesser of the payment rate or submitted charges.</p>					X				
14468.3.2	<p>Contractors shall apply coinsurance and deductible to telehealth services for RHC claims (71X TOBs) unless the claim line LIAF 7.</p> <p>NOTE: Coinsurance shall be based on the lesser of the payment rate or</p>					X				

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	submitted charges.									
14468.4	The IOCE shall assign edit 139 on TOBs 71X and 77X when modifier 93 or 95 is billed with a HCPCS code that is not a distant site telehealth service code. NOTE: The edit will be bypassed when the type of bill is 710 or 770.									IOCE
14468.4.1	Contractors shall assign a reason code when the IOCE assigns edit 139.					X				
14468.4.2	Contractors shall RTP the claim.	X								
14468.5	Contractors shall bypass any edits (i.e. 31407) on TOBs 71X and 77X that do not allow multiple units to be reported on service line with modifier 93 or 95. NOTE: The units should be taken into consideration when applying the rate.					X				

IV. PROVIDER EDUCATION

Medicare Learning Network® (MLN): CMS will develop and release national provider education content and market it through the MLN Connects® newsletter shortly after we issue the CR. MACs shall link to relevant information on your website and follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1 for distributing the newsletter to providers. When you follow this manual section, you don't need to separately track and report MLN content releases. You may supplement with your local educational content after we release the newsletter.

Impacted Contractors: A/B MAC Part A

V. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
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Section B: All other recommendations and supporting information: N/A

VI. CONTACTS

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VII. FUNDING

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ATTACHMENTS: 0