

Government Shutdown Update: Federal Operations Impacted

As of midnight on Wednesday, October 1, the federal government has officially shut down due to a continued impasse in Congress over funding legislation. Negotiations between Democrats and Republicans remain stalled, and federal agencies have begun ramping-down their operations and furloughing staff due to the lapse in appropriations.

During this shutdown, many federal operations are affected. Below are answers to key questions you may have:

Will Medicare payments continue?

Yes. Medicare and Medicaid are funded through mandatory spending, not annual appropriations, so payments to providers will continue. Center for Medicare and Medicaid Services (CMS) and its contractors typically continue operations, but with agency staffing reduced due to furloughs, physicians may experience slower turnaround times on claims and appeals.

What about Veterans Affairs (VA) healthcare?

VA hospitals and clinics remain open, and patient care continues uninterrupted. However, some administrative and support services may be delayed.

What happens to NIH and federal research programs?

The NIH Clinical Center continues to care for current patients. However, new clinical trials and grant reviews are likely to be postponed until funding is restored.

How will physician practices be affected?

Day-to-day clinical operations for physicians and patients should not see disruptions in coverage or reimbursement (for now). The primary impact will be in administrative delays from federal agencies. Thus, physicians and practice administrators may have difficulty reaching Medicare Administrative Contractors (MACs) or CMS for routine questions and issue resolution.

The SVS is closely monitoring the situation and will continue to provide timely updates to members as developments unfold.