



Health Care ADVISORY ■

MARCH 30, 2020

CMS Announces Expansion of Medicare's Accelerated and Advance Payment Program

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On Saturday, March 28, 2020, the Centers for Medicare & Medicaid Services (CMS) announced it is expanding its Accelerated and Advance Payment Program (AAPP) to ensure that Medicare providers and suppliers have the resources needed to combat the coronavirus (COVID-19) pandemic. CMS states that this measure is one way to lessen the financial hardships providers are facing due to COVID-19. This expansion is consistent with, but in addition to, measures included in the recently enacted Coronavirus Aid, Relief, and Economic Security (CARES) Act.

The AAPP is intended to provide emergency funds to providers and suppliers when there is a disruption in claims submission or claims processing. Typically, CMS offers these expedited payments due to natural disasters, such as hurricanes and tornadoes. However, due to the nationwide impact of COVID-19, Saturday's expansion applies across the country. Under the expansion, CMS will provide accelerated or advance payments during the COVID-19 public health emergency to any qualified Medicare Part A or Part B provider or supplier that submits a request to the appropriate Medicare administrative contractor (MAC) using the accelerated/advance payment request form found on the MAC's website.

CMS has not yet outlined all the details of how the expanded AAPP will work. For instance, CMS has not explicitly stated if or when interest on accelerated/advance payment amounts will begin to accrue. We anticipate that CMS will provide further details in the next days or weeks.

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AAPP Highlights

Eligibility

To qualify, Medicare providers and suppliers – including hospitals, doctors, durable medical equipment suppliers, and other Medicare Part A and Part B providers and suppliers – must:

- Have billed Medicare for claims within 180 days immediately before any request.
- Not be in bankruptcy.
- Not be under active medical review or program integrity investigation.
- Not have outstanding delinquent Medicare overpayments.

Amount of payment

Most qualified providers and suppliers will be able to request up to 100% of their Medicare reimbursement amount for a three-month period. Inpatient acute care hospitals, children's hospitals, and certain cancer hospitals can request up to 100% of their Medicare reimbursement amount for a six-month period, and critical access hospitals (CAHs) can request up to 125% of their Medicare reimbursement amount for a six-month period. Accelerated/advance payment requests must specify the amount requested. Based on the available guidance, it is not yet clear how the maximum payment amounts will be calculated.

Processing time

CMS stated that each MAC will start accepting and processing the accelerated and advance payment requests immediately. The agency anticipates that payments will be issued within seven days of a provider's request.

Repayment

Repayment is extended to 120 days after issuance of the accelerated/advance payment. Inpatient acute care hospitals, children's hospitals, certain cancer hospitals, and CAHs will have up to one year from the date the payment was made to repay their balance. All other Medicare Part A providers and Medicare Part B suppliers will have 210 days from the date the payment was made to repay their balance.

Recoupment and reconciliation

Providers and suppliers can continue to submit Medicare claims as usual after receiving an accelerated/advance payment. For the first 120 days after receipt of an accelerated/advance payment, the provider/supplier will receive full payments for their claims. At the end of the 120-day period, the recoupment process will begin. Instead of receiving payment for newly filed claims, the outstanding accelerated/advance payment balance will automatically be reduced by the payment amount for such newly filed claims. At the end of the repayment period (210 days for most providers/suppliers, one year for most hospitals), the MAC will determine if the provider/supplier has a remaining balance and send a request for repayment, if necessary. For the Part A providers that receive periodic interim payments, the reconciliation process will happen at the final cost report process (180 days after the fiscal year closes).

How to Request Accelerated or Advance Payment

To request an accelerated/advance payment, a qualified Medicare Part A or Part B provider or supplier must submit the proper accelerated/advance payment request form to its servicing MAC via mail, fax, or email (though CMS stated that electronic submission will substantially reduce processing time). The request forms vary by contractor and can be found on each individual MAC's website. To locate the name and phone number for your designated MAC, refer to this [CMS guidance](#).

The request form must be fully completed for the MAC to review and process it. Required information includes:

- Provider/supplier identification information (including legal business name, correspondence address, National Provider Identifier, and other information as requested by the MAC).
- The specific amount requested.
- The reason for the request. CMS instructs providers and suppliers to check box 2 ("Delay in provider/supplier billing process of an isolated temporary nature beyond the provider's/supplier's normal billing cycle and not attributable to other third party payers or private patients") *and* state that the request is for accelerated/advance payment due to the coronavirus pandemic.

The form must be signed by an authorized representative of the provider/supplier.

Requests will be reviewed by the provider's/supplier's servicing MAC to validate that the provider/supplier meets the eligibility criteria. The MAC will notify the provider/supplier of whether the request was approved or denied via the provider's/supplier's preferred method of contact (email or mail). If the request is approved, payment will be issued within seven calendar days from the date of the request. Note that providers/suppliers do not have administrative appeal rights related to these payments, but administrative appeal rights would apply to the extent CMS issues overpayment determinations to recover any unpaid balances on accelerated/advance payments.

For more details on how to request an accelerated or advance payment, please refer to this CMS [Fact Sheet](#).

Alston & Bird has formed a multidisciplinary [task force](#) to advise clients on the business and legal implications of the coronavirus (COVID-19). You can [view all our work](#) on the coronavirus across industries and [subscribe](#) to our future webinars and advisories.

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If you have any questions, or would like additional information, please contact any of the following:

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