

CMS Expands the Accelerated and Advance Payments Program During COVID-19 Pandemic

Insights

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Just one day after passage of the third 2019 novel coronavirus (COVID-19) stimulus bill (CARES Act), CMS significantly expanded its [Accelerated and Advance Payment Program](#) to make the advance payments under the program available to all Medicare provider and supplier types. In expanding the availability of advance Medicare payments, CMS has recognized that providers are experiencing unprecedented financial strains during this pandemic, expending significant resources to maximize surge capacity while experiencing significant revenue shortfalls from the delay or cancellation of elective procedures. Under this program, certain Medicare providers and suppliers are eligible to receive advance payments of up to 100% of the Medicare payment amount for a six-month period (for inpatient acute care hospitals, children's hospitals, and cancer hospitals) or a three-month period (for other providers). Critical access hospitals can request up to 125% of their payment amount for a six-month period.

The Accelerated and Advance Payment Program typically provides advance funds to hospitals when there is a disruption in claims submission and/or claims processing. Such funds can also be offered under national emergencies, such as the current COVID-19 public health emergency. CMS's guidance this past weekend extended the program during the COVID-19 public health emergency broadly to Medicare Part A and B providers and suppliers, including hospitals, physicians, and durable medical equipment suppliers. To be eligible for such payments, the provider or supplier must:

1. Have billed Medicare for claims within 180 days immediately prior to the date of signature on the provider's/supplier's request form,
2. Not be in bankruptcy,
3. Not be under active medical review or program integrity investigation, and
4. Not have any outstanding delinquent Medicare overpayments.

CMS has indicated that the MACs will begin processing requests immediately, and that approved payments will be issued within seven (7) days of the request. The MAC's validation of the request for accelerated/advance payments will address the four eligibility criteria above, and the MAC will approve or deny the request via email or mail.

Process for Requesting Accelerated and Advance Payments

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CMS's fact sheet provides a step-by-step guide to requesting an accelerated or advance payment. Briefly, **providers and suppliers should utilize the MACs' specific accelerated/advance payment requests forms (links are available on our [COVID-19 Resource Page](#)) and include the following information:**

1. Provider/supplier identification information:
 1. Legal Business Name/ Legal Name;
 2. Correspondence Address;
 3. National Provider Identifier (NPI); and,
 4. Other information as required by the MAC.
2. Amount requested based on your need:
 1. Most providers and suppliers will be able to request up to 100% of the Medicare payment amount for a three-month period. However, inpatient acute care hospitals, children's hospitals, and certain cancer hospitals are able to request up to 100% of the Medicare payment amount for a six-month period. Critical access hospitals (CAH) can now request up to 125% of their payment amount for a six-month period.
3. Reason for request:
 1. 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,
 2. State that the request is for an accelerated/advance payment due to the COVID-19 pandemic.

The form must be signed by an authorized representative of the provider or supplier. It can be submitted electronically by e-mail to lessen processing time, or by fax or mail.

Repayment/Recoupment

During the public health emergency, providers and suppliers should continue to submit claims as usual, even if issued an accelerated or advance payment. For a 120-day period, recoupment will not take place and providers/suppliers will receive full payments for all claims submitted. After 120 days, the recoupment process will begin and every new claim will be used to reduce the provider's or supplier's outstanding accelerated/advance payment balance. Once the accelerated/advance payment balance is eliminated, the recoupment will end. If, however, there is a remaining balance after one year (for inpatient acute care hospitals, children's hospitals, certain cancer hospitals, and CAHs) or after 210 days (for all other all other providers and suppliers), the MAC will send a request for repayment of the remaining balance, which is collected by direct payment. (Those Part A providers who receive periodic interim payment will repay the accelerated payment amount as part of the final cost report process, 180 days after the fiscal year closes.)

For further information, please contact [Alicia Macklin](#) or [Nina Adatia Marsden](#) in Los Angeles, [Katrina Pagonis](#) or [Martin Corry](#), or your regular Hooper, Lundy & Bookman contact.

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