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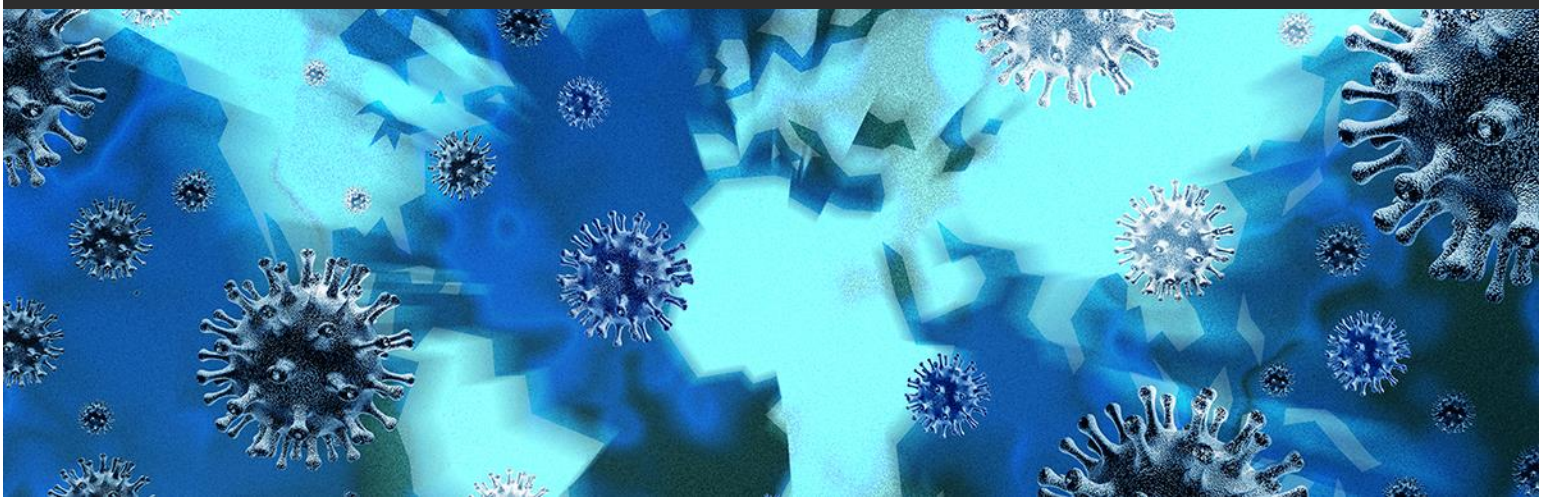
Alert | Health Emergency Preparedness Task Force: Coronavirus Disease 2019



March 31, 2020

CMS Expansion of Medicare Accelerated and Advanced Payments Program

On March 28, 2020, the Centers for Medicare and Medicaid Services (CMS) announced the expansion of its Accelerated and Advanced Payment (AAP) Program to increase cash flow to Medicare providers and suppliers impacted by the COVID-19 pandemic. The AAP program provides emergency funding when there is a disruption in claims submission and/or claims processing. The AAP program has also been offered in circumstances such as hurricanes, tornadoes or other natural disasters. With Saturday's announcement, CMS is expanding the AAP program for the duration of the COVID-19 public health emergency.

As described in CMS's fact sheet and below, CMS is authorized to provide accelerated or advance payments to any Medicare provider/supplier who submits a request to the appropriate Medicare Administrative Contractor (MAC) and meets the required qualifications.

Eligibility

To qualify for advance/accelerated payments, the Medicare Part A or Part B provider/supplier must:

- Have billed Medicare for claims within 180 days immediately prior to the date of signature on the request form;
- Not be in bankruptcy;

- Not be under active medical review or program integrity investigation; and
- Not have any outstanding delinquent Medicare overpayments.

Amount of Payment

Most providers/suppliers may request up to 100% of the Medicare payment amount for a three-month period, which will be calculated by CMS and/or the respective MAC. Inpatient acute care hospitals, children's hospitals, and certain cancer hospitals may request up to 100% of the Medicare payment amount for a six-month period. Critical access hospitals (CAHs) may request up to 125% of their payment amount for a six-month period.

Processing Time

CMS stated that each MAC will work to review and issue payments within seven calendar days of receiving the request.

Recoupment, Repayment, and Reconciliation

Providers/suppliers can continue to submit Medicare claims as usual after the issuance of an accelerated/advance payment. Providers/suppliers will receive full payments for their claims for the first 120 days after issuance; however, at the end of the 120-day period, the recoupment process will begin and every claim submitted by the provider/supplier will be offset from the new claims to repay the accelerated/advance payment. 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.

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 via the recoupment process. 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 via the recoupment process. At the end of the repayment/recoupment period, 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 Payment (PIP), 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 provider/supplier must complete and submit an accelerated/advance payment request form to its serving MAC via fax, email, or email. However, CMS stated that electronic submission will significantly reduce processing time.

The payment request forms vary by contractor and are located on each individual MAC's website. To locate your designated MAC, please refer to this CMS guidance.

Request forms must be complete upon submission and include the following information:

- Provider/supplier identification information (including legal business name, corresponding address, National Provider Identifier (NPI), and any other information required by the MAC);
- The specific amount requested (see above for guidance on amount); and

- The reason for the request (CMS instructs providers/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 an accelerated/advance payment due to the COVID-19 pandemic).

An authorized representative of the provider/supplier must sign the request form.

MAC Review and Appeal Rights

The appropriate MAC will review requests for accelerated/advance payments 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.

Providers/suppliers do not have administrative appeal rights related to these payments; however, administrative appeal rights may apply to the extent CMS issues overpayment determinations to recover any unpaid balances on accelerated/advance payments.

For more information and updates on the developing COVID-19 situation, visit GT's Health Emergency Preparedness Task Force: Coronavirus Disease 2019.

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Special thanks to Samantha R. Beck* for her assistance with this Alert.

**Admitted in Maryland. Not admitted in the District of Columbia.*