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Accelerated and Advance Payments: Financial Relief for Medicare Participating Providers & Suppliers – A COVID-Prompted CMS Announcement

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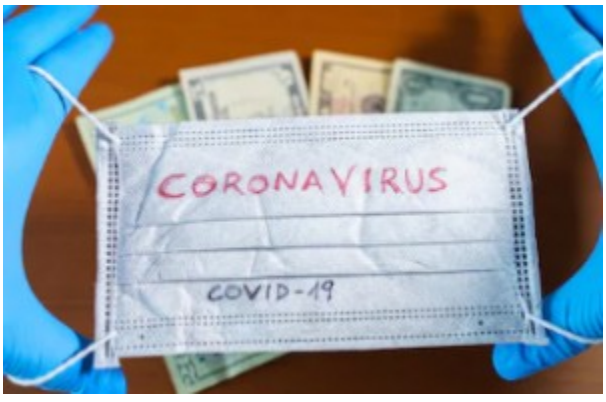
With the aim of enabling providers to focus attention and resources on fighting the COVID1-19 pandemic, CMS announced over the weekend that it intends to alleviate some of Medicare participating providers' and suppliers' financial burden by expanding its Medicare accelerated and advance payment (AAP) program to a broader group of Medicare Part A providers and Part B suppliers for the duration of the public health emergency. Medicare accelerated and advance payments are typically employed for emergency funding for scenarios in which claims submissions or processing is disrupted; the announcement is at once historic and yet also wholly in scope with the scale of and disruption caused by the pandemic. The expedited payments have been employed usually during natural disasters such as tornadoes, flooding, and the like, and may also be used during a national emergency. Lawmakers are recognizing the scale and scope of what providers are facing (and will continue to face), so CMS is expanding the Medicare accelerated and advance payments program eligibility to all applicable Medicare providers and suppliers, throughout the US, during the public health emergency related to COVID-19.



The payment amount will vary by applicable provider or supplier depending on what amount is requested; the payments are potentially substantial. The permitted payment amounts are based on applicants' historical Medicare payment amount for the requested time period and as permitted by category. Most providers and suppliers may request up to 100% of their historical Medicare payment amount for a three-month period. Inpatient acute care hospitals, children's hospitals, and certain cancer hospitals

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are able to request up to 100% of their historical Medicare payment amount for a six-month period. Critical access hospitals may request up to 125% of their historical Medicare payment amount for a six-month period. In addition, CMS has extended the repayment date to begin 120 days after the payment is issued; the timeline for repayment again varies by organization type but is not less than 210 days. Providers and suppliers interested in seeking these payments may request the appropriate specific amount using the Accelerated or Advance Payment Request form provided on your Medicare Administrative Contractor's (MAC's) website. For example, the MAC, WPS, has recently updated its AAP application form, available here, which can simply be e-mailed to WPS at the email address located at the bottom of the one-page application.

In order to be able to qualify for this expansion, a few conditions apply, and are worth double-checking as to whether any of these are true of your organization. The requesting providers or suppliers:

1. Must have billed Medicare for claims within 180 days immediately prior to the date of signature on the provider's/supplier's request form;
2. Must not be in bankruptcy proceedings, nor be under active medical review or program integrity investigation; and
3. Must not have any outstanding delinquent Medicare overpayments.
   If any of the above conditions apply, then your organization would not be eligible to apply under this COVID-specific expansion.

This expansion of the AAP program takes effect immediately, and CMS aims to issue payments within seven days of a request. Details about reconciliation and recoupment, as well as instructions as to how to apply, may be found in the CMS fact sheet found here. If you have any questions about the announcement or the application process, please contact the author(s) or your regular Dorsey attorney or Dorsey Health Strategies consultant.