

# Insights

## **CMS Expands and Makes Advance Medicare Payments More Available to Address Cash Flow Affected by COVID-19**

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Currently, the Centers for Medicare and Medicaid Services (“CMS”) may authorize accelerated/advance payments when there is a disruption in claims submission and/or claims processing. CMS is also authorized to provide accelerated/advance payments during public health emergencies. CMS is utilizing this authority, as announced on March 28, 2020, and expanding the accelerated/advance payment program to Medicare Part A providers and Part B suppliers whose cash flow is being affected by COVID-19 (“Fact Sheet”). The program’s expansion was made available under the recently enacted CARES Act and continues for the duration of the COVID-19 public health emergency.

To qualify for accelerated/advance payments, Medicare providers and suppliers must meet the following eligibility criteria:

- have billed Medicare for claims within 180 days immediately prior to the date of signature on the provider’s/supplier’s request form;
- not be in bankruptcy;
- not be under active medical review or program integrity investigation; and
- not have any outstanding delinquent Medicare overpayments.

Those qualifying Medicare providers or suppliers interested in applying for such accelerated/advance payments must submit a request form to the appropriate Medicare Administrative Contractor (“MAC”), as further described in the Fact Sheet. CMS anticipates the process, from the MAC’s review and issuance of payments, to occur within seven days of receiving the request.

As part of the request form, providers and suppliers must request a specific amount of accelerated/advance payment, with repayment terms, as follows:

| <b>Provider/Supplier</b>   | <b>Request Amount</b>  | <b>Repayment Timeframe</b>                  |
|--|--|---|
| Inpatient Acute Care Hospitals<br>Children’s Hospitals<br>Certain Cancer Hospitals | Up to 100% of the Medicare payment amount for a 6-month period | Up to 1 year from date accelerated was made |

|                                   |  |   |
|-----------------------------------|--|---|
| Critical Access Hospitals         | Up to 125% of the Medicare payment amount for a 6-month period | Up to 1 year from date accelerated was made   |
| All Other Providers and Suppliers | Up to 100% of the Medicare payment amount for a 3-month period | 210 days from date accelerated payment made OR<br>180 days after fiscal year closes for providers who receive Periodic Interim Payments (PIP) |

Repayment will begin 120 days after the issuance of the payment, with the outstanding accelerated/advance payment balance automatically offsetting or reducing claim payment amounts.

Please contact Brandon W. Shirley or Meghan M. Linvill McNab with any questions regarding advance Medicare payments.