

FACT SHEET: REPAYMENT TERMS FOR ACCELERATED AND ADVANCE PAYMENTS ISSUED TO PROVIDERS AND SUPPLIERS DURING COVID-19 EMERGENCY

On March 28 2020, CMS expanded the existing Accelerated and Advance Payments Program to a broader group of Medicare Part A providers and Part B suppliers. An accelerated or advance payment is a payment intended to provide necessary funds when there is a disruption in claims submission and/or claims processing. CMS can also offer these payments in circumstances such as national emergencies, or natural disasters in order to accelerate cash flow to the impacted health care providers and suppliers.

The subsequent passage of the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) on March 27, 2020, amended the existing Accelerated Payments Program to provide additional benefits and flexibilities, including extended repayment timeframes, to the subset of providers specifically referenced in the CARES Act, including inpatient hospitals, children's hospitals, certain cancer hospitals, and critical access hospitals and resulted in the establishment of the COVID-19 Accelerated and Advance Payments (CAAP) Program.

The Continuing Appropriations Act, 2021 and Other Extensions Act (P.L. 116-159), enacted on October 1, 2020, amended the repayment terms for *all* providers and suppliers who requested and received accelerated and advance payment(s) during the COVID-19 Public Health Emergency (PHE). Details on repayment terms are provided below.

Although we announced the pause of the CAAP Program and the suspension of the Advance Payments Program on April 26, 2020, CMS continued to accept applications from providers as they related to the COVID-19 public health emergency (PHE). Please note that, as of October 8, 2020, CMS will no longer accept applications for accelerated or advance payments as they relate to the COVID-19 PHE, although CMS will continue to monitor the ongoing impacts of COVID-19 on the Medicare provider and supplier community.

Eligibility and Repayment Terms

Eligibility Criteria

To receive an accelerated or advance payment during the COVID-19 PHE 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 or supplier's application,
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.

Repayment and Reconciliation

A provider or supplier may repay their CAAP payment at any time by contacting their Medicare Administrative Contractor (MAC). If such payment is repaid in full, the repayment terms below will not apply.

If any balance remains as to an accelerated or advance payment, pursuant to the Continuing Appropriations Act, 2021 and Other Extensions Act, repayment terms are as follows:

- Repayment does not begin for one year starting from the date the accelerated or advance payment was issued.
 - Beginning at one year from the date the payment was issued and continuing for eleven (11) months, Medicare payments owed to providers and suppliers will be recouped at a rate of 25%.
 - After the eleven (11) months end, Medicare payments owed to providers and suppliers will be recouped at a rate of 50% for another six (6) months.
 - After the six (6) months end, a letter for any remaining balance of the accelerated or advance payment(s) will be issued.
- ***Periodic Interim Payments (PIP) Providers:*** The timeline for repayments is the same for PIP and non-PIP providers. The recoupment process from bi-weekly PIP payments will begin after twelve months from the date the provider received their accelerated payment. Repayment will comport with the timeline described immediately above. Accelerated payments will not be included in the reconciliation and settlement of final cost reports.

Demand Letter Requiring Reimbursement: If a letter requiring reimbursement (also referred to as a CAAP demand letter) is issued, 100% recoupment will begin 15 days from the date of the letter. Providers and suppliers will have 30 days from the date of the letter to ensure the balance is repaid in full, either through recoupment or by making a lump sum payment. If the balance is not repaid within 30 days, interest will accrue at the rate of 4% from the date the letter was issued, and will be assessed for each full 30-day period that the balance remains unpaid. Information related to requests for an Extended Repayment Schedule and the opportunity to submit disputes regarding the amount owed will be included in these letters.

- ***CAAP Debt Disputes:*** If a provider or supplier believes the balance in the demand letter is inaccurate, the provider or supplier may submit a CAAP Debt Dispute to their appropriate MAC within 15 calendar days of the date on the letter. The balance is presumed correct unless such a dispute is submitted timely and the MAC confirms the balance was incorrect. If a provider or supplier does not agree with the MAC's review, providers and suppliers may request a secondary review of the decision by a different and independent reviewer. A submission of a CAAP Debt Dispute is not an appeal of the overpayment determination, and therefore the Medicare claims appeal procedures do not apply. Moreover, submission of a CAAP dispute does not stop collection activities or the accrual of interest.
- ***Provider and Supplier Assistance:*** For questions related to the Accelerated and Advance Payment Program, CMS has established COVID-19 hotlines at each MAC that are operational Monday – Friday to assist you with accelerated or advance payment concerns. You can contact the MAC that services your geographic area. To locate your designated MAC, refer to the MAC Contact section of this document or visit <https://www.cms.gov/Medicare/Medicare->

Repayment and Reconciliation Terminology:

Extended Repayment Schedule (ERS) is a statutorily authorized debt installment payment schedule, which allows a provider or supplier experiencing financial hardship to pay debts over the course of three years to the extent statutory and regulatory eligibility criteria are met. This can be extended to as many as five years, where certain extreme hardship criteria are met. Providers and suppliers are able to request ERSs after demand letters are issued. Providers and suppliers should contact their MAC for information on how to request an ERS.

Periodic interim payment is a method of payment used for certain services furnished in hospitals or by skilled nursing facilities under which providers receive reimbursement for healthcare services rendered to beneficiaries in lump sum bi-weekly (unless the provider requests a longer fixed interval) payments. For more information, please refer to 42 CFR 413.64(h).

Recoupment means the recovery by Medicare of any outstanding Medicare debt by reducing present or future Medicare payments and applying the amount withheld to the indebtedness (42 CFR 405.370). For the purposes of recovering accelerated and advance payments, recoupment means the recovery by Medicare of any outstanding Medicare accelerated and advance payment loans by reducing present or future Medicare payments and applying the amount withheld to the outstanding CAAP balance.

MAC Contact Information

CGS Administrators, LLC (CGS) - Jurisdiction 15

(KY, OH, and home health and hospice claims for the following states: DE, DC, CO, IA, KS, MD, MO, MT, NE, ND, PA, SD, UT, VA, WV, and WY)

The toll-free Hotline Telephone Number: 1-855-769-9920

Hours of Operation: 7:00 am – 4:00 pm CT

The toll-free Hotline Telephone Number for Home Health and Hospice Claims: 1-877-299-4500

Hours of Operation: 8:00 am – 4:30 pm CT for main customer service and 7:00 am – 4:00 pm CT for the Electronic Data Interchange (EDI) Department

First Coast Service Options Inc. (FCSO) - Jurisdiction N

(FL, PR, US VI)

The toll-free Hotline Telephone Number: 1-855-247-8428

Hours of Operation: 8:30 AM – 4:00 PM ET

National Government Services (NGS) - Jurisdiction 6 & Jurisdiction K

(CT, IL, ME, MA, MN, NY, NH, RI, VT, WI, and home health and hospice claims for the following states: AK, AS, AZ, CA, CT, GU, HI, ID, MA, ME, MI, MN, NH, NV, NJ, NY, MP, OR, PR, RI, US VI, VT, WI, and WA)

The toll-free Hotline Telephone Number: 1-888-802-3898

Hours of Operation: 8:00 am – 4:00 pm CT

Novitas Solutions, Inc. - Jurisdiction H & Jurisdiction L

(AR, CO, DE, DC, LA, MS, MD, NJ, NM, OK, PA, TX, (includes Part B for counties of Arlington and Fairfax in VA and the city of Alexandria in VA))

The toll-free Hotline Telephone Number: 1-855-247-8428

Hours of Operation: 8:30 AM – 4:00 PM ET

Noridian Healthcare Solutions - Jurisdiction E & Jurisdiction F

(AK, AZ, CA, HI, ID, MT, ND, NV, OR, SD, UT, WA, WY, AS, GU, MP)

The toll-free Hotline Telephone Number: 1-866-575-4067

Hours of Operation: 8:00 am – 6:00 pm CT

Palmetto GBA - Jurisdiction J & Jurisdiction M

(AL, GA, NC, SC, TN, VA (excludes Part B for the counties of Arlington and Fairfax in VA and the city of Alexandria in VA), WV, and home health and hospice claims for the following states: AL, AR, FL, GA, IL, IN, KY, LA, MS, NM, NC, OH, OK, SC, TN, and TX)

The toll-free Hotline Telephone Number: 1-833-820-6138

Hours of Operation: 8:30 am – 5:00 pm ET

Wisconsin Physician Services (WPS) - Jurisdiction 5 & Jurisdiction 8

(IN, MI, IA, KS, MO, NE)

The toll-free Hotline Telephone Number: 1-844-209-2567

Hours of Operation: 7:00 am – 4:00 pm CT

Noridian Healthcare Solutions, LLC – DME A & D

(CT, DE, DC, ME, MD, MA, NH, NJ, NY, PA, RI, VT, AK, AZ, CA, HI, ID, IA, KS, MO, MT, NE, NV, ND, OR, SD, UT, WA, WY, AS, GU, MP)

The toll-free Hotline Telephone Numbers: A: 1-866-419-9458; D: 1-877-320-0390

Hours of Operation: 8:00 am – 6:00 pm CT

CGS Administrators, LLC – DME B & C

(AL, AR, CO, FL, GA, IL, IN, KY, LA, MI, MN, MS, NM, NC, OH, OK, SC, TN, TX, VA, WI, WV, PR, US VI)

The toll-free Hotline Telephone Numbers: B: 866-590-6727; C: 866-270-4909

Hours of Operation: 7:00 am – 4:00 pm CT