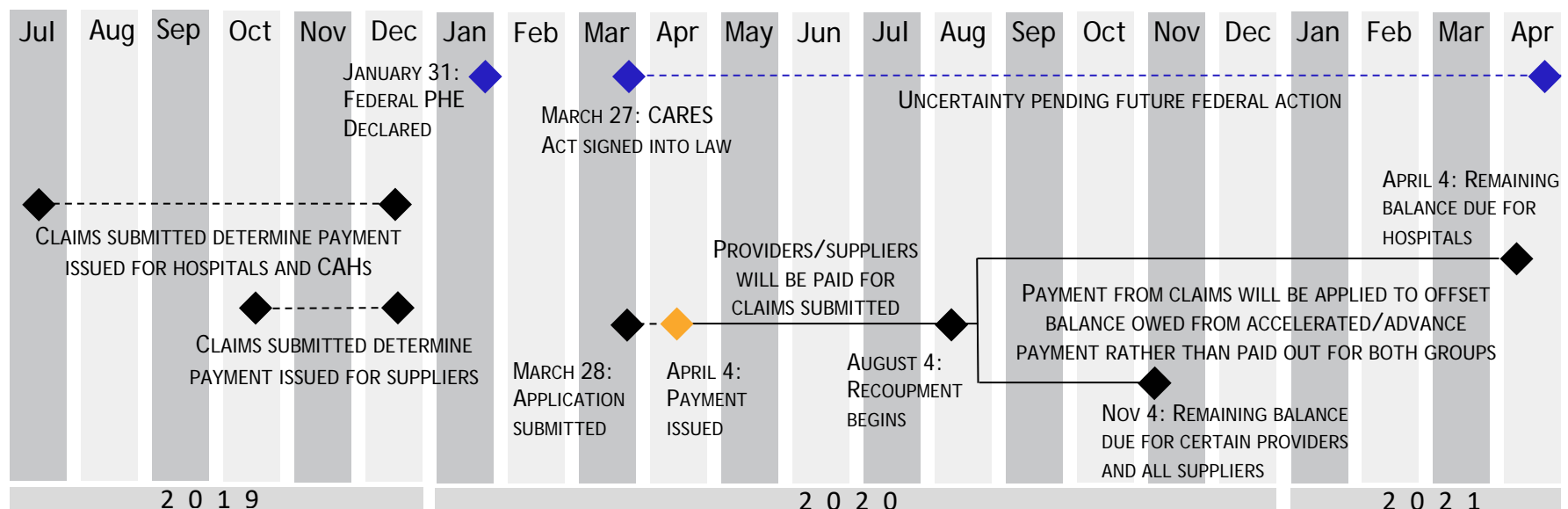


ACCELERATED AND ADVANCE PAYMENT PROGRAMS: TIMELINE

Updated June 16, 2020

The Accelerated and Advance Payment Programs allow Medicare providers to access prepayment of Medicare claims for a defined period of time. The programs were expanded through legislative and regulatory changes during the Coronavirus (COVID-19) pandemic and have served as a lifeline for providers, securing cash flow as volumes declined. On April 26, 2020, the Centers for Medicare & Medicaid Services (CMS) unexpectedly suspended the Advance Payment Program and announced that it was re-evaluating the Accelerated Payment Program, effectively suspending both programs.

As of April 26, 2020, CMS had [distributed](#) more than \$100 billion in accelerated and advance payments: According to CMS, \$59.6 billion was distributed to Part A providers, and \$40.4 billion was distributed to Part B providers and suppliers.



SAMPLE TIMELINE FOR ACCELERATED OR ADVANCE PAYMENT AND RECOUPMENT

UP TO 7 DAYS PRIOR TO PAYMENT: Provider or supplier submits application for accelerated/advance payments.

DAY 0: PAYMENT ISSUED. Within 7 days, the MAC *should* issue payment to the provider or supplier. The provider *should* continue to be paid for claims as usual.

- Suppliers receive 100% of claims submitted Oct-Dec 2019.
- Hospitals receive 100% of claims submitted July-Dec 2019.
- CAHs receive 125% of claims submitted July-Dec 2019.

DAY 120: RECOUPMENT BEGINS. Recoupment begins 120 days after **initial payment** for all providers and suppliers.

DAY 210: REMAINING BALANCE DUE FOR PROVIDERS & INTEREST ATTACHES (~9.625%) TO ANY OUTSTANDING BALANCE AFTER THIS DATE. Remaining balance of accelerated/advance payment is due 210 days after **initial payment** for certain Part A providers and all Part B suppliers.

DAY 365: REMAINING BALANCE DUE FOR HOSPITALS & INTEREST ATTACHES (~9.625%) TO ANY OUTSTANDING BALANCE AFTER THIS DATE. Remaining balance of accelerated/advance payment is due one year **after initial payment** for acute care hospitals, children's hospitals and certain cancer hospitals.

ACCELERATED AND ADVANCE PAYMENT PROGRAMS: BACKGROUND INFORMATION

Responsible Agency: CMS

Purpose: Stabilize Medicare providers and suppliers through accelerated and advance payments

Expanded Authorities: The Coronavirus Aid, Relief, and Economic Security (CARES) Act expanded the Accelerated Payment Program, permitting CMS to provide accelerated payments to a greater pool of providers. In announcing the expanded program, CMS provided an additional loan opportunity for other providers and suppliers. These programs are expanded for the duration of the public health emergency.

Suspension of the Program: On April 26, 2020, CMS announced the suspension of the Advance Payment Program, and that the agency will not accept additional applications. The agency simultaneously announced the reconsideration of Accelerated Payment Program. Because of how the program was written into the CARES Act, CMS arguably does not have the authority to entirely suspend the Accelerated Payment Program; CMS is using the “re-evaluation” to achieve the same objective.

Eligible Entities: The types of hospitals eligible for the Accelerated Payment Program during the pandemic were expanded to include psychiatric hospitals, rehabilitation hospitals, hospitals with inpatient populations under 18, long-term care hospitals, cancer hospitals and critical access hospitals. In addition to the specific types of hospitals eligible to apply, all providers and suppliers that met the following criteria were also eligible to apply for accelerated/advance payments:

- Billed Medicare within 180 days prior to the date of request
- Are not in bankruptcy
- Are not under active medical review or program integrity investigation
- Do not have any outstanding Medicare overpayments.

Payment: Eligible entities submitted an application unique to each Medicare Administrative Contractor. When requesting an accelerated or advance payment, the provider or supplier had to identify a specific requested amount. Providers and suppliers were permitted to request different maximum amounts:

- Inpatient acute care hospitals, children’s hospitals and certain cancer hospitals could request 100% of Medicare payment amount for the six-month period of July to December 2019.
- Critical access hospitals could request 125% of Medicare payment amount for the six-month period of July to December 2019.
- Other providers and suppliers could request 100% of Medicare payment amount for the three-month period of October to December 2019.

Hospitals, providers and suppliers will continue to receive payment for other claims submitted to Medicare.

Recoupment: The accelerated and advance payments are not grants, and must be repaid by providers and suppliers. Recoupment for all payments begins 120 days after the initial payment is received. If the loan is not repaid and recoupment begins, *all* claims submitted by the hospital, provider or supplier will not be paid. Instead, the amount will be applied to offset the balance owed.

Outstanding Payment: 210 days after initial payment is received, interest (9.625%) is applied to the remaining balance due for all providers and suppliers. Hospitals, however, have 365 days after receipt of initial payment to pay back the accelerated payment before interest is applied (9.625%).

ACCELERATED AND ADVANCE PAYMENT: RESOURCES AND MATERIALS

[Accelerated and Advance Payment Program Fact Sheet](#)

Fact sheet outlining the current status of the programs and how providers receive and repay accelerated and advance payment amounts

[Medicare Administrative Contractor List](#)

Tool for providers to identify Medicare Administrative Contractors

[Accelerated and Advance Payments by State and Provider Type](#)

Table outlining the distribution of payments by state and type of provider

[Accelerated and Advance Payments Provider Distribution](#)

Downloadable file detailing the providers by state that received accelerated and advance payments

[CMS Approves Approximately \\$34 Billion for Providers with the Accelerated/Advance Payment Program for Medicare Providers in One Week](#)

CMS press release, April 7, 2020

[Suspension of the Advance Payment Program and Reevaluation of the Accelerated Payment Program](#)

CMS press release, April 26, 2020

[Section 3719. Expansion of the Medicare hospital accelerated payment program during the COVID-19 public health emergency](#)

CARES Act (P.L. 116-136)

[42 USC 1395g: Payments to providers of services](#)

Statutory authority to disseminate accelerated and advance payments