

HPMS E-Mail

Date: April 08, 2020

Subject: CMS Approves Approximately \$34 Billion for Providers with the Accelerated/Advance Payment Program for Medicare Providers in One Week

The Centers for Medicare & Medicaid Services (CMS) has delivered near \$34 billion in the past week to the healthcare providers on the frontlines battling the 2019 Novel Coronavirus (COVID-19). The funds have been provided through the expansion of the Accelerated and Advance Payment Program to ensure providers and suppliers have the resources needed to combat the pandemic.

“Healthcare providers are making massive financial sacrifices to care for the influx of coronavirus patients,” said CMS Administrator Seema Verma. “Many are rightly complying with federal recommendations to delay non-essential elective surgeries to preserve capacity and personal protective equipment. They shouldn’t be penalized for doing the right thing. Amid a public health storm of unprecedented fury, these payments are helping providers and suppliers – so critical to defeating this terrible virus – stay afloat.”

The streamlined process implemented by CMS for COVID-19 has reduced processing times for a request of an accelerated or advance payment to between four to six days, down from the previous timeframe of three to four weeks. In a little over a week, CMS has received over 25,000 requests from health care providers and suppliers for accelerated and advance payments and have already approved over 17,000 of those requests in the last week. Prior to COVID-19, CMS had approved just over 100 total requests in the past five years, with most being tied to natural disasters such as hurricanes.

The payments are available to Part A providers, including hospitals, and Part B suppliers, including doctors, non-physician practitioners and durable medical equipment (DME) suppliers. While most of these providers and suppliers can receive three months of their Medicare reimbursements, certain providers can receive up to six months.

The CMS Accelerated and Advance Payment Program is funded from the Hospital Insurance (Part A) and Supplementary Medical Insurance (Part B) trust funds, which are the same fund used to pay out Medicare claims each day. The advance and accelerated payments are a loan that providers must pay back. CMS will begin to apply claims payments to offset the accelerated/advance payments 120 days after disbursement. The majority of hospitals including

inpatient acute care hospitals, children's hospitals, certain cancer hospitals, and critical access hospitals will have up to one year from the date the accelerated payment was made to repay the balance. All other Part A providers and Part B suppliers will have up to 210 days to complete repayment of accelerated and advance payments, respectively.

It is important to note, this funding is separate from the \$100 billion provided in the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The CARES Act appropriation is a payment that does not need to be repaid. The Department of Health and Human Services (HHS) will be providing additional information on how healthcare providers and suppliers can access CARES Act funds in the coming weeks.

The fact sheet on the accelerated/advance payment process and how to submit a request can be found here: [Fact Sheet](#) Providers can also contact their Medicare Administrative Contractor for any questions.

This action, and earlier CMS actions in response to COVID-19, are part of the ongoing White House Coronavirus Task Force efforts. To keep up with the important work the Task Force is doing in response to COVID-19, visit www.coronavirus.gov. For a complete and updated list of CMS actions, and other information specific to CMS, please visit the [Current Emergencies Website](#).