

HCMS Direct

## COVID-19 regulatory alert: CMS announces expanded Advance Payment Program to provide accelerated loans to healthcare providers

CMS announced nationwide expansion of the existing accelerated Advance Payment Program (APP), making the program available for most Medicare physicians and group practices. The APP provides a quick mechanism for healthcare entities to obtain accelerated, interest-free cash flow. Specifically, the APP fact sheet outlines that:

• Physician practices can request an advanced payment of up to 100% of the Medicare payment amount based on a three-month lookback period. The guidance does not specify how the lookback period is determined.

• Healthcare entities must make a request for an accelerated payment under the APP by <u>submitting a form</u> to Novitas the Texas Medicare Administrative Contractor (MAC). Texas is Jurisdiction H, Part B for physicians.

• Once requested, CMS anticipates Novitas will issue payment within seven calendar days from the request.

- The criteria for applying for the APP are:
  - o Having billed Medicare for claims within 180 days immediately prior to the date of request;
  - o Not in bankruptcy;
  - o Not under active medical review or program integrity investigation; and
  - o No outstanding delinquent Medicare overpayments.

• APP payments are subject to repayment, which for most healthcare entities begins 120 days after the payment is received.

o During the 120-day period, the healthcare entity will continue to be paid like normal for claims submitted to Medicare.

o After the 120 days, the recoupment process starts and every claim submitted will be offset to repay the advanced payment.