

CARES Act: CMS Expands Accelerated and Advance Payment Program for Medicare Providers and Suppliers

Article By:

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On March 28, 2020, the Centers for Medicare & Medicaid Services (“CMS”) announced the expansion of its accelerated and advance payment program for Medicare providers and suppliers. Typically, accelerated and advanced payments are offered to Medicare providers and suppliers who experience claims submission and or claims processing disruptions as a result of a natural disaster or national emergency. Accelerated and advanced payments are intended as emergency funding and to help address cash flow issues for affected Medicare providers and suppliers. The accelerated and advanced payments are based on historical payments to the provider and supplier and are offset by future claims. This expansion, which is included in the CARES Act, expands the benefits of accelerated and advanced payments to all Medicare providers and suppliers throughout the country during the COVID-19 public health emergency.

Notably, providers and suppliers do not have appeal rights related to these payments. However, to the extent that CMS issues overpayment determinations to recover unpaid balances associated with the accelerated and advance payments, full appeal rights apply.

Eligibility

To qualify for the advance/accelerated payments, the provider/supplier must:

- 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.

Amount of the Payment

- Providers/suppliers are asked to request a specific amount using an Accelerated or Advance Payment Request form provided on each MAC’s website.
- Most providers and suppliers will be able to request up to 100% of the Medicare payment amount for a three-month period.
- Inpatient acute care hospitals, children’s hospitals, and certain cancer hospitals are able to

request up to 100% of the Medicare payment amount for a six-month period.

- Critical Access Hospitals (“CAH”) may be able to request up to 125% of the Medicare payment amount for a 6-month period.
- Other providers and suppliers (HHA, SNF, ASC, physician practices, DME, etc.) may request up to 100% of Medicare payments based on a three-month period.

Processing Time

- The MAC will process payments within seven days of the request, and Medicare will begin accepting and processing Accelerated/Advance Payment Requests immediately.

Repayment and Reconciliation

- Recoupment will not begin until 120 days after the payments are issued. Providers/suppliers will receive full payments or their claims during this 120-day period.
- At the end of the 120-day period, the recoupment process, which is automatic, will begin and every claim submitted by the provider/supplier will be offset from the new claims to repay the accelerated/advanced payment. Thus, instead of receiving payment for newly submitted claims, the provider’s/supplier’s outstanding accelerated/advance payment balance is reduced by the claim payment amount.
- The majority of hospitals and suppliers will have up to 1 year from the date of the accelerated/advance payment to repay the balance.
- All other Part A providers and Part B suppliers will have 210 days from the date of the accelerated/advance payment to repay the outstanding balance.
- The Medicare Administrative Contractor will send a request for repayment of the outstanding balance.

Overpayments/Appeal Rights

- Providers/suppliers do not have administrative appeal rights related to these payments.
- Notably, CMS maintains that administrative appeal rights would apply to the extent CMS issued overpayment determinations to recover any unpaid balances on accelerated or advance payments.
- Providers/suppliers should be mindful that overpayments are defined as any funds that a person receives or retains to which the person, after applicable reconciliation, is not entitled. If a repayment is not made within the applicable time frame, providers/suppliers could be liable for treble damages and penalties under the False Claims Act.

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