

HPMS E-Mail

Date: April 27, 2020

Subject: CMS Reevaluates Accelerated Payment Program and Suspends Advance Payment Program

Today, the Centers for Medicare & Medicaid Services (CMS) announced that it is reevaluating the amounts that will be paid under its Accelerated Payment Program and suspending its Advance Payment Program to Part B suppliers effective immediately. The agency made this announcement following the successful payment of over \$100 billion to healthcare providers and suppliers through these programs and in light of the \$175 billion recently appropriated for healthcare provider relief payments.

CMS had expanded these temporary loan programs to ensure providers and suppliers had the resources needed to combat the beginning stages of the 2019 Novel Coronavirus (COVID-19). Funding will continue to be available to hospitals and other healthcare providers on the front lines of the coronavirus response primarily from the [Provider Relief Fund](#). The Accelerated and Advance Payment (AAP) Programs are typically used to give providers emergency funding and address cash flow issues for providers and suppliers when there is disruption in claims submission or claims processing, including during a public health emergency or Presidentially-declared disaster.

Since expanding the AAP programs on March 28, 2020, CMS approved over 21,000 applications totaling \$59.6 billion in payments to Part A providers, which includes hospitals. For Part B suppliers, including doctors, non-physician practitioners and durable medical equipment suppliers, CMS approved almost 24,000 applications advancing \$40.4 billion in payments. The AAP programs are not a grant, and providers and suppliers are typically required to pay back the funding within one year, or less, depending on provider or supplier type. Beginning today, CMS will not be accepting any new applications for the Advance Payment Program, and CMS will be reevaluating all pending and new applications for Accelerated Payments in light of historical direct payments made available through the Department of Health & Human Services' (HHS) Provider Relief Fund.

Significant additional funding will continue to be available to hospitals and other healthcare providers through other programs. Congress appropriated \$100 billion in the Coronavirus Aid, Relief, and Economic Security (CARES) Act (PL 116-136) and \$75 billion through the Paycheck Protection Program and Health Care Enhancement Act (PL 116-139) for healthcare providers.

HHS is distributing this money through the Provider Relief Fund, and these payments do not need to be repaid.

The CARES Act Provider Relief Fund is being administered through HHS and has already released \$30 billion to providers, and is in the process of releasing an additional \$20 billion, with more funding anticipated to be released soon. This funding will be used to support healthcare-related expenses or lost revenue attributable to the COVID-19 pandemic and to ensure uninsured Americans can get treatment for COVID-19.

For more information on the CARES Act Provider Relief Fund and how to apply, visit hhs.gov/providerrelief

For an updated fact sheet on the Accelerated and Advance Payment Programs, visit: <https://www.cms.gov/files/document/Accelerated-and-Advanced-Payments-Fact-Sheet.pdf>