



MEDICARE'S COVID-19 ADVANCE PAYMENT PROGRAM

FREQUENTLY ASKED QUESTIONS

The CARES Act provided the Centers for Medicare and Medicaid Services (CMS) with expanded authority to make available advance payments to physicians to assist during the COVID-19 emergency. As a result of the quick rollout of the program, there are many questions regarding the procedure to apply for and obtain the funds, as well as the timeline and specifics for recoupment.

Recently, the AMA met with CMS senior officials to raise these questions. Below are the answers provided by CMS. We will continue to work with the AMA, the medical community, and CMS to improve the program.

- 1. Advance payments should be requested from the physician's Medicare Administrative Contractor (MAC), but each MAC has its own form. The forms are confusing, and it is difficult to know how to answer the requested financial information.**

Advance payments are not new, but they have rarely been used. CMS is letting the MACs use the request forms they had previously used due to the quick roll out of the COVID-19 advance program. CMS does understand that the request forms are confusing and are discussing with the MACs the possibility of developing a standardized form.

When completing the COVID-19 advance payment requests, there is no need for physician practices to answer the financial questions, such as anticipated receipts, expenditures, and cash position. The most important required information is that the request is based on the COVID-19 emergency and a signature of an authorized person should be included. Specifically, physicians should state that "they are experiencing cash flow problems due to the COVID-19 crisis."

- 2. How should physicians complete the form regarding the requested amount? How do you calculate 100% of 3 months of Medicare payment?**

It is not necessary for physicians to calculate these amounts. All MACs have been instructed to use the physician's claims for the period October – December 2019 as the basis for the maximum advance payment amount. (Currently there are no exceptions for special circumstances, such as a physician having been on leave during October – December 2019.)

Physicians may also choose to request less than 100% of the 3 months. A physician who requests 50% of the maximum can come back and ask for the other 50% at a later time.

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3. How does the recoupment process work and will interest be charged?

Based on the statute, recoupment of advance payments will begin 120 days after the funds have been disbursed, and they will be taken from claims submitted at that time until the full amount has been repaid. Physicians can request to repay the funds, or a portion of the funds, directly instead of them being recouped through claims submissions. Physicians may also request that payments be made on less than 100% of the claims during the repayment period. **No interest is charged on COVID-19 advance payments that are repaid within 210 days of the disbursement.**

If repayment within this timeframe is a hardship for the practice, physicians can request that the MAC provide an extended repayment plan; however, **interest is charged on extended repayment plan payments at 10.25% per the statute.** (CMS is checking with their general counsel regarding any flexibility they might have, but the medical community may have to go to Congress.)

4. The advance payment notice from CMS says that physicians cannot qualify if they are under active medical review or program integrity investigation. Does Targeted Probe and Educate (TPE) count as medical review? Enrollment validation?

No, investigations that would disqualify a physician from receiving advance payments are program integrity and fraud investigations. TPE does not count, nor do RAC audits. Physicians under investigation will have received notice from a program integrity contractor.

5. Can a group practice apply for an advance payment using its TIN, or does each individual physician need to request it?

CMS indicated that advance payments must be requested at the individual NPI level, as this is how the MACs calculate the amount of payments to be advanced. If everyone in a group wants to request an advance payment, each physician would need to complete a form with their NPI. The payments will be made in the same way other Medicare payments are made. Therefore, if the group's claims are paid to a particular TIN, that is where the advance payment will be sent.

However, it has been reported by ASOA members that individual MACs are only requiring the TIN for the group practice. Therefore, we encourage you to contact your MAC.

6. Will the remittance advice explain when the physician's future claims are reduced to repay the advance payment?

Yes

7. The CMS fact sheet says there are no administrative appeal rights. What does that mean?

The MACs determine whether the physician qualifies for the advance payment and the amount they are eligible to receive. These determinations cannot be appealed. However, physicians can still resubmit and/or appeal individual claims that are denied.