



Update: CMS Suspends Accelerated & Advanced Payment Program April 27, 2020

In a rare Sunday press release (4/26/20), the Centers for Medicare & Medicaid Services (CMS) has announced that the CMS Accelerated and Advanced Payment Program (APP) will not be accepting any new applications and will be reevaluating all pending and new applications. There is no indication in the press release that any of the previously approved and issued advanced payments will be impacted by the suspension of this program.

Background

On March 30 and 31, Zotec issued its Part I and II descriptions of this long-established program.

- Medicare MACs would estimate and pay in advance at the clinician's request 3 months of Medicare payments based on Q4 2019 reimbursements.
- The MACs were required to accept and have Medicare Part B funds issued to clinicians within 7 days of the clinician's request.
- After the 4-month grace period, the Medicare MACs would begin recouping these advance payments from future claims and interest would be due from the clinicians at statutory rate of 10.25% for any unpaid balances.

While the stated reasons for suspension of the program are not clear, CMS states that nearly 24,000 Part B suppliers including physicians have accessed the APP program for a total of \$40.4 billion. CMS has also re-stated that additional CARES Act grants will be available of:

- Approximately \$10 billion of the general allocation remaining after the \$30 billion tranche 1 to hospitals and physicians on April 10; and
- Approximately \$10 billion to hospitals in tranche 2 on April 24, (the total general allocation was \$50 billion from the original \$100 billion in the CARES Act 3.0 law).

We will provide future updates as that new information becomes available.

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