

# CARES Act: Medicare's COVID-19 advance payment program

## FAQs

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The Centers for Medicare & Medicaid Services (CMS) issued information about new availability of advance payments to physicians to help during the COVID-19 emergency within 24 hours of receiving expanded authority under the CARES Act. The program's speedy rollout led to questions about how to obtain the funds and what strings may be attached. The following answers are based on AMA discussion with senior CMS officials. The AMA will continue working with CMS to try and improve the program.

1. **Advance payments are supposed to be requested from the physician's Medicare Administrative Contractor (MAC), but each MAC has its own form. The forms are confusing, and it is hard to know how to answer the requested financial information.** Advance payments are not new, but they have only rarely been used. Because the COVID-19 advance payment program was rolled out so quickly, CMS let the MACs use the request forms they had previously used. That said, CMS does understand that the request forms are confusing. It is discussing the forms with the MACs and a more standardized form may be developed. For the COVID-19 advance payment requests, there is no need for physician practices to answer the financial questions on the forms, such as anticipated receipts, expenditures and cash position. The most important information required is that the request is based on the COVID-19 emergency and a signature of an authorized person. Specifically, physicians should state that "they are experiencing cash flow problems due to the COVID-19 crisis."
2. **How should physicians complete the part of the form regarding the requested amount? What is 100% of 3 months of Medicare payment?** There is no need for physicians to calculate these amounts themselves. 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 payment if they wish. A physician who requests a 50% of the maximum can come back later and ask for the other 50%.
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 the 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 having them recouped through claims submissions. Physicians may also request that payments be made on less than 100% of claims during the repayment period. No interest is charged on COVID-19 advance payments that are repaid within 210 days of 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%.

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, the kinds of 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?** 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 do a form with their NPI. The payments will be made in the same way other Medicare payments are made, so if the group's claims are paid to a particular TIN, that is where the advance payment will go.
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 that they are eligible to receive; these determinations cannot be appealed. Physicians can still resubmit and/or appeal individual claims that are denied.

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