

Provider Information on AAP

On March 28, 2020, CMS expanded the existing Accelerated and Advance Payments (AAP) Program to a broader group of Medicare Part A providers and Part B suppliers. An accelerated or advance payment is a payment intended to **provide necessary funds when there is a disruption in claims submission and/or claims processing**. CMS can also offer these payments in circumstances such as national emergencies or natural disasters in order to accelerate cash flow to the impacted health care providers and suppliers.

The Continuing Appropriations Act, 2021 and Other Extensions Act (P.L. 116-159), enacted on October 1, 2020, amended the repayment terms for all providers and suppliers who requested and received accelerated and advance payment(s) during the COVID-19 Public Health Emergency (PHE). Details on repayment terms are provided below.

Eligibility and Repayment Terms:

Eligibility Criteria

To receive an accelerated or advance payment during the COVID-19 PHE, the provider or supplier must:

1. Have billed Medicare for claims within 180 days immediately prior to the date of signature on the provider's or supplier's application,
2. Not be in bankruptcy,
3. Not be under active medical review or program integrity investigation, and
4. Not have any outstanding delinquent Medicare overpayments.

Repayment:

All Medicare providers and suppliers who requested and received CAAPs should be aware that CMS began recovering those payments as early as March 30, 2021, depending upon the one-year anniversary of when you received your first payment. Please be sure your billing staff is aware that the recovery has begun, or will begin soon, but no sooner than one year from the date CMS issued the CAAP to you.

Providers and suppliers who requested and received CAAPs during the COVID-19 PHE were granted a **lower interest rate of 4% for any demanded overpayments to recover CAAP balances due**. The CAAP repayment terms are provided as follows:

- Repayment begins one year starting from the date CMS issued your first CAAP.
- Beginning one year from the date CMS issued the CAAP and continuing for 11 months, CMS will recover the CAAP from Medicare payments due to providers and suppliers at a rate of 25%.

- After the end of this 11-month period, CMS will continue to recover remaining CAAP from Medicare payments due to providers and suppliers at a rate of 50% for 6 months.
- After the end of the 6-month period, your Medicare Administrative Contractor (MAC) will issue you a demand letter for full repayment of any remaining balance of the CAAP.

If payment is not received within 30 days, interest will accrue at the rate of 4% from the date your MAC issues you the demand letter. After that, CMS will assess interest for each full 30-day period that you fail to repay the balance.

More Information:

You may want to look at the following Fact Sheet:

[Repayment Terms for Accelerated and Advance Payments Issued to Providers and Suppliers During COVID-19 Emergency.](#)

See [Accelerated and Advance Payment Repayment & Recovery Frequently Asked Questions](#) for more information, especially if the repayment timeframe presents a hardship for you. For more information, contact your MAC.