

## Eli's Hospice Insider

### Funding: Dig Into The AAP Details

#### Frequently Asked Question set reveals more info.

To adequately plan for your eventual repayment of accelerated and advanced payments, you need to know the details of how the more relaxed recoupment schedule will work.

- Repayment will begin one year after payment was issued, so either March or April 2021. That's five months later than originally planned.
- For the next 11 months, "Medicare will automatically recoup 25 percent of Medicare payments otherwise owed to the provider or supplier," the Centers for Medicare & Medicaid Services explains in a release. That compares to a 100 percent recoupment as originally planned.
- At the end of that 11-month period, recoupment will increase to 50 percent for another six months.
- If at the end of that 29-month process, "the provider or supplier is unable to repay the total amount of the AAP ... CMS will issue letters requiring repayment of any outstanding balance, subject to an interest rate of four percent," it says. That compares to a 10 percent interest rate in the original plan.
- Providers can pay off the entire balance of their accelerated or advance payment before or after repayment begins, CMS confirms in a Frequently Asked Question Set on AAPs. "Please contact your MAC for more instructions on how to make a lump sum payment, especially if payment will be made after the repayment timeframe begins," CMS says in FAQ No. 9.
- Providers that remain closed and aren't submitting claims "will not be penalized," CMS says. "However, once the repayment timeframe ends after 29 months, MACs will issue letters for any outstanding balance owed. If payment is not received within 30 days, interest will accrue at the rate of 4 percent from the date the letter was issued, and will be assessed for each full 30-day period that the balance remains unpaid," CMS says in FAQ No. 12.
- Providers receiving Periodic Interim Payments will be on the same recoupment schedule as other providers, the takebacks will just be applied to their biweekly PIP payments, CMS clarifies in FAQ No. 15.
- You don't have to worry about cost report impacts. "Accelerated or advance payments will not be included in the reconciliation and settlement of final cost reports," according to FAQ No. 17.



**Meanwhile:** Don't get confused if you think you shouldn't be getting AAP recoupments, but you still are. "There are many reasons why a provider or supplier may not receive payments," CMS explains in a six-page AAP FAQ set. "Providers and suppliers experiencing this situation are encouraged to contact their MAC for clarification or resolution of repayment issues," CMS recommends in FAQ No. 18.

Note: The six-page FAQ set is at <https://www.cms.gov/files/document/covid-advance-accelerated-payment-faqs.pdf>.