



Simione Healthcare Consultants is working to help home health and hospice providers maximize cash flow while minimizing clinical and financial risk due to coronavirus. For help with assessment, data review and understanding the CMS changes for current operations, contact us at Simione.com or call 800.949.0388.

Advanced Payment FAQs

What are Accelerated Advance Payments?

An accelerated/advance payment is a pre-payment intended to provide necessary funds when there is a disruption in claims submission and/or claims processing. These expedited payments can also be offered in circumstances such as national emergencies or natural disasters to accelerate cash flow for impacted health care providers and suppliers. CMS is authorized to provide accelerated or advance payments during the period of the public health emergency to any Medicare provider/supplier who submits a request to the appropriate Medicare Administrative Contractor (MAC) and meets the required qualifications.

Are Home Health and Hospice providers eligible?

Yes, if you are a Medicare certified provider who has billed claims within 180 days you are eligible to submit this request. You must meet the following criteria:

- Not be in bankruptcy
- Not be under active medical review or program integrity investigation
- Not have any outstanding delinquent Medicare overpayments

How long will this advance payment cover?

For Home Health and Hospice providers, this payment will cover 90 days. Each MAC will review and issue payments within 7 days of receiving the request.

Can I continue to submit claims during the 120-day grace period, and will I get paid for these claims?

Home Health and Hospice providers can continue to submit claims as usual after issuance of the accelerated/advance payment and will receive full payment for their claims during the 120-day delay period. Since this is a one-time opportunity, the importance of accurately determining your cash flow needs during this period could not be emphasized more. Simione can help.

How is the repayment processed?

The recoupment process will start at 120 days of the issuance of the payment. Providers will continue to submit claims as usual after the issuance of the accelerated payment. Recoupment will begin at 120 days, in which claims sent will be offset to repay the advanced payment. Instead of receiving new payments for newly submitted claims at the 120-day mark, the advance payment balance will be reduced. This will be automated process.

How do I calculate the amount for the 90-day advance payment?

Agencies will need to submit a form to their MAC. This form will require the 30-day cash expected receipts and cash expenditures along with the current cash positions. Agencies should review their current data and factor in the following items:

- Timeliness of cash payments
 - Days to RAP & Final
- Changes in volume of admissions
- Changes to hospice length of stay & level of care
- Staffing availability to meet volume
- Changes in PDGM factors
 - Source of Admission – Institutional vs. Community
 - Increases in potential LUPA rates
 - Changes in Clinical Groups due to cancelation of elective surgeries
- Staffing cost and benefits – Salaries vs. Per Diem, Therapy Services
- Other administrative costs
 - Supplies
 - Mileage
 - Space Occupancy and Utilities
 - Equipment, Computers, Devices, etc.

What are my risks if my accelerated payments are not in line with actual claims submissions and how should I manage this?

Since CMS is asking for an estimate of payments, it is important for agencies to project this estimate based on expectations. If an agency overestimates the amount, they are at risk of future cash flow problems once repayment is processed through claims sent at 120 days. Overestimates could result in an agency not being able to meet day to day operational expenses. Agencies should think of long-term sustainability when analyzing their information.

How do I account for reconciling the accelerated payment for repayment?

- Perform weekly cash reconciliation to ensure all expenses are met
- Project or reforecast the next 9 months of cash based on changes in volume and revenue factors
- Perform reconciliation of the advanced payment starting at the 120-day mark
- Review all cost expenditures including current day to day operations and future payments

What are other options for agencies to avoid the current cash crunch?

- Continue to work your AR aging
- Contact physicians on best ways to communicate outstanding orders
- Contact payers for any updates on authorization, verification and available billable services
- Agencies should review currently available Small Business Loans and determine if they meet the criteria