

COVID-19 Accelerated & Advance Payment Program Repayment Terms

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On March 28, 2020, CMS expanded the existing COVID-19 Accelerated and Advance Payments (CAAP) Program to a broader group of Medicare providers to help combat financial burdens of the pandemic.

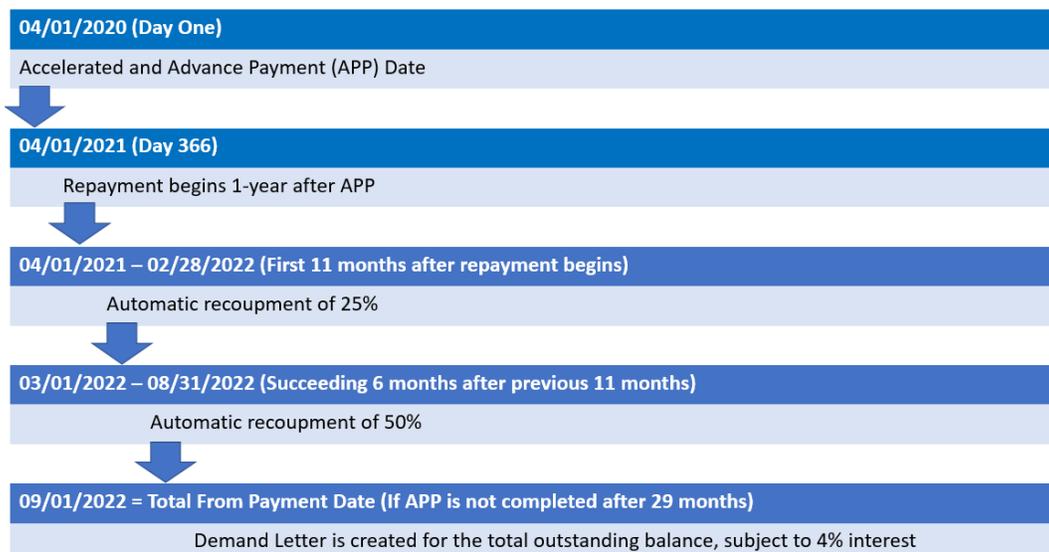
Repayment Terms

Congress amended repayment terms under the Continuing Appropriations Act, 2021 enacted on October 1, 2020, as outlined below:

- Recoupment of APP loans will begin **one year** after the advance payment was issued to a provider.
- Beginning at the one-year period, **Medicare will automatically recoup 25% of Medicare payments otherwise owed to a provider for a period of 11 months.**
- At the end of the 11- month period, **recoupment will increase to 50% of payments otherwise owed to a provider for another 6 months.**
- After the 6-month period, the MAC will determine if a CAAP balance remains, and, if so, issue a letter for full repayment of any remaining balance.
- If a letter requiring recoupment is issued, providers will have 30 days from the date of the letter to repay the balance in full. If payment is not received within 30 days, interest will accrue at the rate of 4% from the date the letter was issued and will be assessed for each full 30-day period that the balance remains unpaid.

Rather than repay CAPP loans via claims recoupment, providers may choose to repay loans via lump sum payments. Providers can contact their local Medicare Administrative Contractor (MAC) for details. If a lump sum repayment is made the above payment terms will not apply.

Example of repayment timeline:



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COVID-19 Accelerated and Advance Payments [Resources](#); the webpage includes:

- Press release
- Fact Sheet
- FAQs
- Medicare Learning Network (MLN) article