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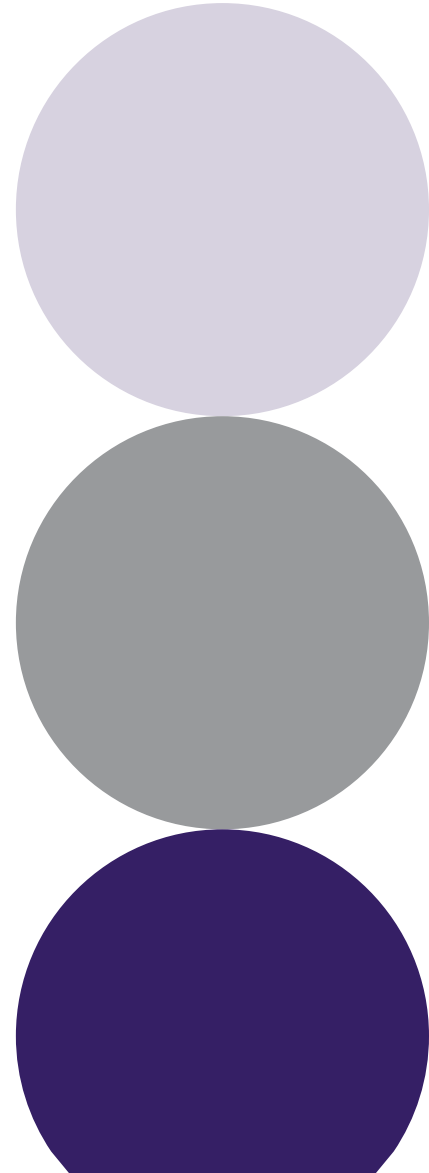
COVID-19 Financial Practice Supports – Accelerated Payments and Relief Funds

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Disclosure

- No speaker has any relevant financial disclosures or relationships.
- Drs. Glasser and Repka are AAO Consultants.



Webinar Series

- Tonight – focus on Medicare Advance Payments and Relief Funds
- Tuesday – focus on EIDL and PPP
- Thursday – Future legislative efforts, Relief Funds, PPP, and Medicare Advance Payments
- All will be available for on-demand viewing a few days after presentation.



CARES Act Financial Relief Loans & Grants

- The CARES Act created, expanded, and provided funding for financial relief programs that are available to ophthalmologists.
1. Paycheck Protection Program (PPP)
 2. Economic Injury Disaster Loans (EIDL)
 3. \$10K Economic Emergency Grant for those who apply for EIDL
 4. CMS Accelerated and Advance Payment Program
 5. CARES Act Provider Relief Funds



Paycheck Protection Program (PPP)

- The PPP received \$350 Billion through the CARES Act
- The PPP loans are available through SBA-approved lenders, major banks, and others approved by Treasury/SBA.
- 8 weeks of payroll/costs eligible for forgiveness if meeting employee retention requirements
- 75% of forgiven portion of a loan must be for payroll costs, 25% non-payroll (rent/mortgage, utilities)



Economic Injury Disaster Loans/Grants

- The CARES Act expanded EIDL's to provide financial assistance to small businesses impacted by COVID-19
- Borrowers applying for EIDL can request \$10,000 grant
- \$10,000 grant does not need to be repaid, even if EIDL applicant is denied (Special Rules Apply for those who also get PPP loan)
- Apply directly through SBA
- Not eligible for forgiveness



Troubled Rollout, Delayed Funds

- Bank delays, questions about forgiveness, and slow funding of PPP loans
- Process reportedly even slower with EIDL's, as applications go directly through Small Business Administration
- Many members seeking access to funds through loan programs, CMS advance payments, and receiving HHS stimulus payments

CMS Accelerated and Advance Payment Program



- \$34B in advance payments to Hospitals and Physicians
- To assist in immediate cash flow needs
- Request from MACs – repay within 210 days from grant (recoupment or remittance)





CARES Act Provider Relief Funds

- \$30 B provided to hospitals and providers based on Medicare Part B Claims in 2019
 - Announced April 10, 2020
- Support healthcare-related expenses or lost revenue attributable to COVID-19
- Automatic disbursement of 6.2%
- Paid on Taxpayer Identification Number
- Acceptance of the Terms and Conditions within 30 days or return funds



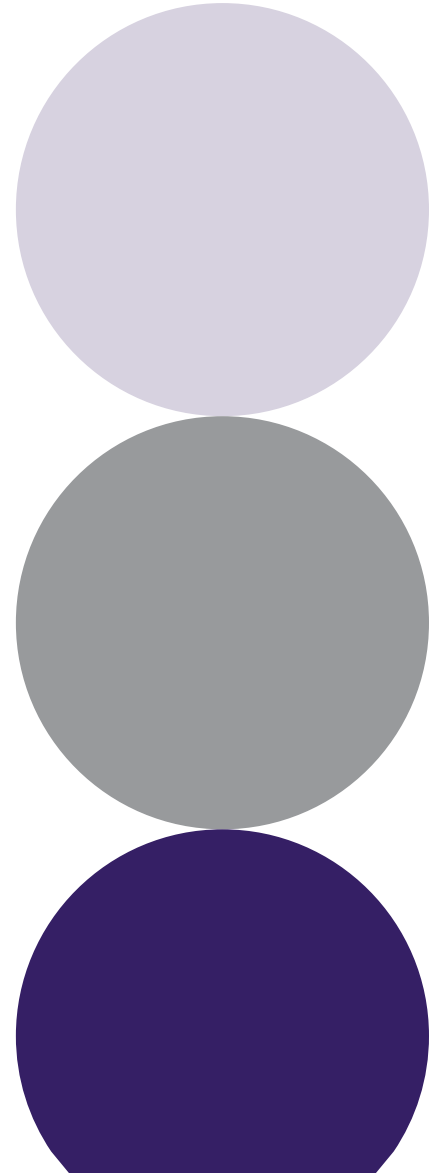
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CMS COVID-19 Advanced/Accelerated Payments

April 13, 2020

Cherie L. McNett
Director of Health Policy



Advanced/Accelerated Medicare Payments



- The Coronavirus Aid, Relief, and Economic Security (CARES) Act, signed into law on March 27, 2020, directed CMS to expand the Medicare Part A payment acceleration payment program for hospitals.
- Additionally, CMS itself took action to expand payment acceleration for Medicare Part B providers and issued guidance on March 28, 2020 as to how physicians, ASCs and DME suppliers could apply.
- Similar relief has been provided in the past by Medicare for providers affected by hurricanes and other natural disasters.
- The program is available nationwide through your Medicare Administrative Contractors (MACs) during the COVID-19 public health emergency.



Who is Eligible?

- Part B physicians, hospital outpatient departments, ASCs and DME suppliers
- The guidance states that you must:
 - Have billed Medicare for claims within 180 days (6 months) immediately prior to the date of signature on request form;
 - Not be in bankruptcy;
 - Not be under active medical review or program integrity investigation; and
 - Not have any outstanding delinquent Medicare overpayments.



How do I Apply? What is required?

- To request advanced payment, you must submit an Accelerated/Advance Payment Request Form specific to the provider or supplier's MAC.
- The form is one page and can be found on the applicable MAC's website, and must be submitted via mail, fax or email to the MAC. There is still inconsistency between the information requested by the various MACs, but the request form generally includes:
- Provider identification information, including legal business name, correspondence address, National Provider Identifier and any other information required by the MAC



How do I Apply? What is required?

- You should look at a 3-month period from 2019 to calculate the amount to request.
- State the reason for the request:
 - Delay in billing process of an isolated temporary nature beyond the practice's normal billing cycle and not attributable to other third-party payers or private patients) and that the request is for an accelerated/advance payment due to the COVID-19 pandemic
- Signature of an authorized representative of the provider is required.
 - This does not have to be the physician.
 - It can be a staff member you have designated as financially responsible in PECOS.

Where Do I Get the Application?

- **CGS:**

- Form: https://www.cgsmedicare.com/pdf/accelerated_req_form.pdf
- Details: <https://www.cgsmedicare.com/jc/covid-19.html>
- Physicians in: KY and OH

- **First Coast:**

- <https://medicare.fcso.com/coronavirus/0460439.asp?wt.ac=advancepayment&wt.ad=homepage%20banner>
- Physicians in FL, Puerto Rico, and U.S. Virgin Islands



Where Do I Get the Application?

- **National Government Services (NGS):**

<https://www.ngsmedicare.com/ngs/poc/ngsmedicare?1dmy&urile=wcm%3apath%3a%2FNGSMedicareContentNEW%2FNGSMedicareNEW%2FTraining%2FJob%2BAids%2BManuals%2FAdvance%2BPayments%2Bto%2BProviders%2Bof%2BPart%2BB%2BServices&LOB=Part%20B&LOC=Connecticut&ngsLOC=Connecticut&ngsLOB=Part%20B&jurisdiction=Jurisdiction%20K>

- For physicians in: IL, MN, WI, CT, ME, MA, NH, NY, RI, and VT



Where Do I Get the Application?

- **Noridian:**

- <https://med.noridianmedicare.com/documents/10546/2911943/Accelerated+and+Advance+Payment+Form?version=1.2>
- Physicians in both jurisdictions (E/F): AL, AZ, ID, CA, HI, MT, ND, NV, OR, SD, UT, WA ,WY, as well at the territories of American Samoa, Guam, Northern Mariana Islands

- **Palmetto:**

- <https://www.palmettogba.com/palmetto/providers.nsf/docsr/Providers~JJ%20Part%20B~Browse%20by%20Topic~Emergency%20and%20Disaster%20Instructions~AcceleratedAdvance%20Payments%20Related%20to%20COVID-19>
- Physicians in both jurisdictions (J/M): AL, GA, NC, SC, VA, TN, WV



Where Do I Get the Application?

- **Novitas:**

- Physicians in Jurisdiction L (DC, DE, MD, NJ & PA): <https://www.novitas-solutions.com/webcenter/portal/MedicareJL/pagebyid?contentId=00226104>
- Physicians in Jurisdiction H (AR, CO, LA, MS, NM, OK, TX, Indian Health & Veteran Affairs): <http://www.novitas-solutions.com/webcenter/portal/MedicareJH/pagebyid?contentId=00226105>



Where Do I Get the Application?

- **WPS:**

https://www.wpsgha.com/wps/portal/mac/site/fees-and-reimbursements/guides-and-resources/advanced-payment-certification/!ut/p/z0/fY7RCslgFEC_SK4tGHtdUVhM6imcL3FRZ5dKRd2gv2_0AT0eOBwOaFCgAy7ksVIM-Fp51O39KkQrNh0fLo3kvJfH2_bQDbtT38IZ9H9hLTRZ7qUHnbA-GIUpgvIzWVcYBsuyK3HOxhVQaBcMxImW8PN2oTLjcqWJzG8H0IOPX-fbrkE!/

- Physicians in Jurisdiction 5 and 8: IA, IN, KS, MI, MO, NE





What are the Repayment Requirements?

- As the name implies these are payments that are extended in advance of patient care and they are required to be paid back to Medicare.
- CMS has determined that physicians can request the funds for 100% of their Medicare payment amount for a three-month period.
- They have also indicated that you may be asked to submit documentation to support the request, either in connection with the application or at some later date.





What are the Repayment Requirements?

- Repayment of the advance begins **120 days** from the receipt of the funds.
- During that 120-day timeframe physicians should bill and be paid as they would normally for any services provided to Medicare Part B beneficiaries.
- CMS through their Contractors will begin to offset the advanced payment from all claims 90 days after that initial timeframe.
- That provides Part B providers (physicians, ASCs, HOPDs and DME suppliers) a total of 210 days from the date the accelerated or advance payment was made to repay the balance.

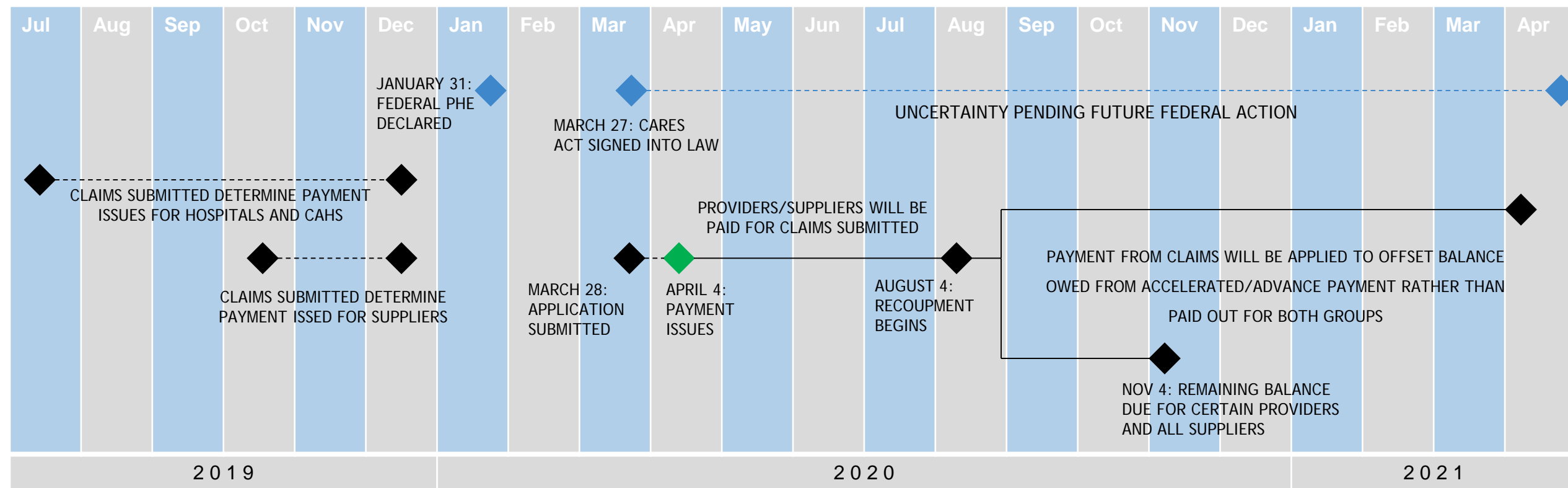




What are the Repayment Requirements?

- If the total amount of the advanced payment is not recouped within 90 days following the initial 120 days, the Contractor is required to begin assessing interest on any remaining balance.
- That interest amount is set at the US Treasury rate of 10.25%.
- The rate is subject to change based on the prevailing rate at the time it is determined a balance is due.

CMS Accelerated and Advance Payments Timeline



SAMPLE TIMELINE FOR ADVANCED OR ACCELERATED PAYMENT AND RECOUPMENT

UP TO 7 DAYS PRIOR TO PAYMENT: Provider or supplier submits application for accelerated/advance payments

DAY 0: PAYMENT ISSUED. Within 7 days, the MAC *should* issue payment to the provider or supplied. The provider *should* continue to be paid for claims as usual.

- Suppliers receive 100% of claims submitted Oct-Dec 2019.

DAY 120: RECOUPMENT BEGINS. Recoupment begins 120 days after *initial payment* for all providers and suppliers.

DAY 210: REMAINING BALANCE DUE FOR PROVIDERS & INTEREST ATTACHES (-10.25%) TO ANY OUTSTANDING BALANCE AFTER THIS DATE. Remaining balance of accelerated/advance payment is due 210 days after *initial payment* for certain Part A providers and all Part B suppliers



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How Does CMS Determine the Payment?

- CMS does not detail how the MACs are to calculate the payments or the application of interest.
- While providers are asked to indicate a payment amount, it is our understanding that CMS's current position is to have the MACs use data CMS provides on the net reimbursement/claim payments.
- Importantly for ASCs, this would include pass-through payments, made to the entity over a three-month the three-month period in 2019.



Are There Other Enforcement Considerations?

- There could be additional future enforcement risks.
- Your application(s) and associated certification(s) should be accurate and materially complete with respect to all matters covered in both the MAC-specific application form and the more generalized CMS-set criteria.



Are There Other Enforcement Considerations?

- Providers should consider disclosing or otherwise addressing all manner of program review and investigation activities (e.g., Targeted Probe and Educate, Comprehensive Error Rate Testing, Quality Improvement Organization activities, Recovery Audit Contractor activities, any open OIG requests, any pending or finalized qui tam litigation under the False Claims Act)
- If the form used by your MAC does not include any reference to pending medical reviews or investigations, you should address by inclusion of appropriate disclosures and/or disclaimers along with your application.

What if My Application is Denied?

- The CMS guidance states that providers and suppliers will not have administrative appeal rights related to these accelerated or advance payments.
- We found nothing in the initial guidance that prohibits resubmitting a request if the initial request is denied.
- The guidance does apply appeal rights to the extent CMS issued overpayment determinations to recover any unpaid balances on accelerated or advance payments.



Should I Apply for the Advanced Payments?

- It is up to every physician, practice and facility to determine based on the program rules. Some things to consider are:
 - The advance payment helps immediate cash flow, but will start to negatively impact cash flow in 120 days.
 - If you can make use of a loan that is interest free for 210 days but would have to be repaid or refinanced to avoid a 10% interest rate, go for it.
 - If you are facing immediate irreversible economic damage, pushing the cash flow crisis down the road may be a smart move.



Is the Academy Working to Change the Negative Aspects of the Program?



- **Yes!**
- The timeline is unrealistic and fails to take into account that the PHE and the request to halt elective/non-emergent/urgent surgery could continue for several weeks; significantly shortening the repayment timeline.
- The Academy also strongly opposes the 10.25% interest rate. The Federal Reserve announced two weeks ago that their interest rate was effectively zero.
- The SBA loans are being offered at 1.00% interest; so at a minimum this program should also be set at that rate.

Is the Academy Working to Change the Negative Aspects of the Program?



- **Yes!**
- We have spoken directly to high-level CMS staff. They say their hands are tied as the interest rate is a mandatory requirement.
- We have also shared our concerns with Congress and will work to enact changes in any future COVID relief legislation.

CMS Relief Funds

David Glasser, MD
Secretary for Federal Affairs



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CARES Act

- Coronavirus Aid, Relief, and Economic Security (CARES) Act
 - Signed into law on March 27, 2020
 - Wide-ranging support for economy
- Includes \$100 billion in relief funds for hospitals and healthcare providers
- Supports healthcare-related expenses *OR* lost revenue due to COVID-19



Provider Relief Fund: \$30 Billion

- Portion of the \$100 billion of CARES Act money allocated to hospitals and healthcare providers, announced April 10, 2020
- Immediate infusion of \$30 billion into healthcare system
- Eligibility: almost all providers and facilities that received Medicare fee-for-service reimbursement in 2019
- No application required: payment is automatic
- Outright grants, not loans: do not need to be repaid



How Is Provider Relief Fund Payment Made?

- Payments made to billing organization according to TIN
 - If your claims were billed under another TIN in 2019, payments will go to that TIN
- Payments to large groups sent to central billing office
- United Health Group (UHG) will distribute funds per ACH payment information on file with CMS or UHG
 - Remittance advice: US HHS STIMULUS PAYMENT or HHSPAYMENT
 - (vs. COVID-19 for Advanced Payments)
 - Some practices have already received payment
 - Expect ongoing payments throughout the week of April 12
 - Paper checks will take a few weeks



How Much Should I Expect?

- Payments calculated based on each TIN's Part B FFS Medicare payments in 2019 as a percentage of total FFS Medicare payments
 - Total Medicare FFS payments in 2019: \$484 billion
 - Total funds available for Relief Fund Payment: \$30 billion
- Each TIN will receive about 6.2% of its 2019 Medicare FFS payments
 - Based on all Part B payments, including drugs
 - Represents less than one month's worth of Medicare receipts
 - Verify that the amount received is reasonably accurate



Why Part B Medicare FFS Payments?

- Those with minimal Medicare FFS in payer mix will see little relief
 - Pediatric and oculoplastic ophthalmologists
 - Areas with high Medicare Advantage penetration
- Payments to those using Part B drugs reflect previous drug dollars
 - Still providing injections on an urgent or emergency basis
 - Higher immediate cash-flow needs despite continuing to bill for Part B drugs
- CMS used Part B payment data – more concerned with speed than accuracy
- Academy advocated for a more granular process, and will continue to do so
 - Provider Relief Payments are a small part of the relief program
 - Future COVID legislation and payments hoped to address above





Free Money? What Are the Strings?

- No “surprise” balance billing
 - Accepting the funds means agreeing not to seek collection of out-of-pocket payments greater than what a patient would have otherwise been required to pay if the care had been provided in-network
- Sign attestation within 30 days of receiving payment stating that
 - You received the payment
 - You agree to the Terms and Conditions



Terms and Conditions: 1-2 - Eligibility

1. Recipient = healthcare provider, whether individual or entity
2. Recipient must certify that it:
 - Billed Medicare in 2019; and
 - Currently provides diagnoses, testing, or care for individuals with possible or actual cases of COVID-19; and
 - Is not currently terminated from participation in Medicare; and
 - Is not currently excluded from participation in Medicare, Medicaid, and other Federal health care programs; and
 - Does not currently have Medicare billing privileges revoked.



What if...

- I'm not seeing actual cases of COVID-19? How is “possible” defined?
 - T&C refer to individuals with “possible or actual cases of COVID-19.” CMS has indicated that they view **any** patient during this period as someone with a “possible” case of COVID-19.
- My practice is shut down and I'm not seeing any patients?
 - If you ceased operation as a result of the COVID-19 pandemic, you are still eligible to receive funds so long as you **provided** diagnoses, testing, or care for individuals with possible or actual cases of COVID-19. Care does not have to be specific to treating COVID-19. HHS broadly views every patient as a possible case of COVID-19.





Terms and Conditions: 3-4 – Use of Payments

3. The Recipient certifies that the Payment will only be used to prevent, prepare for, and respond to coronavirus, and shall reimburse the Recipient only for health care related expenses or lost revenues that are attributable to coronavirus.
 - This covers almost any expense that the practice incurs.
4. The Recipient certifies that it will not use the Payment to reimburse expenses or losses that have been reimbursed from other sources or that other sources are obligated to reimburse.



What if...

- I do anti-VEGF injections and bill CMS for the drugs under Part B? Can I use the Payment to buy the drugs?
 - No, you can't use the payment for items that another source (CMS) is obligated to reimburse. Use it for salaries, rent, utilities, other overhead expenses.
- I received an Advanced Payment, a PPP loan, or an EIDL loan or grant?
 - You may receive funds from all these programs.
 - EIDL grants (not loans) reduce PPP forgiveness
 - You may not use funds from more than one program to pay for the same thing.
 - You may use funds from more than one program to pay different portions of the same thing.

KEEP METICULOUS RECORDS





Terms and Conditions: 5-7 - Records

5. The Recipient shall submit reports as the Secretary determines are needed to ensure compliance with conditions that are imposed on this Payment, and such reports shall be in such form, with such content, as specified by the Secretary in future program instructions directed to all Recipients.
6. Not later than 10 days after the end of each calendar quarter, any Recipient that is an entity receiving more than \$150,000 total in funds... shall submit to the Secretary...a report.
7. The Recipient shall maintain appropriate records and cost documentation... shall promptly submit copies of such records and cost documentation upon the request of the Secretary... cooperate in all audits



Report Details Required if >\$150,000

- Total funds received under all coronavirus aid/relief programs
- Amount expended for each project or obligation
- Detailed list of projects or activities for which large covered funds expended
 - Name and description
 - Number of jobs created where applicable
 - Detailed information on sub-contracts or subgrants compliant with 2006 Federal Funding Accountability and Transparency Act, as prescribed by OMB.

KEEP METICULOUS RECORDS
TRACK ALL OF THE MONEY





Terms and Conditions: 8 – No Surprise Billing

8. For all care for a possible or actual case of COVID-19, Recipient certifies that it will not seek to collect from the patient out-of-pocket expenses in an amount greater than what the patient would have otherwise been required to pay if the care had been provided by an in-network Recipient .
- Applies to all care, not just Medicare FFS
 - Broad definition of “possible” cases of COVID-19 includes ***all*** patients, identical to the definition used for the eligibility determination



Other Terms and Statutory Limitations

- “Executive Level II” pay limitation
 - Limits amount chargeable to the grant to \$197,300 of an individual’s salary
- Other legally required restrictions on use of payment:
 - No lobbying/political donations
 - No gun control advocacy
 - Limitations on abortion payments
 - Limitations on needle exchange funding
 - No embryo research
 - No promotion to legalize controlled substances
 - No online networks unless pornography blocked
 - No funds to ACORN
 - No propaganda
 - No confidentiality agreements, NDAs
 - No payments to those owing Fed tax
 - No payments to felons
 - No chimpanzee research
 - No human trafficking
 - Whistleblower protections apply



How Do I Certify, Where Do I Report?

- Via web portal, tentatively scheduled to open the week of April 13, 2020. Instructions will be found at:

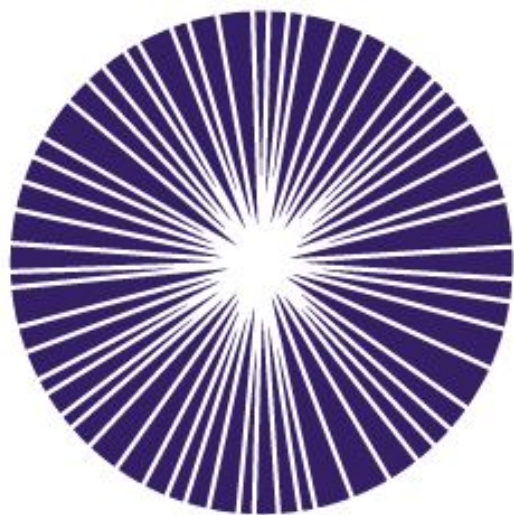
<https://www.hhs.gov/provider-relief/index.html>

- This site will also contain information soon on how to return the money if you:
 - Don't want it
 - Disagree with the Terms and Conditions
 - Received a payment despite being ineligible
 - Are unable to make the necessary certifications within 30 days



Q&A

- During this Webinar submit questions through the Electronic Platform
- Submit additional questions to: healthpolicy@aao.org
- We intend to update Q&A with new/revised answers as we are able and as program details become clearer.



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