



CMS Announces New Repayment Terms for Medicare Loans made to Providers

The Centers for Medicare & Medicaid Services (CMS) announced amended terms for payments issued under the Accelerated & Advance Payment (AAP) Program.

Repayment will now begin 1 year from the issuance date of each provider or supplier's accelerated or advance payment.

After the 1st year:

- Medicare will automatically recoup **25%** of Medicare payments otherwise owed to the provider/supplier for **11 months**

After the 11-month period:

- Recoupment will increase to **50%** for another **6 months**

If the provider or supplier is unable to repay the total amount of the AAP during this time-period, CMS will issue letters requiring repayment of any outstanding balance, **subject to a 4% interest rate.**

This letter will also provide guidance on how to request an Extended Repayment Schedule (ERS) for providers & suppliers who are experiencing financial hardships. An ERS is a debt installment payment plan that will allow providers/suppliers to pay debts over the course of 3 years, or, up to 5 years in the case of extreme hardship. **Additionally, the \$175 billion issued in Provider Relief funds can be used towards repayment of these Medicare loans.**

Providers & suppliers are encouraged to contact their Medicare Administrative Contractor (MAC) for information on how to request an Extended repayment schedule. CMS will be communicating with each provider & supplier in the coming weeks in regard to the repayment terms & amounts owed as applicable for any accelerated or advance payment issued.

To view the full press release, click here: [Press Release](#)

To view the fact sheet, click here: [Fact Sheet](#)

To view the frequently asked questions, click here: [FAQs](#)

Please contact your Strategic Account Manager or the Client Relations Hotline at 1-800-948-7991 with any questions.