



Major victory for physicians follows FMA advocacy on Medicare advances

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The Rundown:

On Sept. 23, the U.S. House of Representatives passed a bill containing language to address flaws in the Medicare Accelerated and Advance Payment program. These changes are consistent with FMA advocacy and are a victory for physicians.

Under current law, the Centers for Medicare & Medicaid Services will begin offsetting 100 percent of future Part B payments after 120 days from the issuance of the advance until the balance owed reaches zero. The advance must be repaid in full within 210 days or a 10.25-percent interest rate will be applied to any remaining balance.

The language passed by the House, upon becoming law, will replace these terms with more generous repayment terms. Specifically;

- The language provides physicians one year from the issuance of the advance before the repayment period begins.
- Offsets from future Medicare payments beyond one year are limited to no more than 50 percent of Part B payments.
- Physicians will have a total of 29 months to repay the advance. An interest rate of 4 percent will be applied to any balance remaining thereafter.
- One aspect of the language is unclear. It states that physicians must “request” these changes to take effect, and it is therefore possible that physicians will be required to submit a form or application in order to take advantage of these more generous terms. The FMA is closely monitoring this situation.

[A more detailed summary is available here.](#)