

## Change Healthcare Update: CMS Approves Advanced Payments

### Electronic Payments Expected Back Online as Early as March 15

As [shared](#) previously, UnitedHealth Group Inc.'s technology subsidiary Change Healthcare announced that its systems were adversely affected by a security incident a few weeks ago. AHCA/NCAL has advocated that the U.S. Department of Health and Human Services (HHS) and the Centers for Medicare and Medicaid Services (CMS) take specific actions in response to this issue. We're pleased to report that over the weekend, CMS has [taken steps](#) to expand financial relief opportunities for impacted providers, consistent with what AHCA/NCAL recommended.

Providers should stay alert for messages from federal, state, or commercial payers and billing software vendors regarding these new opportunities, or contact their member/provider help desk for specific guidance.

Additionally, UnitedHealth Group [announced](#) a limited expansion of its financial relief program and offered some additional updates on when services would be restored.

Below is a summary of the recent announcements and relief options currently available to providers.

#### **Medicare Part A and Part B Payer Relief Options**

**Accelerated Payments.** On March 9, CMS issued a [press release](#) announcing the agency has deemed, as AHCA/NCAL [requested](#), that providers who attest their claims processing and/or payment operations have been impacted and are negatively affecting cash flow may request an Accelerated Payment from their Medicare Administrative Contractor (MAC).

**CMS has developed a streamlined Accelerated Payment process and has instructed MACs to provide public information on how to submit a request for a Medicare Accelerated or Advance Payment on their websites.**

Specific details are available in the March 9 CMS [fact sheet](#).

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Highlights include:

- CMS is providing the MACs with a temporary Change Healthcare/Optum Payment Disruption (CHOPD) Accelerated Payments program fund to distribute to Part A providers and advance payments to Part B suppliers experiencing claims disruptions.
- The CHOPD accelerated and advance payments may be granted for up to thirty days (30) of claims payments to eligible providers and suppliers.
- The average 30-day payment is based on the total claims paid to the provider/supplier between August 1, 2023, and October 31, 2023, divided by three. This CHOPD Accelerated Payment amount of 100% of average Medicare payments is better than the historical Accelerated Payment policy of 70%.
- Payment recoupment will follow traditional Accelerated Payment policies through automatic recoupment from subsequent Medicare claims for 90 days.

### **Medicare Advantage (Part C) Payer Relief Options**

CMS [strongly encourages](#) Medicare Advantage (MA) organizations and Part D sponsors to exercise flexibility in prior authorization and utilization management requirements. CMS also encourages MA organizations to relax claim filing deadlines and offer advance funding to most affected providers. Providers should engage with MA organizations and Part D sponsors to understand any temporary changes that might affect patient care and billing processes.

This event underscores the importance of robust business continuity plans that include preparations for cyber incidents. CMS mandates that MA organizations and Part D sponsors have such plans. Providers should review continuity plans to ensure they can effectively respond to similar disruptions, safeguarding patient care and business operations.

### **Medicaid Relief Options**

CMS also [recognizes](#) that many Medicaid providers are deeply impacted by the cyberattacks. The agency continues to work closely with states and is urging Medicaid managed care plans to make prospective payments to impacted providers.

Additionally, HHS [announced yesterday](#) that it has urged UnitedHealth Group to provide Medicaid agencies with a list of providers impacted in their states.

### **UnitedHealth Group Updates**

**Relief Options.** On March 7, UnitedHealth Group [announced](#) a limited expansion of its previously implemented provider relief options. This is a very limited [temporary](#)

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[funding assistance program](#) through Optum Financial Services, and it is only for providers whose payments are issued through Change Health systems. UnitedHealth Group characterizes this as a “*funding mechanism of last resort*.” However, this assistance would only help a limited number of impacted AHCA/NCAL member providers.

In addition, UnitedHealthcare is temporarily suspending certain prior authorization requirements and utilization review for MA inpatient admissions. For Part D benefits, drug formulary exception review processes are also being temporarily suspended. These measures are in effect until March 31.

**System Restoration.** UnitedHealth Group has restored some systems. Electronic prescribing is now fully functional and electronic payments are expected to resume by March 15. However, efforts continue to restore claims processing functionalities, with testing beginning the week of March 18. Providers should stay informed on the restoration timelines and utilize alternative claim submission systems, such as the new iEDI [system](#), as suggested by UnitedHealth Group.

For ongoing updates and additional information, please refer to CMS communications and UnitedHealth Group's dedicated [cyber response page](#).

AHCA/NCAL is committed to supporting members through this challenging time and will continue to provide updates as more information becomes available. In the meantime, please reach out to [Grant Beebe](#) or [Dan Ciolek](#) at AHCA/NCAL with any questions.

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