

Change Healthcare/ Optum Payment Disruption (CHOPD) Accelerated and Advance Payments for Part A Providers and Part B Suppliers Frequently Asked Questions

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General Questions

1. What is a Change Healthcare/ Optum Payment Disruption (CHOPD) Accelerated and Advance Payment (AAP)?

A: A CHOPD accelerated or advance payment refers specifically to accelerated/advance payments issued to providers and advance payments issued to suppliers who are experiencing delays in the submission or processing of Medicare claims payments as a result of the Change Healthcare/ Optum cyber incident, which began on February 21, 2024. The name of these payments are intended to distinguish the CHOPD payments from other accelerated and advance payments that CMS has issued after federally-declared disasters or emergencies in specific areas of the country, such as hurricanes or wild fires.

2. How is this CHOPD accelerated or advance payment different from the typical accelerated and advance payment process?

A: Due to the unprecedented impact of the Optum Insight/ Change Healthcare Cyber Incident, CMS is making CHOPD accelerated or advance payments for a limited time period to help alleviate financial strain attributed to the disruption in the claims submission to and payments from Medicare Administrative Contractors. Traditional AAPs are reviewed individually on a case-by-case basis, under existing guidance. The CHOPD program operates under different terms such as the establishment of certifications and acknowledgements, for all impacted providers and suppliers. In addition, the CHOPD payment is intended to cover up to 30 days of Medicare claims and providers/suppliers have 90 days to repay the payment.

3. How long will accelerated or advance payments due to the Incident be available?

A: At this time, CMS does not have a projected end date for the CHOPD accelerated and advance payment program. CMS expects these payments will no longer be available upon resolution of the disruptions to Change Healthcare/ Optum's Electronic Data Interchange (EDI).

4. Since CMS is only permitting payments representative of thirty days of payments, will there be an opportunity to request another payment if the Incident has not been resolved, and the delays in submitting and/or processing claims payments are ongoing?

A: CMS is actively monitoring the Incident and will issue further guidance if it becomes necessary.

5. How long will it take the MAC to make the payment after the paperwork has been submitted?

A: MACs are aiming to review requests and will notify most providers/suppliers of the outcome of their request within 5 business days of receipt.

Application Criteria

6. What is “periodic interim payment” or “PIP”?

A: “Periodic interim payment” or “PIP” is a method of payment used for certain services furnished in hospitals or by skilled nursing facilities under which providers receive reimbursement for healthcare services rendered to beneficiaries in lump sum bi-weekly (unless the provider requests a longer fixed interval) payments. Providers who receive Periodic Interim Payments are not eligible for CHOPD accelerated payments. For more information, please refer to [42 CFR 413.64\(h\)](#) and [42 CFR 418.307](#). Please note, Skilled Nursing Facilities receiving interim payments as described in 42 CFR §413.350(c), and is not receiving PIP payments under 42 CFR §413.350(b), may request accelerated payments.

7. Are pharmacies eligible to apply?

A: Only those pharmacies enrolled as DME suppliers or roster billers are eligible for CHOPD payments. This program does not include Part D.

8. Am I required to submit information related to the amount of other emergency financing or advances I received, or attempted to receive, from other third-party payers, insurers, or financing institutions as a result of this Incident?

A: At this time, CMS is requiring that providers/suppliers certify that they have obtained or attempted to obtain emergency financing or advances from other sources. Providers and suppliers should maintain this supporting documentation although the agency is not requiring that it be submitted with the request for CHOPD payments. CMS maintains the

right to perform post pay audits of providers and suppliers that received payments under CHOPD.

9. Am I eligible if I am experiencing disruptions to claims electronic payments, but not to my Medicare FFS Part A or B claims payments?

A: No, under the CHOPD AAP program payments, CMS only will issue accelerated or advance payments for disruptions to Medicare Part A and/or Part B claims payments.

10. Am I eligible for a CHOPD payment if I am experiencing a disruption in Medicare Fee for Service electronic claims payments, but my claims payments have not completely ceased?

A: Yes, CMS requires providers and suppliers to attest that they are experiencing a delay in claims submission and processing which has resulted in a disruption of their Medicare Part A or Part B claims payments related to the Change Healthcare/ Optum cyber incident. CMS is not requiring providers to quantify the level or percentage of impact to their Medicare claims.

11. Am I still eligible if I am able to submit some paper claims, but usually submit electronic claims?

A: Yes, if you are submitting paper claims to help alleviate the disruption in electronic claims submissions you are still eligible for a CHOPD accelerated or advance payment.

Repayment of CHOPD Accelerated Payments

12. When will I be required to repay the CHOPD accelerated and/or advance payment?

A: Repayment of the CHOPD accelerated or advance payments will occur in the same manner as recovery of traditional accelerated or advance payments. Accelerated or advance payments are classified as advances of future claims payments for the first 90 days after they are issued, and as a result the claims payments are recouped at 100% to repay the funds that have already been advanced. Repayment will begin on the first day after the payment was issued, at 100% offset of claims payments owed to the provider/supplier and continue for 90 days. Interest does not accrue during this initial 90-day period, because a debt has not yet been established.

13. What happens if I cannot fully repay the CHOPD accelerated or advance payment in 90 days?

A: If the full amount of the CHOPD accelerated or advance payment has not been fully repaid through recoupment by the 90th day, a demand letter requiring immediate repayment of any remaining balance will be issued on the 91st day after the payment was issued. See FAQs below regarding Extended Repayment Schedules.

14. Is the recovery process for CHOPD accelerated or advance payments the same as the repayment process for traditional accelerated or advance payments?

A: Yes, the CHOPD recovery process uses CMS' existing repayment and recoupment processes to recover traditional accelerated or advance payments, as well as Medicare overpayments. This includes CMS' processes for adjusting payments to providers/suppliers with the same Tax Identification Number to recover Medicare obligations. Providers/suppliers will also be able to request Extended Repayment Schedules once a demand letter has been issued on any remaining balance, 91 days after the payment is issued.

15. What is an "Extended Repayment Schedule" or "ERS"?

A: An "Extended Repayment Schedule" or "ERS" is a statutorily authorized debt payment schedule, which allows a provider/supplier experiencing financial hardship to repay debts over the course of three years. An ERS can be extended up to five years if certain extreme hardship criteria are met. Providers/suppliers may request an ERS after the Medicare Administrative Contractor (MAC) issues a demand letter to recover a debt which requires full repayment of any outstanding balance due. Providers/suppliers should contact their MAC for information on how to request an ERS. A provider/supplier will need to meet specified criteria related to financial "hardship" or "extreme hardship" under 42 C.F.R. 401.607(c)(2) and other applicable eligibility criteria in order to be eligible for an ERS.

16. How long will my Medicare payments be recouped for the recovery of CHOPD payments?

A: Medicare payments will be recouped at 100% for the first 90 days. After the first 90 days a demand letter requiring repayment will be issued on any remaining balance. After a demand letter requiring repayment is issued, recoupment will continue at 100% until the balance is repaid in full. Interest will accrue on any demanded debt, as discussed in FAQs below. If a provider/supplier is experiencing financial hardship, they may request an ERS.

17. How will recoupment of the CHOPD accelerated or advance payment work if a provider/supplier shares a Tax Identification Number with other providers/suppliers?

A: If a provider/supplier owes money to Medicare and that provider/supplier shares a Tax Identification Number (TIN) with other providers/suppliers, CMS will recoup from all the providers/suppliers who share that TIN under existing authorities. CMS will recoup CHOPD accelerated or advance payments using this same recoupment method. For providers/suppliers who are part of an organization that has multiple Provider Transaction Account Numbers (PTANs) associated with a single TIN, CMS will recoup from all associated identifiers under the TIN until the outstanding balance is paid in full.

18: Can I delay the start of the initial 90-day recoupment period?

A: No, recoupment automatically begins the day after issuance of the CHOPD accelerated or advance payment from claims payments owed to the provider/supplier. For example, if a provider receives a CHOPD payment on March 12 any claims payments due and owing to the provider/ supplier after that date will be recouped and applied to the outstanding balance of the CHOPD payment owed.

19. Can I extend the 90-day recoupment period instead of getting a demand letter?

A: No, recoupment automatically begins the day after issuance of the CHOPD payment from claims payments owed to the provider/supplier.

20. Can I request a reduction in the CHOPD accelerated or advance payment recoupment percentage or defer CHOPD recoupment?

A: No, CMS will not reduce the recoupment percentage or defer recoupment at the request of a provider/supplier.

21. Can I pay off the entire CHOPD balance after recoupment begins? If yes, how?

A: Yes, providers/suppliers can submit lump sum payments to pay off their entire CHOPD balance at any time. Please contact your MAC for instructions on how to make lump sum payment(s) of your CHOPD balance(s). You may also make a partial lump sum payment, however 100% recoupment will continue for recovery of the remaining balance until it is paid in full.

22. If I am unable to fully repay the CHOPD accelerated or advance payment, and a demand letter is issued, what interest rate applies?

A: Any resulting demand letter will be subject to the standard interest rate applicable to all Medicare debts under existing authorities. Please see 42 C.F.R. §405.378(d) for more information on the applicable interest rate.

23. Are there appeal or rebuttal rights associated with any resulting demand letter for an unpaid CHOPD balance?

A: No, the acceptance of payments under the CHOPD program means that the provider/supplier expressly relinquishes any and all rights to appeal any resulting overpayment determinations issued for the recovery of these amounts, whether formally or informally and whether administratively or judicially

Financial concerns and bankruptcy

24. I have filed for bankruptcy. What should I do if I owe CHOPD amounts?

A: Providers/suppliers who have filed for bankruptcy must notify their MAC, so that CMS can properly address Medicare financial obligations in accordance with Medicare statutes and regulations and the Bankruptcy Code. For additional information, please see <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/Bankruptcy>.

Provider/Supplier unable to bill Medicare or Ceasing Operation

25. How will CMS recover my CHOPD if I am no longer able to bill the Medicare program?

A: If a provider/supplier is no longer able to bill the Medicare program, then CMS will be unable to recoup any remaining amount due under accelerated or advance payment recoupment terms. If CMS learns that the provider/supplier is no longer billing Medicare, then CMS may issue a demand letter for the balance of any CHOPD disbursement. After the issuance of a demand letter, CMS will use its normal debt collection procedures to recover this debt. This would include referral of any unpaid overpayment to the Department of Treasury after 120 days so that Treasury would be able to pursue recovery of this debt. For example, a provider/supplier who has been revoked, deactivated, or precluded by CMS or excluded by the HHS Office of Inspector General (OIG) may receive a demand letter requiring repayment of the balance in full if the provider/supplier is no longer able to bill Medicare.

26. What actions will CMS take if I am closing my business permanently?

A: Ideally, a provider/supplier would fully repay any outstanding Medicare debts, including any outstanding CHOPD balance due, during the business wind down process. If an outstanding CHOPD balance remains and the provider/supplier is no longer able to bill the Medicare program, then CMS may issue a demand for the remaining CHOPD balance. In keeping with standard Medicare procedures, CMS would pursue recovery of the debt as described in the answer to question number 22 above.

27. What actions will CMS take if I am selling my business or changing ownership?

A: If a provider sells their business or undergoes a change of ownership while still owing an outstanding CHOPD balance, the CHOPD balance generally may transfer to the new owner for repayment if it has assumed the seller's provider agreement, consistent with Medicare change of ownership rules regarding successor liability. CMS would need to assess the individual facts and circumstances of provider and supplier changes of ownership.

Balance/ Status of Repayment

28. Will I receive notice of which payments were recouped?

A: Providers/suppliers will see the CHOPD accelerated or advance payment recoupment reflected on their Remittance Advice. Providers/suppliers should contact their MAC to receive current balance and payment information related to the repayment of their CHOPD payment.

29. How will CHOPD recoupment appear on my Remittance Advice?

A: Once recoupment begins, providers/suppliers will see the recoupment of CHOPD appear as an adjustment in the Provider-Level Balance (PLB) section of the remittance advice. These adjustment transactions will be coded to include “CHD” to represent “Change Healthcare/ Optum Payment Disruption” and indicate that they relate to CHOPD recoupment.

30. I did not receive a CHOPD disbursement under my NPI/ PTAN, why are my payments being recouped?

A: Providers’/suppliers’ payments may be recouped for a variety of reasons, including the recovery of existing overpayments unrelated to CHOPD amounts due. Additionally, other PTANs associated with the same TIN may have outstanding Medicare overpayments or outstanding CHOPD balances. Providers/suppliers are encouraged to contact their MAC for clarification about its CHOPD and/or other Medicare overpayment balances that may be due.

31. I have already repaid my entire CHOPD accelerated and advance payment. Why am I not receiving Medicare payments?

A: There are several reasons why a provider/supplier may not be receiving Medicare payments, which depend upon particular circumstances affecting the provider or supplier, such as post-demand recoupment. For example, a provider’s/supplier’s Medicare payments can be held for failure to file a cost report timely, or because payments are being fully recouped to recover other Medicare debts. Providers/suppliers experiencing this situation are encouraged to contact their MAC for clarification.

32. I believe CMS has recouped more than the CHOPD amount I received. How do I get more information about it?

A: Providers/suppliers should contact their MAC to receive current CHOPD balance and recoupment information.