

APPLYING FOR AN EXTENDED REPAYMENT PLAN

- Anytime a provider needs longer than thirty (30) days to repay the full amount of an overpayment, the provider should request an extended repayment plan (ERP). While a provider may request an ERP at any time during the debt collection process, submittal within the first 15 days may decrease the necessity to withhold all interim payments.
- If the ERP request is received within 15 days of the date of the demand letter and it is complete and first payment is included, interim payments will not be withheld unless interim payments are currently being suspended or withheld for another outstanding overpayment or investigation.
- If a provider notifies us within 15 days that they intend to submit an ERP request, but cannot submit the required documentation within 15 days, thirty (30) percent of interim payments will most likely be withheld. However, if a complete ERP application and first payment is not received by day 30 all interim payments will most likely be withheld.
- If we do not hear from the provider regarding an ERP application within 15 days from the date of the demand letter we will begin to recoup the overpayment by withholding a percentage of interim payments.
- Any payments withheld will be applied to the outstanding overpayment and will not be refunded.
- Any request for an ERP greater than 12 months must be forwarded to CMS for approval.
- Any approved ERP will run from the date of the initial demand letter.
- The provider must continue to submit monthly payments until written approval/denial is received. If a provider fails to continue to submit monthly payments, we may initiate withhold of interim payments.
- Any questions should be directed to an ERP Analyst at 877-908-8431

DOCUMENTATION SUPPORTING A REQUEST FOR EXTENDED REPAYMENT

All the listed items must be submitted to the carrier in order to begin in the process of determining financial hardship. If you are unable to furnish one or more of the required documents, please submit a statement explaining the reason for the delay or inability.

Payee Number: _____

Invoice Number: _____

Items Included?

Yes/No

A written request must be submitted that refers to the specific overpayment for which an extended repayment is being requested. This request must detail the number of months requested, indicate the approximate monthly payment amount (principal and interest, if possible), and include the first payment. If more than one overpayment exists, a separate request must be made for each overpayment. However, the intermediary may establish the same payment date for each overpayment and may include knowledge of both overpayments in its review of the provider's request.

Amortization Schedule – This schedule shall contain the proposed repayment schedule, including length of schedule, dates of payment, and payment amount broken down.

Balance Sheets – The most current balance sheet and the one for the last complete Medicare reporting period (preferably prepared and certified by the provider's accountant). If consolidated statements (including more than one entity) are submitted, separate statements showing the individual provider's contribution must also be submitted.

Note: If the time period between the two balance sheets is less than six months (or the provider cannot submit balance sheets prepared by its accountant), it must submit balance sheets for the last TWO complete Medicare reporting periods in addition to the most current balance sheet.

Income Statements related to the balance sheets (preferably prepared by your accountant).

Statement of Sources and Application of Funds – For the periods covered by the income statements (see the Medicare online instructions (Exhibit 2 for recommended format)).

Cash Flow Statements – For the periods covered by the balance sheets. If the date of the request for an extended repayment plan is more than three (3) months after the date of the most recent balance sheet, a cash flow statement should be prepared for all months between that date and the date of the request.

Projected Cash Flow Statement – Covering the remainder of the current fiscal year. If fewer than six (6) months remain, a projected cash flow statement for the following year should be included.

Amount of outstanding accelerated payments. (If any were issued to the provider.)

- List of restricted cash funds – by amounts as of the date of request and the purpose for which each fund is to be used.
- List of investments – by type (stock, bond, etc.), amount, and current market value as of the date of the report.
- List of notes and mortgages payable – by amounts as of the date of the report, and their due dates.
- Schedule showing amounts due to and from related companies or individuals included in the balance sheets. The schedule should show the names of related organizations or persons and show where the amounts appear on the balance sheet such as Accounts Receivable, Notes Receivable, etc.
- Schedule showing types and amounts of expenses (included in the income statements) paid to related organizations. The names of the related organizations should be shown.
- The percentage of occupancy by type of patient (Medicare, Medicaid, private pay) covered by the income statements. For home health and outpatient type facilities, this percentage should be based on visits to total by type. For hospitals and other inpatient type facilities, this percentage should be based on bed days utilized to total available in addition to bed days for that type to total bed days for the period.

All Requests:

- Requests for extended repayment of more than twelve (12) months must be accompanied by at least one letter from a financial institution denying the provider's loan request for the amount of the overpayment.
- First payment according to proposed repayment plan.
- Copy of the overpayment notification letter or a copy of the settlement page of the as filed cost report indicating the amount of the overpayment. If the provider is unable to furnish some of the documentation, it should fully explain why it is unable to.

Your first payment, referenced "ERS Request", should be made payable to Noridian Healthcare Solutions and mailed directly to:

Noridian JE Part A ERS Request
P.O. Box 6782
Fargo, ND 58108-6782

Mail a copy of your check and above requested information to:

Noridian
P.O. Box 6782
Fargo, ND 58108-6782

Please submit all items checked "NO" within 10 days from the date of this letter.

Please ensure that all balance sheets and income statements include the following statements:

BALANCE SHEET OR INCOME STATEMENT MAY BE PUNISHABLE BY FINE AND/OR IMPRISONMENT UNDER FEDERAL LAW.

I HEREBY CERTIFY THAT I HAVE EXAMINED THE BALANCE SHEET AND INCOME

STATEMENT PREPARED BY _____ AND THAT TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS A TRUE, CORRECT, AND COMPLETE STATEMENT FROM THE BOOKS AND RECORDS OF THE DEBTOR.

SIGNED: _____

OFFICE OR OWNER OF DEBTOR(S): _____

TITLE: _____

DATE: _____

