

CHAMPVA POLICY MANUAL

CHAPTER: 3
SECTION: 2.2
TITLE: DEDUCTIBLE

AUTHORITY: 38 CFR 17.270(a) and 17.274-278

RELATED AUTHORITY: Public Law 100-202 and 32 CFR 199.4(f)

I. EFFECTIVE DATE

December 16, 1983

II. POLICY

A. Outpatient Care. The annual (calendar year) deductible requirement must be satisfied prior to the payment of outpatient benefits. The deductible is applicable to outpatient services, pharmacy, durable medical equipment, transportation, dental, prosthetics, and medical supplies.

1. Deductible amount:

a. Individual. Each beneficiary is liable for the first fifty dollars (\$50.00) of the CHAMPVA-determined allowable amount on claims for care provided in the same calendar year.

b. Family. The total deductible amount for all members of a family with the same sponsor during one calendar year shall not exceed one hundred dollars (\$100.00).

c. If only one beneficiary in a family files a claim (regardless of the number of beneficiaries in the family) the beneficiary is required to satisfy only a \$50.00 annual deductible.

d. If calendar year allowable amounts for two or more beneficiary members of a family total less than \$100.00, and no one beneficiary's allowable amounts exceed \$50.00, neither the family nor the individual deductible will have been met.

2. Professional Fees in CHAMPVA-Approved Ambulatory Surgery Centers. A deductible is applicable for professional services received in an ambulatory surgery setting.

B. Inpatient Care. There is no deductible requirement for inpatient hospital services to include individual professional services.

III. POLICY CONSIDERATIONS

A. The deductible is satisfied if the catastrophic cap has been met for the same calendar year in which the deductible applies.

B. Deductible amounts are applied in the order claims are received and processed. The application of the deductible does not depend on the date the service was provided.

C. The beneficiary cannot designate which claim is to be applied to the deductible.

D. A cumulative total of the applied deductible amount is reflected on each explanation of benefits (EOB).

E. If a beneficiary alleges an error in the application of the deductible, the claim processing history will be reviewed as well as any beneficiary submitted documentation. If an error is found, database and financial adjustments will be made.

F. If payment is under one dollar (\$1.00), payment will not be issued, although the deductible and catastrophic cap will be credited.

IV. EXCEPTIONS

A. Meds by Mail program. **There is not a deductible for the Meds by Mail program.**

B. CHAMPVA Inhouse Treatment Initiative (CITI). Treatment provided through a VA medical center.

C. Durable medical equipment (DME). DME purchased through a VA source.

D. Ambulatory surgery or partial hospitalization. There is **not a** deductible for services or facility charges provided to beneficiaries in an ambulatory surgery or partial hospitalization settings.

END OF POLICY