

**Department of  
Veterans Affairs**

**MEMORANDUM**

Date posted \_\_\_\_\_ Initials \_\_\_\_\_

July 29, 2003

Chief, Policy and Compliance Division

Transmittal #58 CHAMPVA Policy Manual

See Transmittal Distribution List

1. Explanation of changes and related index updates of the CHAMPVA Policy Manual and filing instructions are in the following summary:

<u>SUMMARY</u>	<u>REMOVE</u>		<u>INSERT</u>	
	<u>C-S</u>	<u>Pages</u>	<u>C-S</u>	<u>Pages</u>
<a href="#"><u>Chapter 2, Section 28.1</u></a> , <i>Obstructive Sleep Apnea</i> . Amends Procedure Code(s).	2-28.1	1-4	2-28.1	1-4
<a href="#"><u>Chapter 3, Section 6.2</u></a> , <i>Hospital Reimbursement, CHAMPVA DRG-Based Payment System</i> . Clarifies under state waivers that only inpatient services are exempt from the CHAMPVA DRG-based payment system and that reimbursement for all outpatient and professional provider services will be based on the CMAC; and adds link to Chapter 3, Section 5.1.	3-6.2	1-8	3-6.2	1-9
<a href="#"><u>Chapter 3, Section 6.3</u></a> , <i>Cost-To-Charge (CTC)</i> . Clarifies under state waivers that only inpatient services are exempt to the CHAMPVA DRG-based payment system and that reimbursement for all outpatient and professional provider services will be based on the CMAC; adds link to Chapter 3, Section 5.1; and adds to Policy Considerations that beneficiary submitted claims will be paid to the provider.	3-6.3	1-7	3-6.3	1-7
<a href="#"><u>Chapter 3, Section 7.1A</u></a> , <i>Ambulatory Surgery Procedure Listing (Addenda 1)</i> . This change updates the list of covered ambulatory surgery procedures.	3-7.1A	1-76	3-7.1A	1-82
<b>Codes Index</b> . Amends index to add and delete codes referenced in policies.		19 - 20		19 - 20

2. File this transmittal memorandum in the front of the CHAMPVA Policy Manual.

Susan Schmetzer  
Chief, Policy & Compliance

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