

**Department of  
Veterans Affairs**

**MEMORANDUM**

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

January 10, 2003

Chief, Policy and Compliance Division

Transmittal #51 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>Master Table of Contents</u></a> . Corrects policy title of Chapter 2, Section 22.1 to read <i>Pharmacy</i> .	MTOC	1-18	MTOC	1-18
<a href="#"><u>Chapter 1, Section 2.4</u></a> , <i>Spouse</i> . Authorizes CHAMPVA-qualifying surviving widows(ers) who remarry at age 55 or older to be eligible for CHAMPVA benefits.	1-2.4	1-3	1-2.4	1-4
<a href="#"><u>Chapter 2, Section 23.3</u></a> , <i>Immunization Injections</i> . Amends CPT code range; adds to Policy coverage for hepatitis A, influenza and pneumococcal vaccines that are recommended by the Center of Disease Control (CDC).	2-23.3	1	2-23.3	1
<a href="#"><u>Chapter 2, Section 23.3A-1</u></a> , <i>Center for Disease Control Recommended Childhood Immunization Schedule</i> . Amends childhood immunization schedule by adding the vaccines for hepatitis A, influenza and pneumococcal that are recommend by the CDC.	2-23.3A-1	1-3	2-23.3A-1	1-3

<b><u>SUMMARY</u></b>	<b>REMOVE</b>		<b>INSERT</b>	
	<b><u>C-S</u></b>	<b><u>Pages</u></b>	<b><u>C-S</u></b>	<b><u>Pages</u></b>
<b><u>Chapter 2, Section 23.3A-2</u></b> , <i>Center for Disease Control Recommended Adult Immunization Schedule</i> . Amends adult immunization schedule by adding hepatitis A and adds clarification to the summary of adult immunization indications for measles, mumps, rubella (MMR) vaccine and hepatitis A.	2-23.3A-2	1-3	2-23.3A-2	1-3
<b><u>Chapter 3, Section 1.1</u></b> , <i>Claims Processing - General</i> . Removes from Exceptions reference that claims must be submitted to CHAMPVA within ninety (90) days from the date of OHI adjudication.	3-1.1	1-9	3-1.1	1-9
<b><u>Chapter 3, Section 1.2</u></b> , <i>Claims Processing- Foreign</i> . Amends Authority by removing USC reference; under Policy corrects reference to CHAMPVA PM Chapter 2, Section 31, <i>Transplants</i> and adds hyperlink to C3S4.1, <i>Other Health Insurance (OHI)</i> ; and under Exceptions adds criteria for timely filing.	3-1.2	1-4	3-1.2	1-4
<b><u>Chapter 3, Section 5.1</u></b> , <i>Outpatient and Inpatient Professional Provider Reimbursement</i> . Amends Authority and Related Authority by removing USC and TRICARE reference; and under Policy removes reference to TRICARE Policy Manual Chapter 13, Section 1.5 and clarifies that CHAMPVA CMAC rates are the same rates utilized by TRICARE and that these rates are updated annually; amends the minimum number of billed charges needed to establish the prevailing charge from five to eight.	3-5.1	1-5	3-5.1	1-5
<b><u>Chapter 3, Section 6.2</u></b> , <i>Hospital Reimbursement DRG-Based Payment System</i> . Under Policy Considerations corrects the title of the TRICARE <i>Reimbursement Manual</i> and clarifies that when a patient is transferred from one DRG-based hospital to another DRG-based hospital, the transfer will result in two	3-6.2	1-8	3-6.2	1-8

**SUMMARY**

**REMOVE**  
**C-S   Pages**

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(or more) claims that results in two separate cost shares; amends the standard deviation for short-stay outliers to read any length of stay (LOS) less than or equal to the greater of 1 or 1.94 standard deviation below the arithmetic mean for that DRG shall be classified as a short-stay outlier and adds hyperlink to C3S4.1, *Other Health Insurance (OHI)*.

**Chapter 3, Section 6.3**, *Cost-To-Charge Payment System*. Adds to Policy clarity regarding State payment waivers for the State of Maryland; adds HCPCS codes and payment rates for blood clotting factors from 10/01/2002 to 09/30/2003; amends ICD-9-CM codes for all services related to cystic fibrosis for beneficiaries under 18 years at the time of discharge; and adds that outpatient hospital services related to inpatient stays are subject to the cost-to-charge payment system.

3-6.3   1-7

3-6.3   1-7

**Chapter 3, Section 7.1**, *Ambulatory Surgical Center, (ASC) Reimbursement*. Adds to Policy Reference and link to Chapter 3, Section 7.1A, *Addenda 1* and clarity regarding ASC payment rates and state payment waivers for the State of Maryland; and removes reference to TRICARE Policy Manual, Chapter 13, Section 9.1

3-7.1   1-5

3-7.1   1-5

**Codes Index.** Amends index to add and delete codes referenced in policies.

1-28

1-28

**Subject Index.** Amended to update and include policies referenced in this transmittal.

I -1 thru I-5

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

Susan Schmetzer  
Chief, Policy & Compliance

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