

FOREIGN MEDICAL PROGRAM POLICY MANUAL

CHAPTER: 3
SECTION: 2
TITLE: CLAIMS FOR REIMBURSEMENT

AUTHORITY: 38 USC 1724; 38 USC 7332, 38 CFR 17.125(d) and 17.141

RELATED REFERENCE: M21-1, Part III; GC-97-06

I. POLICY

A. Services are paid as billed (100%) when they are medically necessary and appropriate for adjudicated service-connected conditions.

B. If the billing is in foreign currency, the billed amount will be converted to the US currency equivalent based on conversion rates in effect on the date of service or date of discharge from inpatient care.

C. Falsifying information, e.g., providing an incorrect residence address, modifying claim forms, billings for services not provided, etc., is considered fraud. Individuals committing fraud will be prosecuted.

D. Payment for authorized medical care furnished to veterans in other Federal hospitals (to include military treatment facilities (MTF's)) will be made at the appropriate interagency reimbursement rates approved by Office of Management and Budget (OMB) for the period of time when the medical care was provided.

II. POLICY CONSIDERATIONS

A. Itemization. Requirements for itemization are liberally interpreted for foreign claims and billing should not be rejected for lack of itemization.

B. Claim content. Claims must contain the following minimal information:

1. Diagnosis.
2. Provider information:
 - a. provider full name,
 - b. office address,

- c. medical title, and
 - d. billing address (if different from office address).
3. Veteran information:
- a. veteran's name,
 - b. veteran's address,
 - c. Social Security Number, or
 - d. VA claim number.
4. A narrative description of each service.
5. Billed charge for each service.
6. Date of service.
7. Veteran's payment when applicable.
8. Copy of treatment notes.

C. All claims reviewed must include sufficient information to determine the following:

- 1. related to a service-connected condition,
- 2. whether the service/supply is medically necessary,
- 3. if the service/supply is an FMP benefit, and
- 4. whether the beneficiary is legally obligated to pay for the service or supply.

D. Reasonable development of missing information will be accomplished to ensure payments are within program guidelines. However, claims may be returned to the provider or veteran for additional medical documentation.

E. If the billing is submitted in a foreign language, it will be sent to the Health Administration Center (HAC) foreign-language contractor for translation.

F. Payment of benefits for services provided will be made to the veteran based on the evidence submitted. There must be clear evidence that a payment was made

which includes, but is not limited to cancelled checks and receipt that provides information on which a conclusion or judgement may be based.

G. Claim disposition. Upon completion of claim processing, an Explanation of Benefits (EOB) will be sent to the veteran and the provider if benefits were paid to the provider.

1. An EOB will be issued to the veteran whether or not actual payment is involved.

2. For claims resulting in a payment, a check will be issued by the US Treasury.

H. Reopened claims. A claim may be reopened based on new information or a finding of administrative error.

1. The reopened claim is computed by using the payment methodology applicable on the date of service or date of inpatient discharge.

2. If there is an underpayment, the claim will be reprocessed for additional payment through regular procedures.

3. If there is an overpayment, a recoupment action will be issued by the Debt Collection Unit (DCU).

I. Pharmacy receipts (legible photocopies and faxes of pharmacy receipts are also acceptable) or prescription listings on pharmacy letterhead must contain all of the following information:

1. the name of the patient,

2. the address of the patient,

3. the name, strength and quantity of each drug,

4. the cost of each drug,

5. the date prescription was filled,

6. the pharmacist name, and

7. the name and address of the pharmacy where the drug was purchased.

J. Information pertaining to treatment for AIDS, alcoholism, drug abuse, or sickle cell anemia will not be included on the veteran's EOB.

K. Reimbursement to veterans will be made using the same payment

methodologies that are used for providers.

III. EXCLUSIONS

A. Payments may not be made for the veterans who reside in the following countries, as the countries are barred from business or travel for US citizens:

1. Democratic Kampuchea (formerly Cambodia or Khmer Republic),
2. Democratic People's Republic of Korea (North Korea),
3. Iraq, and
4. Republic of Cuba.

B. Providers may incur administrative expenses during the course of doing business. Most of these expenses are normal and payment for them is included in the payments made for the medical services rendered by the provider. Others are not covered because they are not medical services related to the treatment of an illness or injury. In either case, separate charges for administrative expenses are not allowed, except for those ordered for C&P examinations or treatments. Administrative expenses include the following charges:

1. Penalty or interest charges imposed by a provider because of failure to make timely payment on a bill.
2. Provider administrative expenses such as charges for claims completion, furnishing medical records, etc.

*** END OF POLICY ***