VETERANS CHOICE PROGRAM

1. REASON FOR ISSUE: This Veterans Health Administration (VHA) directive outlines policy for implementation of the Veterans Choice Program (VCP).

2. SUMMARY OF CONTENT: This is a new VHA directive for the Veterans Choice Program (VCP), which was established by the Department of Veterans Affairs (VA) following the passage of the Veterans Access, Choice, and Accountability Act of 2014 (VACAA) (Pub. L. 113-146), as amended by the Department of Veterans Affairs Expiring Authorities Act of 2014 (Pub. L. No. 113-175); Consolidated and Further Continuing Appropriations Act, 2015 (Pub. L. 113-235); Construction Authorization and Choice Improvement Act, 2015 (Pub. L. 114-19); and the Surface Transportation and Veterans Health Care Choice Improvement Act of 2015 (Pub. L. 114-41). This directive establishes policy for the implementation of VCP to ensure compliance with these laws and VA's regulations implementing the program.

3. RELATED ISSUES: None.

4. RESPONSIBLE OFFICE: The Office of Community Care (10D) is responsible for the content of this VHA directive. Questions may be referred to 202-382-2500.

5. RESCISSIONS: None.

6. RECERTIFICATION: This VHA directive is scheduled for recertification on or before the last working day of October 2021. This VHA directive will continue to serve as national VHA policy until it is recertified or rescinded.

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VETERANS CHOICE PROGRAM

1. PURPOSE

This VHA directive provides policy for implementation of the Veterans Choice Program (VCP), established by the Department of Veterans Affairs (VA) following the passage of the Veterans Access, Choice, and Accountability Act of 2014 (VACAA) (Pub. L. 113-146), as amended by the Department of Veterans Affairs Expiring Authorities Act of 2014 (Pub. L. No. 113-175); Consolidated and Further Continuing Appropriations Act, 2015 (Pub. L. 113-235); Construction Authorization and Choice Improvement Act (Pub. L. 114-19); and the Surface Transportation and Veterans Health Care Choice Improvement Act of 2015 (Pub. L. 114-41). VA implemented this authority through regulations at 38 CFR 17.1500 through 17.1540. **AUTHORITY:** Section 101, Pub. L. 113-146 (Title 38 United States Code (U.S.C.) 1701 note), as amended; Title 38 Code of Federal Regulations (CFR) 17.1500, et seq.

2. BACKGROUND

a. On August 7, 2014, VACAA, was signed into law. VACAA was amended on September 26, 2014, by the Department of Veterans Affairs Expiring Authorities Act of 2014 (Pub. L. No. 113-175), on December 16, 2014, when the President signed into law the Consolidated and Further Continuing Appropriations Act of 2015 (Pub. L. 113-235), on May 22, 2015, by the Construction Authorization and Choice Improvement Act (Pub. L. 114-19) and on July 31, 2015, by the Surface Transportation and Veterans Health Care Choice Improvement Act of 2015 (Pub. L. 114-41). The law establishes VCP, a program to furnish hospital care and medical services to eligible veterans through eligible non-VA health care providers. VACAA did not change the eligibility requirements for enrollment in the VA health care system and did not modify VA's existing authorities to furnish care in the community. VCP is a limited program and will operate until August 7, 2017, or until the Veterans Choice Fund established by section 802 of VACAA is exhausted, whichever occurs first.

b. On November 5, 2014, VA published an interim final rulemaking, RIN 2900-AP24, that amended sections 17.108, 17.110, and 17.111 of 38 CFR, and established new regulations at 38 CFR 17.1500 through 17.1540 to implement VCP. VA published another interim final rulemaking on April 24, 2015, modifying § 17.1510(e) to revise the methodology for calculating distances under that section from geodesic, or straight-line, distance to driving distance. On October 29, 2015, VA published a Final Rule, adopting minor changes to § 17.1535 to reflect statutory amendments authorizing VA to pay higher than Medicare rates in Alaska and Maryland. On December 1, 2015, VA published a third interim final rulemaking, RIN 2900-AP60. These regulatory revisions were required by amendments to VACAA made by the Construction Authorization and Choice Improvement Act of 2014 and the Surface Transportation and Veterans Health Care Choice Improvement Act of 2015.

c. Any Veteran who meets the eligibility criteria for VCP is eligible to receive hospital care and medical services covered under the medical benefits package, including

medications and prosthetic devices (see 38 CFR 17.38). For programs that have specific eligibility criteria, such as dental care, those specific criteria still apply.

d. Definitions for terms applicable to VCP can be found in 38 CFR 17.1505. Eligibility criteria for Veterans are defined in 38 CFR 17.1510. Authorization requirements for care in the community under VCP can be found in 38 CFR 17.1515. A discussion of the effect of VCP on other provisions and programs administered by VA can be found in 38 CFR 17.1520. Eligible entities and provider requirements can be found in 38 CFR 17.1530. Payment rates and methodologies can be found in 38 CFR 17.1535. Claims processing requirements can be found in 38 CFR 17.1540.

e. Appeals regarding eligibility for VCP are considered administrative appeals and should follow the process in VHA Directive 1032, Health Benefit Appeals Processing, or subsequent policy.

f. Resources, training, and job aids can be found on the Choice Intranet site at http://vaww.va.gov/choice/. ***NOTE:*** *This is an internal VA Web site that is not available to the public.*

3. POLICY

It is VHA policy that VA will use VCP to furnish hospital care and medical services to eligible Veterans through agreements with eligible entities and providers.

4. RESPONSIBILITIES

a. **Deputy Under Secretary for Health for Community Care.** The Deputy Under Secretary for Health for Community Care is responsible for the implementation of VCP and implementation and maintenance of a claims processing system.

b. **Executive Director, Member Services.** The Executive Director for Member Services is responsible for:

(1) Assisting and advising beneficiaries through its national service contact center operations (e.g., 877-222-VETS (8387)); and

(2) Determining a Veteran's administrative eligibility for VCP. (Veterans are administratively eligible for VCP if they are enrolled in the VA health care system according to the requirements of 38 U.S.C. 1705).

c. **Executive Director, Delivery Operations.** The Executive Director for Delivery Operations is responsible for:

(1) Implementation of VCP as it pertains to care in the community coordination employees, including guidance, education, and training;

(2) Processing claims by eligible entities and providers for care furnished through VCP;

(3) Managing the contracts for VCP, ensuring full implementation and ensuring performance standards are met on a monthly basis; and

(4) Monitoring contractor related performance and testing internal controls to ensure compliance with program requirements.

d. **Executive Director, Revenue Operations.** The Executive Director for Revenue Operations is responsible for:

(1) Determining if patients with billable third party health insurance, other than Medicare, Medicaid, or TRICARE, have Service Connection/Special Authority (SC/SA) eligibility to ensure accurate information is transmitted to VCP providers;

(2) Assessing, creating, and applying VA first party copayments for Veterans in a non-exempt copayment status who receive services under VCP; and

(3) Monitoring revenue related performance and testing internal controls to ensure compliance with VCP requirements.

e. **Veteran Integrated Service Networks Directors.** Veterans Integrated Service Network (VISN) Directors are responsible for ensuring that each VISN has a Choice Champion representative to support the Medical Center Choice Champion.

f. **VA Medical Facility Director.** The VA medical facility Director is responsible for ensuring that all facility staff follow all guidance, processes, and procedures provided to ensure full implementation of VCP, including:

(1) Identifying a Choice Champion and a secondary Choice Champion for each medical facility;

(2) Identifying those Veterans whose appointments do not fall within the wait-time goals of VHA (see 38 CFR 17.1505 for a definition of this term) or with respect to such care or services that are clinically necessary, the period determined necessary for such care or services (referred to as the clinically indicated date), if such period is shorter than the wait-times goals;

(3) Ensuring all eligible Veterans are aware of the opportunity to use VCP and are provided the opportunity to elect to receive care in the community under VCP; and

(4) Determining eligibility under the unusual or excessive burden criterion. Further guidance can be found in the Veterans Choice Program Unusual and Excessive Burden Determination fact sheet on the Choice intranet site at:
http://vaww.va.gov/CHOICE/docs/VCP-Unusual-or-Excessive-Burden-Determination.pdf
NOTE: *This is an internal VA Web site that is not available to the public.*

g. **VA Medical Facility Chief of Staff.** The VA medical facility Chief of Staff is responsible for ensuring locally developed processes and procedures are in place to facilitate a clinical evaluation to determine the clinically indicated date (CID) for all Veteran medical appointments. The CID is used to determine Veteran eligibility for VCP

when the Veteran is not eligible based on his or her place of residence. The CID must be documented in the Veterans Computerize Patient Record System (CPRS) record and used to schedule the Veteran's appointment. The facility Chief of Staff is also responsible for ensuring coordination of care for Veterans who use VCP.

5. REFERENCES

a. Veterans Access, Choice, and Accountability Act of 2014 (Pub. L. No. 113-146).

b. Department of Veterans Affairs Expiring Authorities Act of 2014 (Pub. L. No. 113-175).

c. Consolidated and Further Continuing Appropriations Act, 2015 (Pub. L. No. 113-235).

d. Construction Authorization and Choice Improvement Act (Pub. L. 114-19).

e. Surface Transportation and Veterans Health Care Choice Improvement Act of 2015 (Pub. L. 114-41).

f. 38 C.F.R. 17.1500 et seq.

g. VHA Directive 1032, Health Benefit Appeals Processing.