



Eligibility, Medical Benefits and Purchased Care Overview

Veterans Health Administration

Chief Business Office

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Overview

- Basic Eligibility for VA Health Care
- Income Thresholds
- Medical Benefits Package
- Basic Eligibility for Beneficiary Travel
- Purchased Care Programs
- Questions



Definition of Veteran for VA Purposes

- Veteran is a person who:
 - Served in the active military
 - Discharged or released under conditions other than dishonorable
- Former or current Reservists if they served for the full period for which they were called (excludes training purposes)
- Former or current National Guard members if activated/mobilized by a Federal order



Establishing Eligibility

- Contact VA –
 - Call 1-877-222-VETS (8387) or
 - Use the web (www.va.gov/healthbenefits) or
 - Visit nearest VA clinic or medical center
- VA has the capability to verify a Veteran's basic eligibility information, such as:
 - Time in service
 - Any service connected disabilities as rated by Veteran Benefits Administration (VBA)
 - Combat-related eligibility and/or disability

What is a Service Connected Condition?

- Service Connected (SC) refers to the Veterans Benefits Administration (VBA) determination (rating) that a Veteran's illness or injury was incurred in or aggravated by military service
- VBA establishes a degree of disability for each SC condition represented by a percentage
- Veteran may have more than one adjudicated SC condition
- If the primary rated condition worsens over time, Veteran is encouraged to have VBA complete a reassessment of rated disabilities



What does SC % Rating Represent?

- Percentage assigned to each rated condition as far as can practically be determined:
 - Average impairment in earning capacity resulting from such diseases
 - Injuries and their residual conditions impact on civil occupations
- SC percentages determine the compensation the Veteran receives
- Whether a Veteran is 0% SC or 100% SC for a condition, the visit will be marked as SC if the rated condition is treated
- If a Veteran is 100% SC for a condition, it doesn't mean he/she is SC for all illness or injuries, just the rated condition

Enrollment Priority Groups (PGs)

- Established a system of patient enrollment that designates Veterans by priority groups
- Priority Groups are numbered 1-8 and group Veterans based on their service connection or other special eligibilities
- As a whole, Priority Groups have similar characteristics regarding eligibility for care and copayment requirements
- SECVA has authority to establish sub-priorities within a priority group, but new priority groups can only be established by legislation
- Once enrolled, Veterans have access to all services included in the Medical Benefits package

Enrollment Priority Groups (PGs)

- **PG 1:** Service connected (SC) 50% or more, or unemployable due to SC
- **PG 2:** SC 30% or 40%
- **PG 3:** SC 10 - 20%, Medal of Honor, Purple Heart, Former POWs, discharged due to service disability, awarded special eligibility under 38 U.S.C. 1151
- **PG 4:** Receiving aid & attendance or housebound VA pension benefits, or determined to be catastrophically disabled
- **PG 5:** NSC & 0% SC noncompensable Veterans with income below threshold, or receiving VA pension and/or eligible for Medicaid benefits

Enrollment Priority Group (PG) 6

- 0% SC conditions and receiving VA compensation
- Served in:
 - Combat in a war after the Gulf War or during a period of hostility after November 11, 1998 for 5 years following discharge or release from the military
 - Republic of Vietnam
 - SW Asia theater of operations between:
8/2/90 – 11/11/98
- Seek care for:
 - Disorders relating to Ionizing Radiation
 - Conditions related to participation in Project 112/SHAD

Enrollment Priority Groups (PGs) 7 & 8

- **PG 7:**
 - Income **BELOW** the geographic means test (GMT) income thresholds and who agree to pay copays; and
 - Income and/or net worth **ABOVE** the VA national income thresholds
- **PG 8:**
 - Effective June 15, 2009, Veterans with income 10% or less **ABOVE** the VA national means test threshold or GMT threshold
 - Note: Enrollment restrictions still apply to Veterans with income **ABOVE** 10% of the VA national means test threshold or GMT threshold

Veterans with Other than Honorable Discharges

- “Other than Honorable” or “Bad Conduct” discharges generally prevent eligibility for VA health care
- Determination made by Veterans Benefits Administration if discharge is a complete bar to benefits or if limited health care eligibility exists for service-incurred or service-aggravated disabilities
- Until determination is made, only emergency treatment made be provided and Veteran should be counseled that they may be responsible for payment if later determined to be ineligible



Combat Veteran Eligibility

- Served on active duty in theater of combat after effective date of legislation, November 11, 1998
- Service in theater of operations established by:
 - Proof of receipt of Global War on Terrorism Expeditionary Medal or similar medal demonstrating service in Afghanistan, Iraq or other combat locations
 - Copy of orders or some other documentation indicating service in a combat theater
 - Proof of receipt of hostile fire, imminent danger pay or combat pay tax credit

Combat Veteran Eligibility

- Enhanced enrollment placement into Priority Group 6 (if not eligible for higher priority group) for five-year period following military service separation
- Copayment-free care for conditions determined possibly related to theater of operations during the post five-year discharge period
- Must apply within five years of discharge/release from active duty to receive the benefit
- Continuous enrollment after 5 years (even if assigned a lower priority group)

Income Thresholds

- Certain Veterans are required to complete a financial assessment (i.e. Means Test) annually to determine copayment status
- Uses Veteran's household income, including spouse and dependents, prior year income and assets for financial assessments
- Updated each calendar year based on the income limits established by U.S. Department of Housing and Urban Development (HUD)
 - VA Means Test Threshold
 - VA GMT (Geographically adjusted) Income Threshold
- http://www.va.gov/healthbenefits/cost/income_thresholds.asp

Copayment Charges for Certain Veterans

- Veterans may be responsible for copayments for certain types of services provided by the VA. Copayment amounts vary depending on type of service rendered and financial assessment, as applicable. Such copayments include:
 - Outpatient Copayments
 - Inpatient Copayments
 - Medication Copayments
 - Extended Care Services Copayments (e.g. community living center or nursing homes, adult day healthcare, geriatric evaluations, etc.)
- No copayments and no insurance billing for treatment of SC conditions

VA Comprehensive Medical Benefits Package

- Benefits include:
 - Preventive Care Services
 - Inpatient and Outpatient Diagnostic and Treatment Services
 - Prescription Services
 - Prescribed by VA Physician
 - Prosthetic and Rehabilitative Devices
 - Includes Durable Medical Equipment
- Once enrolled, Veterans have access to the complete Medical Benefits Package

VA Comprehensive Medical Benefits Package

- Benefits **NOT** included:
 - Abortion or abortion counseling
 - In vitro fertilization
 - Drugs, biologicals, and medical devices not approved by the Food and Drug Administration unless used under approved clinical research trials
 - Gender alterations
 - Hospital and outpatient care for a Veteran who is either a patient or inmate in an institution of another government agency if that agency has a duty to give the care or services
 - Membership in spas or health clubs

Beneficiary Travel Overview

- VA is authorized to provide eligible Veterans mileage reimbursement or when medically indicated “special mode” (ambulance, wheelchair van) for travel to and from VA, or VA authorized health care
- Beneficiary Travel eligibility is based on SC, low income, or special eligibility, including:
 - Rating of 30 percent or more SC
 - Traveling for treatment of a SC condition
 - Receipt of a VA pension
 - Income does not exceed the maximum annual VA pension rate
 - Travel for a scheduled compensation or pension examination

Mileage

- Mileage reimbursement rate Congressionally mandated in PL 111-163 at \$0.415 per mile
- Reimbursements subject to deductibles with a calendar month cap
- Deductible may be waived if it creates a hardship once certain income criteria are met for both nonservice-connected and service connected Veterans



Other Travel Related Benefits

- Road and bridge tolls
- Ferry/boat fares
- Parking
- Luggage
- Lodging and/or subsistence at 50% of local Federal Employee rates subject to:
 - Travel distance
 - Time of scheduled appointment
 - Weather
 - Other mitigating circumstances

Special Mode Transport

- Per VA Regulations: an ambulance, ambulette, air ambulance, wheelchair van or other mode of transport specifically designed to carry disabled persons
- Must first meet administrative eligibility
- Does not include bus, subway, taxi, train, airplane or any other mode of transport not specifically designed to carry disabled persons (“Common Carriers”)
- No deductible requirement
- Does not include modified, privately-owned vehicle with special adaptive equipment and/or capable of transporting disabled persons
- VA provider must determine medical need for such transport

Purchased Care Programs

- VHA Chief Business Office for Purchased Care (CBO-PC) business line supports and augments the delivery of health care benefits through enterprise program management and oversight of Purchased Care services.
- Plans, manages and supports Chief Business Office (CBO) enterprise-wide learning and workforce development and strategic planning programs.
 - **Civilian Health And Medical Program of VA (CHAMPVA):** health benefits for spouse/dependents of certain Veterans
 - **Spina Bifida (SB):** health benefits to the children of Vietnam Veterans diagnosed with Spina Bifida
 - **Children of Women Vietnam Veterans (CWVV):** health benefits to children of female Vietnam Veterans when the children are diagnosed with a covered birth defect

Purchased Care Programs

- **Foreign Medical Program (FMP):** health benefits for service connected Veterans residing or traveling overseas
- **National Fee Program:** enterprise management of the purchase of health services when unavailable at VA facilities
- **Contract Management:** centralized management of contracts covering areas such as commercial repricing agents and recovery audits.
- **Project Healthcare Effectiveness through Resource Optimization (HERO):** demonstration pilot to utilize large scale contracting to improve the oversight of Fee Care
- **State Home Program:** partnership with State governments to provide long-term care to Veterans; managed by State governments with some financial assistance from VA



Program Scope

- **CHAMPVA, SB, FMP:** Health insurance plans
 - VA does not manage a network of providers
 - Beneficiaries purchase services in the health care market
 - Similar coverage limitations as TRICARE
 - Similar beneficiary cost share as TRICARE
- **Non-VA Care (Fee Basis):** Augments VA health care for Veterans
 - VA refers when services not available at our facilities
 - Emergent care “self-referred” by Veterans who cannot safely access VA health care facilities
 - Similar to “fee for service” programs
- **Contract Healthcare:** Leverages VA volume to improve access, quality of services and pricing position (used for Veterans only)
 - Purchasing for Non-VA Care Programs
 - Project HERO demonstration
 - Dialysis services
- **State Home Program:** Partnership with State governments to provide long-term care to Veterans
 - VA augments costs with “per diem” payments
 - VA provides some pharmacy services
 - VA provides some financing for initial construction

Reasons Why VA Purchases Care

- Ensure complete continuum of quality care when VA does not have internal resources available
 - Unable to access VA health care facilities
 - Demand exceeds VA health care facility capacity
 - Need for diagnostic support services for VA clinicians
 - Need for scarce specialty resources (e.g., obstetrics, hyperbaric, burn care, oncology) and/or when VA resources are not available due to constraints (e.g. staffing, space)
 - Satisfying patient wait-time requirements
 - Ensure cost-effectiveness for VA (whereby outside procurement vs. maintaining and operating like services in VA facilities and/or infrequent use is more appropriate)

Augmentation of in-house capabilities and capacity

Purchased Care is

Supplement to VA health care

Secondary care when service is not available within the VA

- Limitations to extend care may be authorized

Health care delivery system

- Requires matching of claims to individual authorizations for care

Flexible, can adapt Medicare payment rules for certain types of claims

Purchased Care is Not

Substitute or replacement for VA health care

All health care services at any VA facility

Insurance or a health plan

- No standard set of benefits

Medicare or TRICARE

Types of programs supported vary from station to station

Fee Medical

Fee Dental

Contract Hospital [inpatient]

Unauthorized Outpatient

Millennium Bill Emergent Care Dialysis

Radiation Therapy

Fee Pharmacy/Prescription

Comp and Pension

Organ Transplants

Fee Travel/Fee Ambulance

Infertility and Reproduction/Fee Obstetrics

Chiropractic

State Veteran Nursing Homes with Free Drug Program

State Veterans Domiciliaries

State Veterans Hospitals

State Veterans Adult Daycare

Contract Nursing Homes

Contract Adult Day Health Care

Respite Care

Homemaker/home Health Aide

Home Care [skilled, IV therapy, wound care, etc.]

Hospice [home and inpatient]

Appeals [Clinical, reconsiderations and BVA]



Authorities Governing the Fee Program

- 38 USC 1703: The authority to pay for preauthorized inpatient and outpatient emergency, routine, and diagnostic medical care for certain veterans.
- 38 USC 1728: The authority to pay for emergency care provided to service-connected veterans that was not preauthorized.
- 38 USC 1725: The authority to pay for emergency Non-VA care provided to non-service connected veterans enrolled in VA health care.
- 38 USC 8153: Provides the authority for a VA facility to enter into a contract or other form of agreement with Non-VA health care entities to secure health care services that are either unavailable or not cost-effective at the VA facility.

REGULATION SPECIFIC TO WOMEN VETERANS

- Women veterans are eligible for preauthorized hospital care for any condition under the Code of Federal Regulations (38 CFR) 17.52(a)(4).

VA Care and Other Health Plans

- VA is required by law to bill any health insurance carrier that provides coverage for Veterans, including policies held by a spouse.
 - Exception: Care for Veterans who are entitled to specified health care benefits for service-connected conditions.
- When VA purchases health care for a Veteran from the community – VA cannot share costs with any other health plan. 38CFR17.56e
 - Exception: VA may share costs for some emergency events partially covered by automobile liability coverage under PL 111-137.
- VA is not authorized to reimburse emergency health care costs of non-service connected events of Veterans who have other Health Plans (Medicare, Medicaid, etc.) or third party liability. 38CFR17.1002
- Copays remain in place as if care was provided within a VA facility

Overall Process

- Initial decision on health care needs
- Determination of need for Non-VA vs VA
- Consult prepared
- Approved by delegated official
- Administrative eligibility verified
- Non-VA Staff prepares authorization
- Patient appointment in non-VA setting
- Return of clinical information
- Health care claim paid



Emergency Care

- When a Veteran seeks emergency care at a non-VA facility, the non-VA provider should contact the closest VA facility promptly (within 72 hours):
 - Notify VA of Veteran treatment/admission
 - Verify eligibility of Veteran for reimbursement of claim and identify the VA of jurisdiction to submit claims
 - Obtain instructions for transfer of VA patient to VA



Questions

