

August 2, 2022

RESCISSION OF VHA OPERATIONS MANUAL 1, CHAPTER 15: CHARGES AND PAYMENTS FOR MEDICAL CARE

1. By direction of the Office of the Under Secretary for Health, Veterans Health Administration (VHA), Operations Manual 1, Chapter 15: Charges and Payments for Medical Care, dated December 9, 1982, is rescinded.

2. The Office of General Counsel (OGC) and VHA Office of Finance found that the specific operational instructions for completing the billing invoices and forms are no longer valid and the information in the manual has been superseded by newer guidance. The content in the referenced VHA Operations Manual 1, Chapter 15: Charges and Payments for Medical Care, has been replaced in whole or in part by 38 C.F.R §§ 17.101, 17.102, 17.106 and VHA Directive 1660.06, VA-TRICARE Network Agreements, dated June 28, 2019.

a. Scope (a) of VHA Operations Manual 1, Chapter 15, citing statutory authority of The Federal Medical Care (Cost) Recovery Act, P.L. 87-693, 42 U.S.C. 2651-2653, discussing recovery due to tort or third-party liability has been superseded by 38 C.F.R § 17.106(a)(1).

b. Scope (b) of VHA Operations Manual 1, Chapter 15, which cites P.L. 92-72, 38 U.S.C § 629 as statutory authority for recovery of the cost of care and services due to worker's compensation has been replaced by 38 C.F.R. §§ 17.106(a), 2(F).

c. Statutory authority outlined in scope (c) of VHA Operations Manual 1, Chapter 15, regarding VA and Department of Defense Negotiated Agreements with non-VA hospitals has been superseded by 38 C.F.R. §§ 17.101(a)(7), 17.102(c).

d. VHA Operations Manual 1, Chapter 15, scope (d), citing the Economy Act of June 1932, as amended (31 U.S.C § 686) as statutory authority for VA to enter Federal interagency resource-sharing agreements has been replaced by C.F.R. §17.102(e) and VHA Directive 1660.06, which established TRICARE Network Agreements and TRICARE Managed Care Support Contractors (MCSCs) to furnish health care to TRICARE Network beneficiaries eligible for care for monetary reimbursement.

e. The provisions of Section 607(a) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. § 2357), pertaining to reimbursement methods for care of foreign beneficiaries at VA medical facilities, outlined in VHA Operations Manual 1, Chapter 15, scope (e), are superseded by 38 C.F.R. § 17.102(d).

f. The billing scenarios outlined in VA Regulations 6062 (A)-(H) and VA regulation 6048(D), as outlined in VHA Operations Manual 1, Chapter 15, scope (f), are superseded by 38 C.F.R. §§ 17.101-102, 17.106.

g. VHA Operations Manual 1, Chapter 15, scope (g), outlining billing procedures and charges, has been replaced in whole or in part by 38 C.F.R §§ 17.101, 17.102, 17.106.

(1) Guidance related to billing procedures can be found on the VHA Knowledge Management web portal at:

https://vaww.vrm.km.va.gov/system/templates/selfservice/va_kanew/help/agent/locale/en-US/portal/554400000001029/topic/554400000006200/Guidebook. **NOTE:** *This is an internal VA website that is not available to the public.*

(2) Guidance related to reasonable charges can be found at:

https://www.va.gov/COMMUNITYCARE/revenue_ops/payer_rates.asp.

3. All inquiries concerning this action should be addressed to the VHA Office of Finance, Revenue Operations (104RO) at 608-821-7346.

4. This VHA notice will expire and be archived on August 31, 2023. However, the rescission information will remain in effect.

**BY DIRECTION OF THE OFFICE OF THE
UNDER SECRETARY FOR HEALTH:**

/s/ Steven L. Lieberman, M.D., MBA, FACHE
Deputy Under Secretary for Health

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