

**STANDARD OPERATING PROCEDURE
FOR ADMINISTRATION OF DISBURSEMENT AGREEMENTS UNDER VHA
DIRECTIVE 1400.05**

Department of Veterans Affairs
Veterans Health Administration
Washington, DC 20420

Service Line(s):
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Chief Academic Affiliations Officer, OAA

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REVISIONS

Since the July 2022 version of this SOP, the SOP has been revised to remove repetition and for brevity. Significant updates to items include:

- Section 2a (Previously Section 2): Clarifications about PGY determination
- Section 2d (Previously Section 4): Requirement for PLA only for programs where it is an accreditation requirement
- Section 2e (Previously Section 5): Process for rate schedule submission edited; Change in daily rate formula to not include annual leave; Fringe benefits details moved to an appendix
- Section 2h (Previously Section 8): Change to requirements for oversight of split rotation with variable schedule; Addition of section on telehealth activities; edits to didactics, research scholarly activities, institutional orientation sections; Requirement for off-site activities to have OAA approval and removal of section on off-site activities including educational details.
- Section 2i (Previously Section 11): Edits to annual leave to make it reimbursable when used type of leave rather than reimbursed in advance in the daily rate. Jury duty leave type is reimbursable for HPT time.
- Section 2j (Previously Section 12): Clarification regarding on-call activities and post-call leave reimbursement
- Section 2n (Previously Section 14): Edits to EARs Tool process steps including additional verification spot check for 10% of all HPTs in the month; Move of certification to after reconciliation with affiliate; change to allow disbursement coordinator to certify EARs; Change in the formula for EARs calculation process; Clarification of reconciliation process
- Section 2p (Previously Section 16): Edits to section to shorten details on ReDPro Checklist
- Section 2r (Previously Section 18): Edits to remove details on COI

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1. PURPOSE AND AUTHORITY

a. The purpose of this standard operating procedure (SOP) is to establish procedures for the administration of disbursement agreements (DA) for the payment of salaries and fringe benefits for health professions trainees (HPTs) appointed under 38 U.S.C. § 7406. This SOP must be followed by the VHA Office of Academic Affiliations (OAA) and medical facility staff who participate in disbursement agreement procedures.

b. This SOP sets forth mandatory procedures and processes to ensure compliance with 38 U.S.C. § 7406, 38 U.S.C. § 7302 and VHA Directive 1400.05 Disbursement Agreements for Health Professions Trainees Appointed under 38 U.S.C § 7406, dated June 2, 2021.

2. PROCEDURES

a. Appointment of HPTs Under Disbursement Agreements.

(1) **Appointment.** The affiliated educational institution (affiliate) [also known as the sponsoring institution (SI)] hires the HPTs. The salaries and benefits for the HPTs are paid through a Disbursement Agreement (DA) with the SI or a separate disbursing agent. The HPTs paid through a DA are appointed at the VA on a without-compensation (WOC) VA appointment. HPTs appointed as WOC and paid via a DA are not selected by VA and therefore the issue of citizenship that affects direct VA-paid HPTs is immaterial. **NOTE:** See *VA Handbook 5005, Part II, Chapter 3, Section H* for additional details.

(2) **Post Graduate Year (PGY) Determination.** PGY levels are used by some programs to denote the HPT's progress in an education program. For programs that utilize PGY levels (e.g., GME programs), the Affiliate Program Director (PD) is responsible for assigning PGY levels of training. PGY determination is based on the number of training years specified by the appropriate accrediting and certifying bodies and the number of years completed by the HPT in discipline training. Years of training in non-accredited programs and previous years of training in unrelated specialties (except as required by the specialty in which training is sought), cannot be included in the PGY level determination.

b. Planning for VA-funded Training Positions Allocations.

(1) **Determination of the Number of HPT Positions.**

(a) Before the allocation cycle (i.e., September or earlier of the preceding academic year), the VA DEO must conduct an appraisal of all the DA disciplines' health professions education (HPE) activities, including the number and distribution of VA DA HPT positions. In consultation with affiliate PDs, affiliate DIO, VA Site Directors (SD), and VA Service or Section Chiefs, the DEO assesses the VA medical facility's HPE

activities and resources as well as the previous year's utilization of FTEs by programs. Based on this assessment, the DEO determines the final allocations of HPTs at the VA.

(b) The DEO has final authority for submitting requests for the types, numbers, and assignments of HPTs. The DEO submits a request for position allocations through the OAA Support Center Database 'Allocation Request Portal' when instructed to do so by OAA.

(c) OAA reviews the allocations request and approves the final allocations by program and PGY level. OAA cannot guarantee that the positions awarded will meet or exceed the previous year. The DEO communicates the final OAA-approved allocations to the PDs and DIO(s) of the affiliated institution(s).

(2) Review of VA Educational Activity Assignments.

(a) VA training assignments must meet institutional and programmatic accrediting body standards to qualify for reimbursement under a DA. VA rotations must never exceed 75% of an individual HPT's educational activities within a given academic year, except for Chief Residents and HPTs enrolled in OAA Advanced Fellowships. Requests to waive this requirement must be submitted to OAA at least three months before the beginning of the academic year (AY) using the waiver request form available on the OAA SharePoint site.

(b) Assignment of HPTs is by FTE rather than individual HPTs. Multiple individual HPTs rotate through FTE assigned to a rotation.

c. Disbursement Agreements.

(1) An executed and active affiliation agreement (AA) must be in place prior to establishing a DA.

(2) A DA is valid for a maximum of ten years. The DA and AA expiration dates should be the same. If the AA is updated within the ten-year timeframe, then the DA should also be updated.

(3) A separate DA is required for each disbursing agent/SI and each payment methodology (i.e., payment in advance or arrears).

(4) OAA standard AA and DA templates, available on the OAA SharePoint site, must be used.

(5) The DA must be signed by the responsible official from the SI, the Disbursing Agent (if different), the VA Medical Center Director (MCD), and the Chief Academic Affiliations Officer (CAAO) at OAA using acceptable forms of VA signatures (PIV signature, wet signature, or VA Leaf System signature stamp). Except for the OAA approval signature, all signature dates must precede the effective date recorded on the DA. If additional signatory lines are deemed necessary, approval is required by OAA. The signed DA should be uploaded to the OAA Support Center Database

'Disbursement Agreement Portal' for OAA review and signature. Affiliation agreements and DAs should be submitted to OAA at least three months before expiration.

(6) The facility DEO should download the final signed AAs and DAs from the OAA Support Center Database and distribute them to the SI/Disbursing Agent, DIO, VA facility Chief Financial Officer (CFO), and any other appropriate personnel involved in the disbursement process.

d. Program Letters of Agreement.

(1) Program letters of agreement (PLAs) are written documents that address HPE responsibilities of the accredited program and VA. These must be completed if it is an accreditation requirement (e.g., for all GME programs). It is encouraged, but not required, for other programs.

(2) PLAs should not include prohibited and/or fiscal language. The DEO must review all PLAs to ensure that no prohibited legal and/or fiscal language or language not relevant to the VA is used. If such language is present, a new PLA must be established. An OAA Approved PLA template can be found on the OAA SharePoint Site. **NOTE:** *Standard OAA PLA templates must be used to establish new PLAs and to replace expiring PLAs.*

(3) The PLA should be signed by the DEO, VA SD for the program, affiliate PD, and DIO using acceptable VA signatures. **NOTE:** *If the people in these positions change, the new person should apply their signature to the existing PLA. A new PLA does not need to be processed through all parties.*

(4) PLAs do not need to be approved by OAA.

(5) A copy of all PLAs should be kept on file in the HPE Office.

(6) A PLA addendum may be used to describe specifics of VA rotations, including rotation schedules, didactics, on-call coverage responsibilities, shared call, coverage for leave, and any other items that need to be negotiated between the VA and the program director. A PLA addendum template is available on the OAA SharePoint Site.

e. Reimbursement of Costs.

(1) VA authorizes and reimburses the actual salary and benefit costs of HPTs to the affiliate. The reimbursement covers HPT time performing authorized clinical and educational activities while assigned to VA. OAA does not reimburse for additional individual compensation items based on conditional performance (e.g., bonuses, performance pay), special circumstances (e.g., housing allowance), or program-specific amenities (e.g., book allowances) that are not part of the total salary provided by the affiliate to the HPT.

(2) **Rate Schedule (RS).** VA Salary and benefit rates are based on the affiliate's salary and benefits schedule by PGY. **NOTE:** *See VA Handbook 5005, Part II, Chapter*

3, Section H, Appointment of Medical and Dental HPTs Under 38 USC § 7406, and VA Handbook 5007, Part II, Appendix E, Compensation of Noncareer HPTs Serving Under 38 USC § 7405. Rate Schedules determine the daily reimbursement rates (“daily rate”) for HPT activity in VA-approved HPE activities. The RSs are determined separately for each profession and PGY level. Each RS must be approved by OAA.

(3) **Steps to determine RSs for the upcoming AY:**

(a) The DEO or designee downloads the latest OAA Disbursement Rate Schedule Template and Affiliate Attestation Cover Letter template available on the OAA SharePoint and OAA Support Center.

(b) The DEO provides both documents to the affiliate for the Designated Institutional Officer (DIO) to complete. Instructions regarding the completion of the template and reimbursable benefits should be conveyed to the DIO. Benefits must be itemized individually and may not be summed as a single line item. See Appendix A and OAA Annual Rate Schedule Memo for additional details regarding reimbursable benefits.

(c) The affiliate DIO must complete the rate schedule template and return it along with the signed attestation cover letter to the DEO.

(d) Upon receiving the salary and benefits information, the DEO must review these documents to ensure the benefits meet the criteria for OAA-approved reimbursable benefits. The DEO may ask the DIO to provide the source documents for review if there are any doubts or questions about the salary and benefits amounts listed.

(e) The DEO must then submit the completed verified OAA Disbursement Rate Schedule Template(s) and the signed attestation cover letter from the affiliate into the 'Rate Schedule Portal' before the start of the AY by the deadline provided by OAA Fiscal.

(f) The DEO must maintain all documentation submitted by the affiliate regarding salary and benefit amounts indicated in the RS submission.

(g) Following OAA review and approval, the final approved RS will be available on the online Rate Schedule Portal. The DEO must distribute copies of the final approved RS to the VA facility CFO, affiliate disbursing agent, affiliate DIO, VA Financial Management Service, and any other staff involved in the disbursement process.

(h) RSs are only valid with a completed DA and OAA approval. The period covered by RSs is between the effective dates specified on the RS. The OAA-approved RS becomes an addendum to the existing DA.

(i) If an affiliate's rates change during the AY, the affiliate must notify the DEO. A new RS template must be completed and submitted to OAA for approval for payment at the new rate. If a new RS is approved during the AY, the DEO must ensure that all Educational Activity Records (EARs) Tools reflect the newly updated rate from the effective date of the new RS onwards. **NOTE:** *This will require the DEO to create a new*

workbook for each program that has a rate affected by the change. The DEO must keep a copy of the request to change the rate schedule on file.

(j) If the DEO does not receive the updated rates from the affiliate by the deadline set by OAA Fiscal, the DEO must submit a temporary rate schedule using the prior year's rate for OAA's approval. This will allow reimbursement of salary and fringe benefits in the new AY. Once the DEO receives updated information from the affiliate, they must submit a new rate schedule using the new rates which may be applied retroactively to the start of the new AY based on the time of submission and discretion of OAA Fiscal. Current Fiscal Year (FY) funds may never be used to pay for prior fiscal year requirements.

(4) **Escalation process.** Approved AAs, DAs, and RSs are required prior to creating an obligation in the Financial Management System. Timely and accurate submission of documents is an essential responsibility of DEOs. AAs, DAs and RSs for an upcoming AY are due on the date provided in the Annual Physician and Dental Trainee Salary Rate Request and Validation Process memo. If OAA does not receive a new DA or new or temporary RS for the new AY by the deadlines specified in the memo, OAA Fiscal will initiate the following escalation process consisting of two notifications:

(a) Notification 1. Email to DEO from OAA Fiscal stating that the facility is non-compliant with submitting the AA, DA, and/or RS. The DEO will be given two weeks to submit the missing document(s). If the RS was not submitted due to the affiliate not planning to send HPTs to the VA for that AY, the DEO must inform OAA Fiscal to temporarily deactivate the sponsor for the AY to remove the site from being non-compliant. OAA Fiscal will allow two weeks for the DEO's compliance with the required documents.

(b) Notification 2. If the required documents are not received within two weeks of Notification 1, OAA Fiscal will email OAA's Oversight and Compliance Unit (OCU) and the VISN Network Academic Affiliations Officer (NAAO) informing them of the non-compliance of the facility(s) in submitting documents.

(c) If a facility remains non-compliant at the time that OAA Fiscal releases its FY's Target Allowance, the facility will not receive initial funding until all required documents are submitted.

(5) **Daily Rate.** *Daily Rate = (Salary + Benefits) / # Days in the AY (365 or 366 days if leap year)*

(6) **Benefits.** OAA-approved fringe benefits are included in the annual total reimbursement per HPT. Note: See Appendix A for details on fringe benefits

f. **Benefits Only Disbursement Agreements (BODA).** BODAs impact direct paid (non-WOC) HPTs. Under certain conditions, HPT benefits provided by the affiliate may be more generous than those paid by VA. In those instances, OAA may allow these HPTs to receive the affiliate's benefits through a DA. The HPTs will not receive VA

benefits, and OAA will reimburse the affiliate for the cost of the benefits extended to the HPTs. **NOTE:** See Appendix B for the description of a BODA and its requirements.

g. **Union Contracts.** VA is not bound by affiliate union contracts. If a ratified union contract authorizes new annual pay scales for HPTs, VA may or may not honor changes to salary and allowable benefits. Requests for retroactive payments for prior fiscal years are generally not permissible, but a request may be made to OAA for consideration. Current Fiscal Year (FY) funds may never be used to pay for prior fiscal year requirements.

h. **Health Professions Trainee Activities.**

(1) **Clinical and Educational Activities.**

(a) Clinical activities are reimbursable if they include clinical patient care duties that are part of a clinical rotation performed at the VA medical facility.

(b) HPTs must be physically present at the VA medical facility while participating in reimbursable VA clinical activities or have an OAA-approved waiver request. Requests for reimbursable off-site VA clinical activity must be submitted via the OAA Support Center Database using the 'Offsite Activity Approval Portal'. Educational details are a type of off-site clinical activity provided at a non-VA and non-affiliate hospital. If approved, documentation of the approval must be maintained on file by the DEO.

(c) A clinical rotation may have a limited amount of planned time for educational activities without clinical patient care duties (e.g., simulation lab, online modules). The total of planned educational (non-patient care) activities on a VA rotation should be equivalent to that on an affiliate rotation. These educational activities must have pre-defined methods to verify attendance documented in the local facility disbursement SOP.

(d) Clinical and educational activities occur on rotations that may be either full-time for the month or split during the month:

1. In a full-time rotation, the HPT is assigned only to the VA for the entire duration of the month. Reimbursable days on clinical rotations include days worked at VA and reimbursable days off (e.g., days off, post-call time off, weekend days, holidays, annual leave, sick leave, meeting and conference leave, and examination leave, etc.). A full-time rotation must have no less than one and no more than two days off per week (not including holidays or post-call time off) as averaged over a four-week period and a minimum of 40 hours per week. In consultation with OAA, the DEO may authorize more days off for specific rotations and situations. Documentation of the approval must be maintained on file by the DEO.
2. In a split rotation, the HPT participates in clinical activities at the VA and one or more affiliate site(s) during the month. The reimbursement for split rotations is based on the number of days the HPT worked at VA and a proportionate share

of weekend days and didactic half-days in the month. There are two types of split rotations.

- a. Fixed schedule split rotation. These split rotations have a pre-defined schedule of specific days or half-days that the HPT is assigned to VA and specific days or half-days the HPT is assigned to the affiliate.
- b. Variable schedule split rotation. In some instances, HPT's primary clinical and educational assignment is divided between VA and the affiliate without a fixed schedule (also known as shared rotations). The SD and DEO must work together to determine the VA's share of reimbursement, which must be data-driven and auditable [i.e., a method to verify the HPTs' involvement in the care of Veterans; these methods must be detailed in the local facility Disbursement SOP]. The DEO and SD should review these rotations on a regular (minimum yearly) basis to ensure VA needs or staffing requirements are met and reimbursement is consistent with the on-site clinical and educational activity of the HPTs. The DEO and SD should also consider converting the rotations to a fixed-schedule split rotation or a full-time rotation when possible.

(2) **Telehealth Activity.** Telehealth (TH) activities involve the provision of health care remotely by means of telecommunications technology (e.g., VA Video Connect (VVC)).

(a) HPTs must be physically present at the VA medical facility while participating in TH activities. Requests for off-site VA telehealth activity may be submitted via OAA Support Center Database using the "Offsite Activity Approval Portal". If approved by OAA, documentation of the approval must be maintained on file by the DEO. Off-site TH requests must include an approved telework agreement form allowing the HPT to participate in telework. **NOTE:** Please see the appropriate 1400 series directive for guidance on the supervision of TH activities.

(b) TH activities must be supervised by a practitioner with a VA appointment working in their VA capacity on their VA tour of duty.

(3) **Scholarly Activity.** Scholarly activities (e.g., research or non-research [quality improvement (QI)]) are often part of clinical rotations. Rarely, a full-time scholarly rotation at VA may be approved. Scholarly activity at the VA must meet the following requirements:

(a) The scholarly activity must be an accreditation and program requirement for all HPTs within the program.

(b) The time spent on scholarly activities at the VA must be proportionate to the time spent on such activities at other affiliate training sites.

(c) The HPT performing scholarly activity must be supervised by a practitioner with a VA appointment acting in their VA capacity on their VA tour of duty who, along with the SD, is responsible for tracking the HPT's educational activities.

(d) The projects undertaken during this time must be of benefit to Veterans and their care.

(e) Other non-VA work may not be conducted during the time approved for scholarly activity.

(f) For research projects, the projects must be approved by the VA facility's Research and Development (R&D) Committee. The approval must be saved on file by the DEO.

(g) For non-research, the projects (e.g., QI), must be approved in accordance with the local VA medical facility practices.

(h) Pre-approval by VA SD and DEO who review the requests to ensure all the requirements above are met. The approval must be saved on file by the DEO.

(i) HPTs must be physically present at the VA medical facility while participating in scholarly activities. Under limited circumstances, an off-site request may be submitted to OAA for the performance of VA research activities off-site. If approved, documentation of the approval must be maintained on file by the DEO.

(4) **Didactic Activities.** Didactic training activities are formal, structured educational activities (outside of clinical experiential assignments) such as lectures, seminars, journal clubs, and grand rounds.

(a) To be reimbursable didactics must be:

1. regularly scheduled in advance in the HPTs' schedule
2. necessary for the HPTs to perform their VA duties
3. required of all HPTs in the program to attend at the same time.

(b) The didactic schedule should be provided to the VA SD and DEO at the beginning of the AY.

(c) Any non-regularly recurring or unscheduled didactics must be approved by the SD and/or DEO prior to reimbursement. Documentation of the approval must be maintained on file by the DEO.

(d) For off-site didactics, virtual transmission to the VA facility should be considered when technically feasible and appropriate (e.g., a lecture as opposed to hands-on training or interactive workshops), especially when travel time to and from the affiliate for regularly scheduled didactics is excessive (i.e., greater than 1-hour).

(e) If virtual transmission is not feasible, HPTs on VA rotations will be allowed to attend off-site didactic sessions. Off-site didactics do not need OAA approval.

(f) The reimbursement for didactics will be proportional to the amount of time the HPT spends at the VA during the month.

(g) The EARs tool code "D" should be used on the EARs Tool for didactics that span the entire half day(s) where the trainee does not return to any site for scheduled clinical work. Didactics of less than half-day duration, where the trainee returns to the scheduled site for clinical work do not need separate codes in EARs tool worksheets. If the trainee is on a rotation where they do not attend didactics, then half-day didactics do not need to be coded into EARs.

(h) Half-day didactic blocks should be coded for all days in the months that a didactic was held and the trainee attended the didactics for all the trainees that are scheduled to work at the VA that month (not including call).

(i) VA will not reimburse for HPT rotations that consist solely of didactic time.

(5) **Institutional Orientation.** For mandatory paid institutional orientation activities that occur at the affiliate before the start of the AY, VA will reimburse the salary and benefits of HPTs for a part of the days of the orientation.

(a) Only parts of the orientation days that are relevant to HPT activity at the VA should be reimbursed either fully if only relevant to VA or shared if relevant to both. The DEO will determine the number of reimbursable days, up to a maximum of two days, after discussing the orientation schedule with the affiliate PD and/or DIO.

(b) If an HPT is still enrolled in a prior training program and being paid by the prior training program during the time of the orientation, VA cannot reimburse an additional amount for the institutional orientation.

(c) Reimbursement covers salary and benefits and no other orientation costs. Any additional allowable expenses for orientation can be covered via an educational cost contract (ECC). **NOTE:** See *Directive 1400.10 Health Care Resource Contracting: Educational Costs for Health Professions Education* for additional details.

(d) All HPTs must be fully onboarded and appointed by the VA in advance of or by the start of the orientation for the affiliate to receive reimbursement.

(e) An EARs tool supplemental orientation worksheet should be used to determine the total reimbursement to the affiliate for VA institutional orientation and the amount requested through the needs and excess process. The worksheet should be kept on file by the DEO and submitted along with the reconciliation documents during the invoicing and payment process.

i. **Leave.**

(1) Leave constitutes an absence from VA duty when participating in a VA rotation. Leave categories include annual leave (AL), sick leave (SL), meeting and conference leave (MC), military leave (ML), jury duty leave (JD), and examination leave (EL).

(2) Leave days do not accrue from year to year and unused leave days are not reimbursable.

(3) Leave requests, if required by the local facility Disbursement SOP, should be sent well in advance of the planned leave.

(4) When on VA-assigned rotations, scheduled HPT leave must be prospectively approved by the VA SD/DEO. All types of advanced leave should be approved in such a way that VA patient care is not impacted. Coverage plans should be discussed between the program director/Program coordinator and the SD/DEO if planned HPT leave is going to affect VA patient care.

(5) The local process for leave requests and approvals should be defined in the local VA facility Disbursement SOP. All program-specific leave pool processes and coverage plans may be documented using a PLA addendum.

(6) **Program Leave Pools.** Leave must be pooled for a specific program by combining the leave allowed in the affiliate leave policy or OAA policy per FTE. This leave pool may be used as needed for individual HPTs. The number of days of leave an individual HPT uses is tracked by the affiliate. One category of leave cannot be pooled with another category of leave. Leave pools are tracked and managed at the VA level with the EARs Tool.

(a) AL, SL, MC, and EL all have leave pools.

(b) The number of days in the program leave pool is determined by multiplying the number of days allowed per type of leave per FTE by the number of FTEs per program allocated to VA.

(c) The following formula will be used to determine the program leave pool: ***Total leave days per HPT in leave policy X VA-funded FTEs in the program = Total Leave Pool***

(d) For example, if a program has 10 FTE at VA and the annual SL allowance in the affiliate's leave policy is 10 days per HPT per academic year, the reimbursable SL pool for the program will be 100 sick days.

(e) Program leave pools must be carefully monitored utilizing the EARs Tool; once a VA leave pool is exhausted, any additional days of leave taken by HPTs at the VA will be non-reimbursable.

(7) **Leave coverage.** During the rotation planning process, DEOs should discuss plans for coverage and usage of leave with the VA SD and service line leadership to ensure adequate staffing for patient care. If the affiliate provides coverage for the HPT on leave, the VA may reimburse for the HPT on leave (if within leave pool limits) and the HPT covering.

(8) **Annual Leave (AL).**

(a) Annual leave is reimbursable.

(b) The number of days of allowable AL is based on the affiliate's leave policy (up to a maximum of 30 days including weekend days per program FTE per academic year). The DEO is responsible for keeping a copy of the affiliate's leave policy on file. If clarification is warranted, an email documenting the details must also be kept on file.

(c) If a affiliate merges AL and SL into paid time off (PTO), the DEO must request that the affiliate clarify whether the number of days of PTO can be divided between AL or SL (up to the OAA limits). If the affiliate is unable to give this clarification, then the entire PTO must be counted as AL (up to a maximum of 30 days per FTE per academic year). In this scenario, SL will be marked as AL, and the affiliate will be limited to the cap on AL (i.e., no sick leave pool will be available).

(d) AL usage must be carefully documented, using the EARs tool code "AL", and reimbursed subject to the availability of remaining days in the AL pool. If a trainee is scheduled for annual leave while on their VA rotation, leave should only be coded in the EARs Tool on the half days during the week that the trainee would have otherwise been scheduled to work at the VA. AL should not be coded on EARS during the time that the trainee is assigned to work at other affiliate participating sites. The AL code should be entered on the weekend if the affiliate leave policy includes weekends in the number of days of AL.

(e) If the program utilizes block schedules for planned AL where the entire AL is taken as a block/month during one of the blocks/months on their schedule and the trainee is not assigned to any program participating sites during that block/month, then some of these blocks/month leave can be assigned to the VA and the trainee listed on the month EARs up to the AL leave pool maximum. Once the AL leave pool is exhausted no further AL at the VA will be reimbursed.

(f) The affiliate is responsible for tracking and limiting the number of AL days taken by individual HPTs based on the institution's policy for AL days.

(9) Sick Leave (SL).

(a) Sick leave is reimbursable.

(b) The number of days of SL allowed is based on the affiliate's sick leave policy up to a maximum of 15 days per VA-allocated program FTE per academic year.

(c) SL and coverage plans, if any, must be reported to the VA SD/DEO. Leave requests, if required by the local facility Disbursement SOP, must be submitted by the end of the month at the very latest.

(d) SL must be carefully documented, using the EARs tool code "SL", and reimbursed subject to the availability of remaining days in the SL pool.

(e) The affiliate is responsible for tracking and limiting the number of SL days taken by individual HPTs based on the institution's policy for SL days.

(10) **Parental and Caregiver Leave.** HPTs paid through a disbursement agreement are not eligible for separate paid parental leave. The HPT may use their AL towards parental leave in accordance with the affiliate's leave policy. HPTs may request SL only when incapacitated for duty, undergoing medical treatment or caring for a family member with a serious health condition. SL may not be used for foster care placement, bonding with a child or providing childcare. Annual leave pools can be used as needed for individual HPTs.

(11) **Long-term Absences (Extended leave).** Under some circumstances, an HPT may have to take more than the allotted permissible individual sick leave days (e.g., extended leave for three months for prolonged illness). To ensure equity amongst affiliate institution training sites and to reduce clinical coverage gaps, such leave must be proportionately shared among all the affiliate institution training sites. The affiliate program will notify the DEO that an HPT has reached the sick leave limit and confer with the DEO to determine the number of planned extended leave days. The program can use the program sick leave pool to grant the VA share of the additional paid time off for the individual trainee. If the program's sick leave pool does not have enough days to meet this requirement, sick leave from other programs' sick leave pool within the same affiliate can be used only with the approval of the program directors of all involved programs, the DIO, and the DEO. The DEO is responsible in such a situation for maintaining the leave pool for both programs as this will not be apparent within the EARs tool.

(12) **Meeting and Conference (MC) Leave.** As part of their scholarly activities, HPTs assigned to VA may attend local, regional, or national meetings and conferences.

(a) Meeting and conference leave is reimbursable.

(b) The number of days allowed for meeting and conference leave is five days per allocated program FTE per academic year. Travel days to and from the meeting/conference are included in the five leave days.

(c) Meeting and conference leave must be carefully documented, using the EARs tool code "MC", and reimbursed subject to the availability of remaining days in the MC pool.

(d) Attendance at the conference must benefit the provision of care to VA beneficiaries. For example, attending a rheumatology or quality improvement conference may be appropriate, whereas pediatrics conferences are not. The VA SD/DEO must review the request in advance to determine that the meeting/conference meets this requirement. VA SDs/DEOs must keep a copy of the meeting/conference leave details on file.

(e) Meeting and conference leave must be pre-approved by the SD and/or DEO to ensure compliance with the requirement of this leave type. The approval should be

documented within the EARs Tool with a note or comment or in a separate leave approval document.

(f) Only HPT time is reimbursable; costs (registration, travel, accommodation) for such meetings are not reimbursable via OAA central funding. A local facility may choose to support these additional costs through the facility's budget; OAA approval is not required when facility funds are utilized for this purpose.

(13) **Examination Leave (EL).** HPTs may be relieved from assigned duties while at the VA to undergo examination by an approved specialty board, examination for certification by a national certifying body, in-training examinations, or licensing examinations for state professional licensure.

(a) Examination leave is reimbursable.

(b) The number of days allowed for EL is two days per allocated program FTE per academic year. The absence cannot exceed the time required for the examination and traveling to and from the examination site.

(c) Examination Leave must be carefully documented, using the EARs tool code "EL", and reimbursed subject to the availability of remaining days in the EL pool.

(d) Examination leave must be pre-approved by the SD and/or DEO to ensure compliance with the requirement of this leave type. The approval should be documented within the EARs Tool with a note or comment or in a separate leave approval document.

(e) Only HPT time is reimbursable. The costs of examination fees are not reimbursable via a disbursement agreement. **NOTE:** See *VHA Directive 1400.10 for other details on reimbursable expenses.*

(14) **Military Leave (ML).** HPTs who are members of the US National Guard or a reserve component of the armed forces may be granted military leave for the performance of active military duty.

(a) Military leave is not reimbursable. **NOTE:** *This is to avoid dual compensation. See VA Handbook 5007, Pay Administration, for the prohibition of dual compensation.*

(b) Military leave is not subject to any limit, but excessive utilization may result in a failure to complete program requirements in a timely manner.

(c) The EARs tool code for military leave is "ML."

(d) Military leave may not be denied, but the Site Director and DEO must be notified in advance of planned Military Leave for coverage planning purposes and the trainee may be required to produce a drill letter, military orders, or a leave and earnings statement to verify military attendance.

(15) **Jury Duty (JD) Leave.** HPTs may be relieved from assigned duties at the VA to serve as a juror.

(a) Jury duty leave is reimbursable. Local facility SOP should define local processes for jury fees provided to the trainees. Waiving of these fees, if possible, is preferable.

(b) Jury duty is not subject to any limit. However, HPTs who are granted JD leave and are excused or released by the court for any day or a substantial portion of a day are expected to return to their regular VA duties on that day.

(c) EARs tool code for jury duty leave is “JD.”

(d) Jury Duty may not be denied, but the Site Director and DEO must be notified in advance for coverage planning purposes and the trainee may be required to submit proof of jury attendance which is furnished by the clerk of courts.

j. On-Call Duty and Coverage.

(1) On-call activities occur outside the normal working hours of a full-day assignment to a scheduled clinical rotation or on a weekend if the scheduled assignment is only during normal working hours during the weekdays. A scheduled night shift (e.g., night float) is not considered on-call activity. On-call coverage by HPTs is required as part of the VA FTE allocation if such coverage is determined necessary by the DEO and VA Service Chief. The site director and program director in collaboration with the DEO can determine which HPTs assigned for the month will provide this coverage or whether a shared call model will be used. OAA does not provide additional reimbursement for on-call activities.

(2) Pooled and shared call. In circumstances when the HPT FTE allocation at the VA is inadequate to provide call coverage for the VA or to reduce the frequency of on-call schedules of HPTs, both VA- and non-VA- assigned HPTs can be pooled and assigned to cover call responsibilities at the VA. Alternatively, a shared call model can be used where both VA- and non-VA- assigned HPTs are assigned to cover call responsibilities at the both VA and the affiliate at the same time. Because call coverage is an included component of the reimbursable clinical experience at both the VA and the affiliate, VA does not reimburse additionally for call activity at the VA provided by non-VA assigned HPTs. For HPTs assigned to a VA clinical rotation, reimbursement will not be reduced if the HPT provides call coverage at the affiliate (as long as this is not claimed on affiliate CMS reimbursement). This avoids problems of potential dual reimbursement from two federal entities, VA and Centers for Medicare & Medicaid Services (CMS). If an HPT is on-call for more than one facility and must respond to one facility on-site, adequate clinical coverage must be available for shared call responsibilities at the other site if required. A process must be in place to clearly identify the backup individual, usually the attending, and the method(s) to contact the individual. The funding for a backup attending is paid through facility funds, not central OAA funding. The DEO must review pooled and shared call at least annually to determine whether the process meets VA's patient care needs. If VA patient care needs are not met, the DEO must work with the

affiliate on an equitable coverage plan and, if necessary and appropriate, assign additional residency FTE to VA to ameliorate the situation.

(3) Post-call time off reimbursement. In certain circumstances, an HPT who has completed a 24-hour clinical and educational work period at the VA may take up to 14 hours off post-call and VA will reimburse for that time. This time is meant for the HPT to get adequate rest away from work. An HPT on call must be physically present at the VA during their entire on-call work period in order to be eligible for post-call time off. Call taken from home does not qualify for post call time off.

(4) If VA reimburses for post-call time, the HPT may not be assigned to or perform any non-VA duties during the post-call time off. If the HPT works at or has responsibilities at a non-VA facility during the post call time, the VA will consider such post-call time as not reimbursable. The VA will not reimburse for a post-call day where the entire call was taken for a non-VA facility.

(5) A scheduled night shift (e.g., night float) that is the HPT's primary schedule on the rotation is not considered call and so no post-call reimbursed time off may be given after a night shift.

k. Chief Resident Cost Reimbursement.

(1) Chief Residents (CR) CRs typically serve as instructors to more junior residents, assist with program and clinical service administration, arrange for educational conferences and sessions (such as grand rounds), and serve as a liaison between the HPTs and faculty. CRs are not allowed to certify EARs Tools though they may assist the SD in maintaining the tracker's accuracy.

(2) **CRs fall under two categories:** Chief Resident - In Training and Chief Resident - Post Training.

(a) Chief Resident – In Training. In-training chief residents are currently enrolled in an accredited residency program but have not completed the full academic program leading to board eligibility. These chief residents are not independent and cannot be privileged to work in the discipline for which they are being trained. This model is common in surgery programs. In-training chief residents are reimbursed according to the corresponding PGY rate schedule. No additional pay differential may be given to Chief Residents – In Training.

(b) Chief Resident Post-Training. Post-training chief residents have completed an accredited residency program and engage in an additional year of training and responsibility. These chief residents have completed training for board eligibility or are board-certified and can be privileged in the discipline of their completed specialty training program. This model is common in internal medicine programs. Application for allocation of one or more post-training CR positions is made to OAA as part of the annual HPT allocation process.

(3) To receive approval for 1-year, non-accredited training Chief Resident Post-Training positions, the following conditions must be satisfied:

(a) The VA medical facility must have at least nine (9) individual HPTs rotate to VA from the core program to fund one CR position at that facility.

(b) The CR positions must be in core or 'pipeline' (i.e., not subspecialty) accredited program.

(c) The appointment of a post-training CR must be a part of an accepted, established practice at the local VA and the affiliated sponsoring institution.

(d) The CR must work in association with an ACGME-affiliated program (even though the CR's experience is non-accredited).

(e) The CR must have completed the minimum year of residency training to satisfy board requirements to apply for board certification.

(4) The appointment of any individual as "chief resident" may not exceed one year.

(5) Each allocated post-training CR position may be shared by two or more post-training CRs (e.g., two chief residents, each with 6-month rotations to VA).

(6) Pay differentials may only be approved for post-training CRs. For post-training CRs, OAA may approve a stipend rate of up to 130% of the corresponding PGY rate (with appropriate documentation). In no case will the annual salary reimbursement by VA be greater than the annual salary provided by the affiliate. The affiliate must provide documentation for the salary rate for post-training CRs. For example, if the PGY-4 annual salary for a resident is \$100,000, and the affiliate pays the CR \$135,000, VA may reimburse the affiliate up to \$130,000 as a salary. If the PGY-4 annual salary for a resident is \$100,000, and the affiliate pays the CR \$120,000 as a salary, VA may reimburse \$120,000. **NOTE:** See *VA Handbook 5007, Pay Administration, Part II, Chapter 2 for more information on stipend rates.*

(7) Requests for the differential must be communicated in writing by the affiliate to the VA DEO and submitted by the DEO to OAA via a separate post-training CR RS using the OAA RS template within the OAA Support Center Database. Additional or written OAA approval for the 130% cap is not required; however, the DEO must itemize the supplemented amount as a separate line item on the RS template submitted to the online RS portal. Authorized post-training CR rates must be documented similarly to regular CRs' annual salary and benefits. **NOTE:** See *VA Handbook 5007, Part II, Chapter 2, Appendix E, for more information on salary rates.*

(8) A special process through OAA is available for facilities that wish to compensate their post-training CRs over the 130% cap using local facility funds to match the index hospital's salary rate for post-training CRs. For this additional reimbursement, a 'Local post-training CR Supplementation' waiver application packet may be requested from the OAA Fiscal service. The request will require review and approval by the OAA CFO.

Upon approval from OAA, the additional difference in salary and benefits above 130% of the PGY post-training CR supplement is paid by the VA Medical Center. Additional guidance may be found on the OAA SharePoint site under the title 'CR Differential Guidance: Medical & Dental Education and Fiscal Operations.' **NOTE:** *Post-training CRs in Quality and Safety fall under this paragraph.*

(9) At the discretion of the local facility, a post-training CR may be credentialed and privileged as a licensed independent practitioner (LIP) in their core specialty. **NOTE:** *See VHA Directive 1100.20, Credentialing and Privileging.* If granted clinical privileges, the post-training CR may serve as an attending for billing purposes. However, the CR may not accept additional remuneration from VA for attending duties done during residency duty hours if the position is funded through OAA allocations as a training position. If the post-training CR serves as an attending after residency duty hours (moonlighting), the post-training CR must be compensated with facility (and not OAA) funds. A full-time post-training CR cannot moonlight at VA as the total time at the VA cannot exceed 100%. **NOTE:** *See VA Handbook 5007, Pay Administration, for the prohibition of dual compensation. An exception to the dual compensation prohibition exists for service as an Emergency Department Physician ("admitting physician" or "AOD").*

(10) The Post-Training CR may also act as a supervising practitioner to supervise HPTs in the appropriate specialty, provided the affiliate PD approves such service. **NOTE:** *Post-training CRs who are holders of J-1 visas may not function as supervising practitioners and billing may not occur in their name; the requirements of a J-1 visa prohibit functioning in that capacity. J-1 visa holders must have attending supervision for any role they occupy. Please see the appropriate 1400 series directive for guidance on the supervision of Post-Training CRs.*

(11) In performing duties associated with a VA assignment, the post-training CR must be on-site at the VA medical facility. Any limited time away from the VA to perform administrative or educational tasks must be approved by the VA program directors, site director or DEO. Reimbursable time by the post-training CR is time spent on clinical, administrative, and educational activities to promote care for Veterans.

I. Items Not Reimbursable Under a Disbursement Agreement.

(1) The items listed below are not reimbursable under a DA. Unless otherwise specified as allowable by OAA, other costs not listed below are also not reimbursable under a DA. Some may be reimbursable through an educational cost contract (ECC). **NOTE:** *See VHA Directive 1400.10, Health Care Resource Contracting: Educational Costs for Health Professions Education for additional details on reimbursable expenses through an ECC.*

(2) **Administrative or Operational Overhead Costs.** These are overhead costs associated with the normal operations of a GME program, aka "costs of doing business."

(3) **The costs associated with mandatory orientation and training programs.** Examples include food costs, space rental, entertainment, admission fees etc.

(4) **Residency management software applications fees.** Examples include “New Innovations™”, “Med Hub™” or “E*Value™”.

(5) **In-service exam fees.**

(6) **Accreditation body fees.** Includes per-HPT assessments, program, and institutional accreditation fees.

(7) **Cost of attendance to medical meetings and special education courses.** Includes including registration and travel costs.

(8) **Local Transportation Costs.** Examples include the cost of taxis, rideshare apps or shuttle services; **NOTE: Reimbursable only under specified circumstances, such as when transportation is required for fatigue mitigation and only via an ECC.**

(9) **Education funds, employee funds, book funds, or any fund where the costs are used to pay for the discretionary needs of HPTs.**

(10) **Lab Coats or Uniforms.** Any clothing that becomes the HPT's property is not a reimbursable benefit on a Disbursement Agreement Rate Schedule.

(11) **Awards or Bonuses.** No monetary awards or bonuses given to HPTs may be considered a reimbursable benefit via DA.

(12) **National HPT Matching Program participation charge.**

(13) **Mobile communication devices.** Examples include pagers, cell phones, PDAs.

(14) **User fees for simulation centers and other educational facilities.**

(15) **Health club, employee wellness, health counseling, or fitness programs.**

(16) **Visa filing fees.**

(17) **Benefits such as childcare, elder care, career counseling, and work/life integration.**

(18) **Recruitment expenses.** Examples include expenses for printing brochures, mailing costs, reproduction costs and advertisement expenses.

(19) **Parking fees or costs.**

(20) **Malpractice insurance.** Appropriately appointed HPTs are covered via the Federal Tort Claims Act while performing duties at VA facilities.

(21) **Consortium fees.** Fees for participation in educational or clinical consortia with other sponsoring, academic, or clinical institutions are not reimbursable under a DA.

(22) **Faculty salaries.**

(23) **Meals.** Payment for meals for HPTs is not reimbursable via a DA. For details on how local facilities may match affiliate hospital meal provision see *VHA Directive 1400.09 Education of Physicians and Dentists, Section 14.*

(24) **Salaries and benefits of HPTs paid full-time by any other entity may not be reimbursed by VA under a DA.** Examples include salaries paid by federal funds by another Federal agency (Department of Defense or National Institutes of Health), or by any other entity (a foreign government or pharmaceutical company, etc.).

(25) **Interviews.** HPTs may participate in employment or fellowship interviews during residency training. VA considers time for interviews as personal time off. HPTs taking time off from VA rotations for interviews must use annual leave.

(26) **Moonlighting.** Clinical activity outside the training program for additional payment at VA locations is permissible for HPTs meeting accrediting and/or licensing body requirements (e.g., ACGME requirements for moonlighting) and VA policies (VHA Directives 1400.05, 1400.09, 1100.20, VA Handbooks 5005 and 5007, ACGME Common Core Requirements). Payment for moonlighting may not be through disbursement mechanisms and is funded through facility funds, not OAA funds. Eligible HPTs must be appointed on a fee-basis or intermittent status and must undergo appropriate local credentialing and privileging procedures.

m. **Appeal Process.** OAA decisions regarding what is reimbursable through a DA may be formally appealed. A written appeal must come from the affiliate's legal counsel to the OAA Chief or Deputy Chief Academic Affiliations Officer, who will decide the merits of the appeal and notify the facility and affiliate of the determination. If necessary, OAA will seek counsel from the VA Office of General Counsel for a definitive resolution.

n. **VA Facility Administration of Disbursement Agreements.**

(1) **Educational Activity Planning.** Clinical and Educational Activity Planning: At least two months before the start of the AY, each VA program SD should meet with the DEO to plan the rotations based on the number of OAA-allocated HPT positions for the program. Each rotation should be planned to ensure an appropriate balance of clinical and educational activities. The amount of non-clinical educational activities during a rotation should be limited. The planning process should ensure that HPT activity can be verified. Rotations, where there were issues with verification of HPT activities during the prior AY, should be reviewed. If required, the rotations should be changed to accommodate better accountability of HPT activities.

(2) **Educational Activity Records Verification Tool.** The EARs Tool represents the primary document of record for participation in assigned clinical and educational activities, the time spent on those activities, and approved leave. All facilities must use

the latest version of the national standardized EARs Tool for all training programs under disbursement agreements rotating within the sections/services of a VA medical center. To maintain the integrity of the national standardized tool, facilities must not make alternations to the tool and formulas without approval from OAA. **NOTE:** See Appendix C for details on EARs Tool codes.

(3) **DEO Office Responsibilities for Educational Activity Records.** Maintaining accurate education activity records consists of multiple steps, including pre-population of the EARs Tool, verification of HPT activities, calculations, reconciliation, certification, payment, and periodic review/internal controls. There are general items the DEO Office staff are responsible for managing. These include:

(a) Facility-Level Disbursement Standard Operating Procedure:

1. VA medical facilities must have an updated and signed facility-level disbursement standard operating procedure (SOP) in addition to the national SOP.
2. The local facility disbursement SOP must include processes for HPT educational activity verification by program, leave tracking, staff assignment for record-keeping duties, reconciliation process, final payment processes, and internal controls.
3. The local facility disbursement SOP must be reviewed and updated at least every two years or within 3 months of OAA updated policies and SOPs.
4. The DEO/HPE Office staff is responsible for distributing the local and national Disbursement SOP to all VA faculty and staff responsible for managing any portion of the EARs tool processes.
5. The DEO is responsible for distributing the latest versions of the local and national Disbursement SOP to the affiliate(s) and Designated Institutional Officer(s) (DIO).

(b) DEO Office Record-Keeping and Storage:

1. The DEO/HPE Office staff is responsible for maintaining documents related to the disbursement process on file for 5 years.
2. Documents that need to be stored include but are not limited to the Facility specific Disbursement SOP, affiliation agreements, disbursement agreements, affiliate leave policies and benefits documentation, rate schedules, EARs Tools, EARs verification documents, invoices, reconciliation documentation, invoice payment statements, EARs tool training documentation, and delegation of authority memos.
3. DEO/HPE office staff must be able to produce documents upon request for quality control and/or auditing purposes.

4. Questions regarding records management may be referred to the local facility Records Manager.

(c) EARs Tool Training: The DEO/Office staff are responsible for ensuring all staff involved in the EARs processes, including VA SDs and staff pre-populating EARs Tool or verifying HPT activities, are trained in the EARs processes, including training on policy and procedure updates as required. The DEO will maintain documentation of this training (TMS course attendance/attestation, signed meeting minutes, training sign-in sheets, and/or timely attestations by DEO/Office Staff). In addition, DEO/HPE Office staff should provide training to the affiliate on the entire disbursement process and EARs Tool or updates, as necessary. The documentation of this training, including meeting minutes or description of content covered and names of attendees, must be maintained.

(4) Activity Record Keeping/Verification of Health Professions HPTs Activity. The VA EARs Tool is used to document HPT participation in VA clinical and educational activity. The EARs Tool is the primary source document that validates billing and authorizes payment. If any discrepancy arises between the VA EARs tool and the affiliate invoice, these discrepancies must be reconciled with the affiliate prior to final approval of the EARs Tool for payment purposes. If no collaborative decision can be reached, the ultimate outcome is decided based on the VA record of clinical and educational activities documented in the EARs Tool. To ensure the accuracy of the EARs Tool, specific procedures should be followed.

(a) Populating the EARs Tool with the trainee schedule:

1. Prior to the start of the academic year, the affiliate PD/program coordinator must provide the DEO/HPE Office Staff and VA SD with a copy of all schedules for the upcoming academic year including the overall rotation schedule for the upcoming academic year, all anticipated leave or absences, and a schedule for planned didactics, educational activities, examinations, and conferences.
NOTE: *If there are changes to the schedule during the academic year, the affiliate should provide updated schedules to the DEO and VA SD at least 15 days before the start of each month.* The VA SD should also provide the DEO/HPE office staff with rotation schedule which gives details regarding the schedule the HPT will follow on rotations at the VA.
2. The various schedules and information regarding HPT activity and rotations should be used to pre-populate the EARs Tool for each program. The pre-population can be done at the beginning of the AY and updated with changes prior to the start of the month, or it can be done each month prior to the start of the month.
3. The pre-population of the EARs Tool should preferably be done by the VA HPE Office Disbursement Coordinator (DC). If the DC is unable to pre-populate the EARs tool, this can be done by the VA program SD or designee or program VA site coordinator/service staff, provided they have been trained in the correct

utilization of the latest version of the EARs tool and do not have a conflict of interest (COI).

(b) Verification of HPT Clinical and Educational Activity by Site Director or Designee:

1. The VA SD or designee must work collaboratively with VA supervising faculty and service staff to monitor HPT presence and involvement in clinical and educational activities.
2. All HPTs must be directly observed performing their clinical and educational activities at the VA during each month. The SD or SD designee may perform the direct observation themselves, or for larger programs, delegate this to the supervising attending for the HPT or VA administrative staff. If this responsibility is delegated, however, the SD or designee should maintain weekly communication with the supervising attending or administrative staff to ensure any absences or exceptions to the schedule are communicated in a timely manner.
3. At the end of each month, the VA SD or designee is responsible for reviewing the pre-populated EARs Tool information for the month and determining if any changes need to be made based on additional leave documentation received, evidence from direct observations, and input from supervising attendings and administrative staff. The VA SD or designee should discuss these with the DC/DEO.
4. Updates to the EARs Tool pre-populated information should be made based on changes in schedule or unscheduled absences. These should preferably be done by the DC preferably or by the SD. A comment or note should be made within EARs, or a separate document kept about changes to the schedule made from the pre-populated EARs.
5. In limited circumstances, a facility may choose to populate the EARs tool at the end of the month based on actual trainee participation during the month rather than pre-population of the tool. This process should be detailed in the local facility SOP.

(c) Verifying the accuracy of the EARs Tool by DEO/HPE Office Staff:

1. Clinical and educational activities documented in the EARs Tool must be verified using verification checks (spot checks). This should be done by the DC (preferably) or the SD (provided no COI). The spot checks can be done by random in-person verification checks during the month or a review of the electronic medical record and computer log-ins after the month or other methods specified in the local Disbursement SOP. These spot checks must be in addition to the direct observation done by SD/designee and supervising attending or service line administrative staff in the month.

2. The number of HPTs undergoing additional activity verification checks and the frequency of these checks must be performed such that HPT participation in clinical and educational activities during the rotation is assured. The DEO will determine the percentage of HPTs and the number of days per HPT to do verification (spot) checks on for each program and each month. At a minimum, at least one day for at least 10% of HPTs present at the VA during the month must be checked in each program. A higher frequency of verification checks will ensure more accuracy of the information about HPT activities on EARs. A higher frequency of verification checks may be required for programs that have rotations where HPTs may not access the medical records (e.g., research, quality improvement, simulation sessions) or for rotations with multiple supervising attendings or shared consult rotations or if previous verification checks revealed a persistent or recurrent trend in absences.
3. If activity verification checks are done by the DC, the DC must communicate with the SD regarding any discrepancies found during this verification and update the EARs Tool as required.
4. The verification checks must be documented, and these documents must be available to be produced for quality controls and/or audits. This documentation can be done within the EARs Tool using the comments or notes feature in each cell or notes column or on a separate document.

(d) Ensuring the accuracy of the calculations in EARs Tool:

1. Reimbursement for educational activities is determined based on the proportion of time the HPT spends on reimbursable activities at the VA and the corresponding proportion of weekend days and didactics times the daily rate. The reimbursement calculation will be applied correctly to every HPT by the EARs Tool assuming accurate data entry for reimbursable activities and daily rates for each resident. Daily rates documented in the EARs Tool must be verified to ensure the accuracy of PGY levels and insurance types of HPTs. If a trainee has changed PGY levels or changed insurances, the daily rate must reflect the current rate in the monthly EARs tool being evaluated.
2. Reimbursement for educational activities for VA rotations is calculated using the following formula: ***Total Reimbursable Days X Daily rate = Monthly Reimbursement for HPT.*** **NOTE:** See Appendix D for examples of reimbursement calculations.
3. The DEO is ultimately responsible for accurate data entry and, in turn, accurate calculations for the EARs Tool. If the DEO cannot assume responsibility for accurate data entry due to a COI, extended absence, or other reasons, this duty may be delegated to a designee (COS, DCOS, or other ACOS or DACOS,) using an appropriate delegation of authority (DOA) memorandum.

4. After the EARs Tool data has been verified and spot-checked and reimbursement calculations checked, the monthly EARS tool data should be saved as a PDF as the initial month's EARs and the initial total monthly reimbursement amount noted on the reconciliation worksheet. A template for the reconciliation worksheet is available on the OAA SharePoint.

(e) Performing EARs Tool Reconciliation of HPT activity.

1. The information on each individual program EARs Tool must be reconciled against the affiliate records of HPT activity at the VA. This reconciliation must be done monthly. After the VA initial EARs tool for the program has been completed at the VA, the DEO/DC sends a PDF of the month(s) VA EARs Tool to the affiliate program. In the notification email sent with the Tool, the DEO/DC notifies the affiliate that the month(s) VA Tool has been verified and spot checked against VA records and is now ready for review and that the affiliate must notify the VA within thirty days of receipt of acceptance of the VA records or participate in discussion regarding discrepancies. The affiliate can also submit their record of VA-assigned HPT activity to the VA DEO. The affiliate record of HPT activity should include enough detail (program and resident name(s), individual days billed, daily rate and total reimbursement by individual resident and program) so that the DEO/DC can identify discrepancies between the records. The initial affiliate reimbursement amount for the month should be noted on the reconciliation worksheet.
2. If discrepancies are identified, the DEO/DC and affiliate GME Office/PD or program coordinator must discuss these discrepancies. The VA is responsible for ensuring that the affiliate is paid for the work completed by HPTs at the VA. The affiliate is responsible for ensuring that there is no dual reimbursement for HPT activity on split rotations. The discrepancies between the records must be discussed, and a collaborative decision made regarding total reimbursable days and amount. If appropriate and required, the DC can update the EARs Tool to reflect the collaborative decision with a note within EARs to explain the change. Any discrepancies found between VA and affiliate records and the rationale behind the final reimbursement amount must be documented in the reconciliation worksheet monthly or quarterly. If a joint decision cannot be made in a timely manner or if the affiliate does not participate in reconciliation discussions, the VA records will be used for determining the final payment, as these are the authoritative records.

(f) EARs Tool Certification

1. After the monthly EARs Tool is verified and reconciled with local and affiliate records, the DC and/or Site Director must attest to the accuracy of the data entry in the EARs Tool by signing the PDF version of the monthly EARs tool worksheet for the assigned residency program. They may do this by signing on the SD/DC signature line of the assigned monthly EARs tool worksheet using a wet signature, PIV card signature or the VA Leaf system. All efforts

should be made by both the VA and the affiliate for the certification of the worksheet to be done in a promptly (preferably within 90 days after the end of the month).

2. After the accuracy of the monthly EARs tool worksheet is attested to by the DC/SD, the DEO must approve the final reimbursement amount. This can be done for each program separately by signing the PDF version of the EARs tool monthly worksheet or for all programs combined using the reconciliation template and worksheet. The final signed reconciliation worksheet and template and final signed EARs tool worksheets should be saved.

(g) Reimbursement Payment.

1. Setting up payments. Before the beginning of the academic year and based on the OAA Fiscal Office Approved Disbursement Rate Schedule for the academic year, the projected reimbursement for the academic year is determined by VA facility DEO or CFO utilizing previous years' position utilization data and the upcoming years' position allocation and approved daily rates. The annual projected reimbursement is used to calculate the amounts for quarterly or monthly payments. The affiliate should not be involved in the development of the annual projected reimbursement for payment. If the DEO develops the annual projected reimbursement, they must ensure that this information is provided to the facility fiscal office. **NOTE:** *If the EARs Tool is pre-populated for all 12 months it may be used to determine the projected reimbursement for the year.*
2. The VA medical facility fiscal office uses the annual projected reimbursement to establish a 1358 action for each affiliate by name in advance of each month or each quarter, based on the estimated number of allocated HPT positions by the training program and PGY-level. A 1358 is an accounting document to set aside/reserve funds from a Fund Control Point (FCP) for an estimated expense. When placing an order, 1358 acts as a withdrawal from an FCP.
3. Processing Payments: Reimbursement payments can be made in two ways.
 - a. Payments in advance.
 1. The DEO determines the percentage of the projected reimbursement for the academic year to be paid in advance. Advance payments may not exceed 80 percent of projected expenditures based on cost estimates. DEOs must have a sound estimation methodology when determining the affiliate's advance payment amount.
 2. Utilizing the previously determined projected reimbursement for the academic year, the advance payment amount for the quarter is determined. The DEO informs the affiliate of this advance payment amount.

3. The affiliate submits an invoice to VA covering the projected costs for HPT activities for advance payments quarterly.
 4. The DC or DEO must review the advance payment invoice submitted by the affiliate for accuracy. If the invoice is accurate, the DC may authorize payment in IPPS.
 5. After reconciliation and EARs tool certification, the VA HPE office will request that the affiliate/disbursing agent submit a final invoice via the electronic invoicing system, for reimbursement for the remainder of the balance (total on the final EARs tool minus advance payment) on a monthly or quarterly basis. The invoice should include details of the educational activity of the HPTs (program and resident name(s), individual days billed, daily rate and total reimbursement by individual resident and program) as an attachment.
- b. Payment in arrears.
1. Before the beginning of the academic year and based on the OAA Fiscal Office Approved Disbursement Rate Schedule for the academic year, the projected reimbursement for the academic year is determined. The projected annual reimbursement will form the basis for amounts budgeted for reimbursement to the affiliate when an invoice is submitted.
 2. After reconciliation and EARs tool certification, the VA HPE office will request that the affiliate/disbursing agent submit a final invoice via the electronic invoicing system, for reimbursement with the final amount as noted on the final EARs tool. The invoice should include details of the educational activity of the HPTs [Program and resident name(s), individual days billed, daily rate and total reimbursement by individual resident and program] as an attachment.
- c. The DC or DEO must review the final invoice submitted by the affiliate for accuracy. If the invoice agrees with the certified EARs Tool, the DC may authorize payment in IPPS.
4. Central funds reconciliation. The Fiscal Service or DEO is required to reconcile over- or under-payment of centralized disbursement funds for salaries and benefits quarterly by way of OAA's Needs and Excess Report. The Needs and Excess Report requests additional funding from OAA or returns to OAA excess funds by using the appropriate Needs and Excess Code. The report is submitted using the OAA Support Center Database 'Needs and Excess Portal.'
 5. Salaries and benefits of HPTs paid by other sources (e.g., Department of Defense or visiting HPTs not paid by the affiliate) are not eligible for VA reimbursement. Such HPTs must also be appointed as unpaid WOC HPTs. Because OAA does not fund them, their inclusion is not counted as part of the facility's official (OAA-approved) HPT FTE position allocation.

o. **Unauthorized Commitment**

(1) An Unauthorized Commitment is a payment made to a payroll disbursing agent that does not comply with the disbursement process described in VHA Directive 1400.05. This may include a lack of an approved Disbursement Agreement and/or the use of an incorrect, outdated, or unapproved rate schedule to calculate the reimbursement rates.

(2) Sites that do not follow the disbursement process are subject to audits and site visits, and findings will be shared with the facility and VISN leadership. When errors in disbursement occur, VAs must work with the Office of General Counsel (OGC) to collect funds owed to the VA and their local fiscal service to reimburse funds owed to the affiliate.

p. **Periodic Reviews and Internal Controls**

(1) All facilities that utilize the disbursement process are subject to periodic reviews to assess their compliance with VHA Directive 1400.05 and the accuracy of their disbursement payments and processes.

(2) OAA will conduct an annual Compliance Audit which may include the collection of evidence documents related to the disbursement process. Findings and action items related to the review of evidence documents will be reported to the medical center and VISN leadership. Sites are encouraged to develop action plans to address areas of non-compliance that are identified through the audit.

q. **Disbursement Discrepancies Outside of OAA Compliance Audits.** A site may independently become aware of a disbursement discrepancy outside formal OAA review processes. In such an instance a site must:

(1) Notify the OAA OCU through the OAA Support Center Database 'Help Desk Support Form.' OAA will work with each site on an individual basis to rectify the errors.

(2) Notify their facility's Integrity and Compliance Officer (ICO).

r. **Conflict of Interest.** In fulfilling its academic mission, VA employs healthcare providers who also hold academic appointments and receive remuneration from, or perform duties for, academic affiliates. Educational functions of VA health care providers may involve scheduling and timekeeping of HPTs and disbursement processes. For those VA healthcare providers involved in such functions, their financial support from the academic affiliate or their performance of affiliate duties may violate 18 U.S.C. § 208, the federal criminal conflict of interest (COI) statute. Consultation from the Office of General Counsel Ethics Specialty Team (OGC EST) is available to all employees to assess the risk of civil or criminal liability.

3. ASSIGNMENT OF RESPONSIBILITIES

See VHA Directive 1400.05 for the assignment of responsibilities.

4. DEFINITIONS

- a. See VHA Directive 1400.05 for additional definitions.
- b. **Daily Rate.** Daily rate is the approved daily rate schedule for the affiliate's HPTs.
- c. **Non-Reimbursable Activities.** Non-Reimbursable activities are non-VA activities that are not reimbursable through a DA.
- d. **Reimbursable Activities.** Reimbursable activities are those eligible for reimbursement through a DA (e.g., clinical and educational activities at VA, annual leave, sick leave, mandated day off).
- e. **Total Reimbursable Days.** Total Reimbursable Days are the days the HPT was engaged in reimbursable clinical and educational activities (e.g., clinical duty days, off-duty days, annual leave days, sick leave) plus a proportional share of weekends and didactics.

5. REFERENCES

- a. [18 U.S.C. § 208](#)
- b. [38 U.S.C. § 7302](#)
- c. [38 U.S.C. § 7406.](#)
- d. [VA Handbook 5005, Staffing, dated April 15, 2002](#)
- e. [VA Handbook 5007, Pay Administration, dated October 16, 2020](#)
- f. [VHA Directive 1100.20, Credentialing of Health Care Providers, dated September 15, 2021.](#)
- g. [VHA Directive 1400.05, Disbursement Agreement Procedures for Health Professions HPTs Appointed Under 38 USC 7406, dated June 2, 2021.](#)
- h. [VHA Directive 1400.09, Education of Physicians and Dentists, dated September 9, 2016. Amended December 26, 2018.](#)
- i. [VHA Directive 1400.10, Healthcare Resources Contracting: Educational Costs of Physician and Dentist Resident Training, dated May 20, 2020.](#)
- j. [OAA Support Center](#)

k. [OAA Share Point](#)

6. REVIEW

This SOP shall be reviewed no less than every five years or when there are changes to VHA Directive 1400.05 or any regulatory requirement requiring review.

7. RECERTIFICATION

This SOP is scheduled for recertification on or before the last working day of June 2028. In the event of contradiction with national policy, the national policy supersedes and controls.

8. SIGNATORY AUTHORITY

MARJORIE BOWMAN, MD, MPA
Chief Academic Affiliations Officer
Date Approved: May 19, 2023

NOTE: *The signature remains valid until rescinded by an appropriate administrative action.*

DISTRIBUTION: Posted to the [OAA SharePoint](#) at OAA Policy Documents and Supplementary Materials.

APPENDIX A

BENEFITS**1. GENERAL INFORMATION.**

a. OAA and the Office of the Inspector General (OIG) prefer using a 'blended' flat fringe rate (e.g., one rate for all PGY levels), except in cases where the actual benefit cost is determined based on a percentage of annual salary. Although rates can be submitted separately for each benefit package, the 'blended' rate approach removes the requirement for the affiliate to invoice separately for each HPT on a different benefit package. Benefit rates based upon a percentage of annual salary will not be approved except where documentation indicates no other calculation method is practicable. Documentation may consist of a schedule on the affiliate's letterhead, signed by a responsible organization official; a part of other official communication or website from the affiliate; a copy of the collective bargaining agreement between a union and the affiliate; or a similar source document. **NOTE:** See the discussion of union agreements below.

2. FRINGE BENEFITS.

a. Fringe benefits may include the items below (Verification instructions are provided for each).

b. Federal Insurance Contributions Act (FICA).

(1) FICA tax is a payroll tax imposed by the US Federal Government to fund Social Security and Medicare. These taxes are jointly paid by an HPT's employer and the HPT. DAs reimburse the affiliate for FICA taxes paid. While J-1 visa holders are typically exempt from paying FICA taxes for their first five years in the United States, J-1 students, teachers, trainees, researchers and scholars are only exempt for their first two years in the United States. For trainees who are in a FICA tax exempt status, FICA taxes should not be deducted from their paychecks and a charge for FICA taxes should not be included in the invoice for reimbursement. VA must be invoiced on a separate J1 rate schedule for an amount that accounts for the exemption. OAA requires that the affiliate determine the status of FICA exemption for each individual HPT and use the appropriate rate, including a rate applicable to FICA-exempt HPTs when invoicing VA.

(2) Alternatively, a new FICA rate may be calculated for ALL HPTs based on the number of HPTs exempted (e.g., J-1 visa holders). Calculate the adjusted FICA by adding the number of PGY 1s and half the number of PGY 2 HPTs exempt from FICA taxes. This sum is then divided by the total number of HPTs rotating to VA. This fraction is then subtracted from 1. The difference is multiplied by 7.65% (FICA rate) to yield the adjusted FICA tax percentage applied to each HPT's salary. The rationale for dividing the number of PGY 2s by two is that the FICA exemption is only 50% for PGY2 HPTs versus 100% for PGY 1 HPTs. There is no exemption for PGY 3 salaries and beyond.

(3) **Example of FICA calculations:**

(a) Individual FICA calculations.

1. Program X HPT salaries are \$100, \$110, and \$120 for PGY 1-3, respectively; the FICA tax rate is 7.65%; the 50% FICA tax rate is 3.825%. The total number of HPTs who would rotate at VA is 30 (10 each of PGY1, 2 and 3).

2. Total reimbursement without FICA = \$1000 (for PGY 1s) + \$1100 (for PGY 2s) + \$1200 (for PGY 3s) = \$3300

3. However, out of the 10 PGY 1 HPTs, 4 are exempt from FICA at 100% Total salary and 6 are not.

a. 4 are exempt at 100% Total salary = (4 X \$100) = \$400

b. For the remaining 6, Total salary with FICA = (6 X \$107.65) = \$645.90

4. Out of the 10 PGY 2s, 4 are exempt at 50% rate

a. Total salary with FICA for the 4 = (4 X \$114.21) = \$456.83

b. Total salary with FICA for the 6 who are not exempt = (6 X \$118.42) = \$710.49

5. For the PGY3s, there are none that are exempt.

a. Total salary for PGY3s with FICA= (10 X \$129.18) = \$1291.80

6. Total reimbursement to affiliate with FICA (individualized per exempted HPT) = \$400 + \$645.9 + \$456.83 + \$710.49 + \$1291.80 = \$3505.02

(b) Adjusted FICA calculation.

1. Number of HPTs at 100% exemption = 4; Number of HPTs at 50% exemption = 4; Total number of HPTs = 30

2. Adjusted FICA: $\{1 - [(number\ of\ HPTs\ at\ 100\% + \frac{1}{2}\ number\ of\ HPTs\ at\ 50\%)/total\ number\ of\ HPTs]\} \times 7.65\%$

3. = $\{1 - (4 + 2)/30\} \times 7.65\% = \{1 - 0.2\} \times 7.65 = 6.12\%$

4. Total reimbursement using average FICA formula = 3300 X 1.0612 = \$3501.96

c. **Health Insurance.** Suitable documentation typically consists of a copy of the carrier's invoice or statement on the carrier's letterhead identifying unit costs to the affiliate for each health benefit plan available to the HPT. Average health insurance rates may be calculated across PGY levels and insurance plans (i.e., individual, family, etc.). Bundled health insurance premiums may include other health benefits such as dental and vision. Non-health insurance costs, such as life insurance, unemployment insurance,

etc., may not be bundled under health insurance. DEOs must verify health insurance costs to determine the components of the costs meeting the above criteria.

d. **Other Insurance**. VA may reimburse life, disability, unemployment, and other allowable insurance after approval from OAA. Suitable documentation typically consists of a copy of the carrier's invoice or statement on the carrier's letterhead identifying the unit costs to the affiliate for each plan available to the HPT.

e. **Worker's Compensation**. VA may reimburse for worker's compensation if the policy applies while the trainee is at the VA. If the VA provides the worker's compensation, then VA would not reimburse the affiliate for this. If the VA is reimbursing, suitable verification documentation is required such as provisions of the law, regulation, ordinance, or other binding governmental documents, which specify the cost to the affiliate. If an affiliate is self-insured for worker's compensation, copies of its internal accounting documents, or those of an independent auditor, may be used to support costs.

f. **Retirement**. HPTs at some affiliates are covered by a retirement program to which the employer contributes. VA will reimburse the employer for the contributions made to the HPT's retirement plan only after the effective date on which the HPT becomes fully vested. Contributions made before the full vesting date are not reimbursable. Documentation must describe employer contribution costs related to the retirement program, including specific information about the HPT's vesting status. Once an HPT becomes fully vested, a new daily rate schedule reflecting the now reimbursable employer's contributions will need to be submitted to OAA. **NOTE:** *Such documentation is frequently found in official brochures or handbooks accompanying employment.*

g. **Non-Reimbursable Benefits**. Benefits not reimbursable under a rate schedule include, but are not limited to:

- (1) **Bonuses, awards or performance incentive payments.**
- (2) **Allowances including housing allowances.**
- (3) **Third-party administrative fees for insurance.**
- (4) **Premiums for liability or malpractice insurance.** Liability/malpractice coverage is provided to VA-assigned HPTs through the Federal Tort Claims Act.
- (5) **Health Savings Plans (HSA) and Flexible Spending Accounts (FSA).**
- (6) **Parking fees, and Employee Assistance Programs (EAP).** Parking and EAPs are provided to HPTs while rotating at the VA.
- (7) **Wellness programs.**

(8) **Housing allowances.** VA may furnish free housing or other living arrangements to non-direct-paid HPTs; this must be funded by local facility funds. The provision of quarters requires the written approval of the OAA.

h. **Composite Benefit Rate.** The Composite Benefit Rate (CBR) is a bundled benefit based on employee groupings. Employer-paid benefits are pooled and charged at a rate rather than the multiple benefit charges assessed. CBRs are designed to be charged consistently as a percentage (%) to all pay components except for certain bonuses and incentives. VA will not reimburse benefits based on CBRs as they may include non-reimbursable benefits and other administrative fees.

BENEFITS ONLY DISBURSEMENT AGREEMENT (BODA)

1. GENERAL INFORMATION

- a. A BODA Rate Schedule (RS) is an RS that contains only affiliate benefits by PGY level and no annual salaries.
- b. A BODA is subject to all submission and review requirements of a regular RS as outlined in VHA Handbook 1400.05.

2. REQUIREMENTS

- a. Both the Affiliation and Disbursement Agreements must be approved by OAA.
- b. Both a Stipend Letter (for direct annual salary payments) and a Rate Schedule for Benefits (from the affiliate) must be submitted and approved by OAA.

3. EXCLUSIONS

- a. A BODA may not cover all the benefits the Academic Affiliate provides; it will cover only benefits approved by OAA.
- b. When a BODA is used for HPTs paid via VA stipends, they are prohibited from also accepting a VA Benefits Package.
- c. VA will pay no administrative costs to the Academic Affiliate for administering the BODA.

4. RESPONSIBILITIES

- a. DEOs will submit BODAs to OAA using the BODA RS template and a justification for its necessity.
- b. DEOs are responsible for invoice review, correct application and tracking of BODA funding.
- c. DEOs must ensure that their stipend HPTs using a BODA have not accepted a VA benefit.
- d. The affiliate is responsible for developing a method for maintaining VA Stipend HPTs on the affiliate benefit package.
- e. Affiliates and DEOs must develop a mutually agreeable invoice process to submit benefit-cost to VA for reimbursement.

EARs Tool Codes

Reimbursable Codes	
Counted in Reimbursable Days	
P	PRESENT ON-SITE (IN ACCORDANCE WITH SCHEDULED EDUCATIONAL ACTIVITY)
ODD	OFF-DUTY DAY (FEDERAL HOLIDAY, POST CALL OR ACGME MANDATED DAY OFF DURING WEEKDAY)
AL	ANNUAL LEAVE <i>must be approved by SD or DEO</i>
SL	SICK LEAVE <i>SD or DEO must be notified</i>
MC	MEETING/CONFERENCE LEAVE <i>must be approved by SD or DEO</i>
JD	JURY DUTY/COURT LEAVE <i>SD or DEO must be notified</i>
EL	EXAMINATION LEAVE (IN-SERVICE, LICENSING, BOARD CERTIFICATION EXAMINATION) <i>must be approved by SD or DEO</i>
OA	OFF-SITE ACTIVITIES <i>must be pre-approved by SD or DEO and OAA</i>
R	REIMBURSABLE NOT OTHERWISE SPECIFIED

Proportionately Shared Codes	
Reimbursed proportionate to time at VA/time at affiliate on rotation	
D	DIDACTIC (if didactics cover entire ½ day) <i>Didactics not part of regular recurring series must be approved by SD or DEO</i>

Non-Reimbursable Codes	
Not Counted in Reimbursable days	
AT	AFFILIATE TIME
ML	MILITARY LEAVE <i>SD or DEO must be notified</i>
NR	NOT-REIMBURSABLE NOT OTHERWISE SPECIFIED

Reimbursement Calculations

1. EXAMPLE 1

a. A PGY-2 podiatry HPT is on a full-time rotation at the VA for July (31 days with 21 weekdays and 10 weekend days). The rotation schedule is Monday-Friday AM and PM clinics daily. The HPT is off on weekends. The HPT was present the entire month. Daily rate for this PGY-2 HPT has been determined to be \$220.

(1) For this HPT, the total reimbursable days and the monthly reimbursement to the affiliate would be:

(2) VA Initial Reimbursable days (days with a reimbursable code on EARs tool) = 21

(3) VA Proportionate share of weekends = VA days worked/All days worked by HPT in the month x weekend days = 21/21 x 10 days = 10 days

(4) Total VA reimbursable days = VA initial reimbursable days + VA proportionate share of weekends = 21+10 = 31 days

(5) VA Monthly reimbursement = Daily Rate x Total reimbursable days = \$220 X 31 days = \$6,820

	Sat	Sun	Mon	Tue	Wed	Thr	Fri	Sat	Sun	Mon	Tue	Wed	Thr	Fri	Sat	Sun	Mon	Tue	Wed	Thr	Fri	Sat	Sun	Mon	Tue	Wed	Thr	Fri	Sat	Sun	Mon	FTRD	VA %	TNRD	Non-VA %	EARs Total
AM			P	ODO	P	P	P			P	P	P	P	P			P	P	P	P	P			P	P	P	P			P	31.00	100.00%	0.00	0.00%	\$ 6,820.00	
PM			P	ODO	P	P	P			P	P	P	P	P			P	P	P	P	P			P	P	P	P			P						

2. EXAMPLE 2

a. A PGY-2 surgery HPT is on a part-time/split surgery rotation at the VA for July (31 days with 21 weekdays and 10 weekend days). The HPT is scheduled to work at the VA on Monday-Wednesday-Friday and at the affiliate hospital on Tuesdays and Thursdays. The HPT is off on weekends. The HPT was present the entire month. Daily rate for this PGY-2 HPT has been determined to be \$220.

(1) For this HPT, the total reimbursable days and the monthly reimbursement to the affiliate would be:

(2) VA Initial Reimbursable days (days with a reimbursable code on EARs tool) = 13

(3) VA Proportionate share of weekends = VA days worked/All days worked by HPT in the month x weekend days = 13/21 x 10 days = 6.19 days

(4) Total VA reimbursable days = VA initial reimbursable days + VA proportionate share of weekends = 13 + 6.19 days = 19.19 days->rounded to nearest half day= 19 days

(5) VA Monthly reimbursement = Daily Rate x Total reimbursable days = \$220 X 19 days = \$4180

	Sat	Sun	Mon	Tue	Wed	Thr	Fri	Sat	Sun	Mon	Tue	Wed	Thr	Fri	Sat	Sun	Mon	Tue	Wed	Thr	Fri	Sat	Sun	Mon	Tue	Wed	Thr	Fri	Sat	Sun	Mon	FTRD	VA %	TNRD	Non-VA %	EARs Total
AM																														19.00	61.29%	12.00	38.71%	\$ 4,180.00		
PM			P	P	P					P	P	P					P	P	P										P							

3. EXAMPLE 3:

a. A PGY-2 surgery HPT is on a part-time/split surgery rotation at the VA for July (31 days with 21 weekdays and 10 weekend days). The HPT is scheduled to work at the VA on Monday-Tuesday-Wednesday and at the affiliate hospital on Thursdays and Friday morning. The HPT is off on weekends. The program has half day didactics every Friday afternoon. The HPT was present the entire month. Daily rate for this PGY-2 HPT has been determined to be \$220.

(1) For this HPT, the total reimbursable days and the monthly reimbursement to the affiliate would be:

(2) VA Initial Reimbursable days (days with a reimbursable code on EARs tool) = 13

(3) VA Proportionate share of weekends = VA days worked/All days worked by HPT in the month x weekend days = 13/19 x 10 days = 6.84 days

(4) VA Proportionate share of didactics = VA days worked/All days worked by HPT in the month x didactic days = 13/19 x 2 days = 1.37 days

(5) Total VA reimbursable days = VA initial reimbursable days + VA proportionate share of weekends = 13 + 6.84 + 1.37days = 21.21 days →rounded to nearest half day = 21 days

(6) VA Monthly reimbursement = Daily Rate x Total reimbursable days = \$220 X 21 days = \$4620

	Sat	Sun	Mon	Tue	Wed	Thr	Fri	Sat	Sun	Mon	Tue	Wed	Thr	Fri	Sat	Sun	Mon	Tue	Wed	Thr	Fri	Sat	Sun	Mon	Tue	Wed	Thr	Fri	Sat	Sun	Mon	FTRD	VA %	TNRD	Non-VA %	EARs Total	
	7/1	7/2	7/3	7/4	7/5	7/6	7/7	7/8	7/9	7/10	7/11	7/12	7/13	7/14	7/15	7/16	7/17	7/18	7/19	7/20	7/21	7/22	7/23	7/24	7/25	7/26	7/27	7/28	7/29	7/30	7/31	21.00	67.74%	10.00	32.26%	\$ 4,620.00	
AM																																					
PM			P	OOO	P					P	P	P																									