

**Department of  
Veterans Affairs**

**MEMORANDUM**

Date posted \_\_\_\_\_ Initials \_\_\_\_\_

May 16, 2003

Chief, Policy and Compliance Division

Transmittal #54 CHAMPVA Policy Manual

See Transmittal Distribution List

1. Explanation of changes and related index updates of the CHAMPVA Policy Manual and filing instructions are in the following summary:

<u>SUMMARY</u>	<u>REMOVE</u>		<u>INSERT</u>	
	<u>C-S</u>	<u>Pages</u>	<u>C-S</u>	<u>Pages</u>
<a href="#"><u>Master Table of Contents.</u></a> Adds new policy Chapter 2, Section, 17.25, <i>Vacuum-Assisted Closure Device (V.A.C.®)</i> .	MTOC	1-18	MTOC	1-18
<a href="#"><u>Chapter 1, Section 4.1,</u></a> <i>CHAMPVA Inhouse Treatment Initiative, (CITI)</i> . Amends Authority Line; adds Related Authority line; adds to Policy that pharmacy is reimbursed the VA cost plus a \$5.00 dispensing fee or the average wholesale price (AWP) as reflected in the <a href="#"><u>Drugs Topic Red Book</u></a> , plus a \$3.00 dispensing fee, whichever is less, and that Medicaid eligible beneficiaries may participate in the CITI program; adds Exclusion paragraph clarifying that Medicare eligible beneficiaries cannot be treated in CITI facilities.	2-23.3	1-1	2-23.3	1-2
<a href="#"><u>Chapter 2, Table of Contents.</u></a> Adds new policy, Chapter 2, Section 17.25, <i>Vacuum-Assisted Closure Device (V.A.C.®)</i> .	TOC-2	1-13	TOC-2	1-13
<a href="#"><u>Chapter 2, Section 1.3,</u></a> <i>Epidural Narcotics/Steroids</i> . Corrects formatting error.	2-1.3	1-3	2-1.3	1-3
<a href="#"><u>Chapter 2, Section 4.1,</u></a> <i>Cardiovascular System</i> . Adds Effective Date of April 4, 2002, for coverage of ambulatory blood pressure monitors (ABPM) for patients with suspected white coat	2-4.1	1-6	2-4.1	1-5

<b><u>SUMMARY</u></b>	<b>REMOVE</b>		<b>INSERT</b>	
	<b><u>C-S</u></b>	<b><u>Pages</u></b>	<b><u>C-S</u></b>	<b><u>Pages</u></b>
hypertension; amends CPT code range; adds to Policy Considerations coverage criteria for the use of ABPM for patients with suspected white coat hypertension and that medical review is required and clarifies within Exclusions when the use of ABPM is specifically excluded.				
<b><u>Chapter 2, Section 15.1</u></b> , <i>Evaluation and Management Services (Office Visits) General</i> . Removes from Policy Considerations oscillometric testing and removes from Exclusions procedure codes 99050, 99052, 99054, 99058-99059.	2-15.1	1-4	2-15.1	1-4
<b><u>Chapter 2, Section 16.5</u></b> , <i>Experimental/ Investigational (Unproven) Procedures</i> . Adds to Policy Considerations uterine artery embolization for the treatment of fibroids.	2-16.5	1-6	2-16.5	1-6
<b><u>Chapter 2, 17.25</u></b> , <i>Vacuum-Assisted Closure Device (V.AC.®)</i> . Adds new policy for vacuum-assisted wound closure (V.A.C.®) device.			2-17.25	1-4
<b><u>Chapter 2, Section 18.5</u></b> , <i>Family Therapy. General</i> . Removes from Policy Considerations reference that payment will be made for up to 90 minutes and the excess will be denied.	2-18.5	1-4	2-18.5	1-4
<b><u>Chapter 2, Section 28.1</u></b> , <i>Obstructive Sleep Apnea Syndrome</i> . Clarifies within Policy that pulse or sleep oximetry are covered when used with a respiratory or ventilator device.	2-28.1	1-4	2-28.1	1-4
<b><u>Chapter 3, Section 2.1</u></b> , <i>Cost Share</i> . Clarifies that it is the base DRG amount and not the total DRG amount that is considered when establishing the beneficiary cost share and that the base DRG will not include the education factor or the cost/stay outlier adjustment, as applicable.	3-2.1	1-1	3-2.1	1-1

**SUMMARY**

**REMOVE**                      **INSERT**  
**C-S**   **Pages**                      **C-S**   **Pages**

**Chapter 3, Section 6.2**, *Hospital Reimbursement DRG-Based Payment System*. Under Policy Considerations clarifies that it is the base DRG amount that is considered when establishing the beneficiary cost share and that the base DRG will not include the education factor or the cost/stay outlier adjustment, as applicable.

3-6.2    1-8                      3-6.2    1-8

**Codes Index.** Amends index to add and delete codes referenced in policies.

1-28                                      1-28

**Subject Index.** Amended to update and include policies referenced in this transmittal.

E - 1 thru E - 7                      E -1 thru E- 7  
V - 1 thru V - 2                      V -1 thru V -2

2. File this transmittal memorandum in the front of the CHAMPVA Policy Manual.

Susan Schmetzer  
Chief, Policy & Compliance

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