

ELIGIBILITY

- 1. REASON FOR ISSUE:** This Veterans Health Administration (VHA) Handbook updates the previous policy and procedures for determination of eligibility of veteran beneficiaries for prosthetic services provided by the Department of Veterans Affairs (VA).
- 2. SUMMARY OF CHANGES:** Update on current policies and procedures.
- 3. RELATED ISSUES:** VHA Directive 1173, and VHA Handbooks 1173.1 through 1173.15.
- 4. RESPONSIBLE OFFICE:** The Chief Consultant, Prosthetic and Sensory Aids Service Strategic Healthcare Group (113), is responsible for the contents of this VHA Handbook. Questions may be referred to 202-273-8515.
- 5. RESCISSIONS:** VHA Manual M-2, Part IX, Chapter 1, is rescinded.
- 6. RECERTIFICATION:** This document is scheduled for recertification on or before the last working day of July 2005.

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ELIGIBILITY

1. PURPOSE

This Veterans Health Administration (VHA) Handbook establishes uniform and consistent national policy and procedures for determination of eligibility of veteran beneficiaries for prosthetic services.

2. ELIGIBILITY

a. **General.** The Veterans' Health Care Eligibility Reform Act of 1996, Public Law 104-262, significantly changed the eligibility of veterans to receive hospital care and outpatient medical services, including prosthetics, medical equipment, and supplies. For complete details on eligibility rules and the Department of Veterans Affairs (VA) enrollment system, reference should be made to the regulations governing VA's enrollment system and medical benefits package. They are published in Title 38 Code of Federal Regulations (CFR) Sections 17.36 – 17.38. Generally all veterans enrolled in the VA health care system are eligible for all needed prosthetics, medical equipment, and supplies. Certain veterans are eligible for needed prosthetics, medical equipment, and supplies even though not enrolled. The two most significant groups of veterans who do not need to be enrolled are:

(1) Veterans needing prosthetics, medical equipment, and supplies for a service connected disability, and

(2) veterans with a service connected disability rated at least 50 percent.

b. **Special Eligibility for Children with Spina Bifida.** VA provides needed health care benefits, including prosthetics, medical equipment, and supplies to certain children of Vietnam veteran, i.e., children who are suffering from spina bifida or a disability associated with such condition. For complete details on eligibility rules for such benefits, reference should be made to 38 CFR Sections 17.900 – 17.905.

c. **Special Eligibility for Veterans Participating in Vocational Rehabilitation.** Veterans participating in VA's vocational rehabilitation program may receive VA health care benefits including prosthetics, medical equipment, and supplies. For complete details on eligibility rules for such benefits, reference should be made to 38 CFR Section 17.47(j).

d. **Limitations on Benefits Available to Veterans Outside the United States (U.S.).** Veterans outside the U.S. are eligible for prosthetics, medical equipment, and supplies only for a service connected disability, except as otherwise provided in Title 38 United States Code (U.S.C.) Section 1724.

3. DEFINITIONS

The following words and terms wherever used will have the meanings indicated:

a. **Access Points (Outpatient Clinic).** Medical facilities authorized in treating eligible beneficiaries outside of regular VA medical center settings. Includes the outpatient clinic of a

regional office; independent VA outpatient clinic; and an outpatient clinic of a VA medical center.

- b. **Advisory Committee on Prosthetics and Special-Disabilities Programs.** An advisory committee to the Secretary of Veterans Affairs established by Pub. L. 102-405 to provide advice concerning prosthetics for spinal cord injured veterans, blind veterans, veterans who have loss or loss of use of extremities, hearing impaired veterans and other veterans with serious incapacities in terms of daily life functions.
- c. **Aids For the Blind.** Any device, equipment, or animal used in assisting a legally blind beneficiary in overcoming the handicap of blindness, to include guide dog, low vision aids, tools, utensils, mechanical or electronic items designed especially to overcome the handicap of blindness.
- d. **Amputee Clinic Team.** A team of professionals responsible for the overall rehabilitation of amputee patients, e.g., pre- and post-operative counseling of the amputee, training in, preparation for, and use of artificial limbs, prescription and inspection of artificial limbs, follow-up activities, etc.
- e. **Appliance (device, item, etc.).** Generic term used in referring to all prosthetic appliances, aids for the blind, and medical equipment.
- f. **Automobile Adaptive Equipment (AAE).** Items and/or devices necessary to permit safe operation of, or permit access to and egress from an automobile or other conveyance.
- g. **Commission on Accreditation of Rehabilitation Facilities (CARF).** Independent survey entity which accredits rehabilitation health care facilities.
- h. **Chief Medical Officer.** The physician in charge of treatment at an outpatient clinic or outpatient care services at a VA medical center.
- i. **Clothing Allowance.** An annual sum of money, specified by Congress, to be paid to each veteran who because of a service-connected disability wears or uses a prosthetic or orthotic appliance (including a wheelchair) which tends to wear out or tear the outer garments of clothing of said veteran; or uses medication which a physician has prescribed for a skin condition which is due to a service-connected disability determined by the Secretary to cause irreparable staining damage, or destruction from the necessity of frequent laundering to the veteran's outer garments. These provisions are applicable to 38 U.S.C. 1151 veterans.
- j. **Code of Federal Regulations (CFR).** The CFR is the annual cumulation of executive agency regulations published in the Daily Register, combined with regulations issued previously that are still in effect. It contains the general body of regulatory laws governing practice and procedure before Federal administrative agencies. These regulations are cited using the title, part and section number, e.g., Title 38 CFR 17.115.
- k. **Contracting Officer's Technical Representative (COTR).** A technical employee of a contracting activity designated by a contracting officer and responsible for monitoring the contractor's performance to ensure compliance with technical requirements.

- l. **Contracting Officers Certification Program (COCP)**. A formal program for the selection, appointment, and termination of appointment of contracting officers. Training, experience, education, performance, and conduct are the objective criteria reviewed prior to appointment as contracting officers. The head of the contracting activity manages the COCP program at the medical facility and can appoint contracting officers with authority to award contracts up to \$100,000 or to place delivery orders under existing contracts.
- m. **Control Point**. The division of monies from an appropriation to a specified service, activity or purpose.
- n. **Cost Center**. A series of specific numerical digits assigned to a functional or organizational level for the purpose of classifying and accumulating costs applicable to that particular functional or organizational level, e.g., Prosthetics, Fiscal, Pharmacy.
- o. **Delayed Order**. A prescription or prosthetic request that the local Prosthetic Service is unable to administratively process or take action on within 5 workdays.
- p. **Denver Distribution Center (DDC)**. A centralized provider of devices, accessories and repair services to eligible veterans when requested by the health care facility with Primary Service Area (PSA) responsibility wherever the beneficiary may reside or sojourn; this includes certain replacement items at the veteran's request, and distribution of selected devices, accessories or services to other VA programs or activities as designated. Such devices, accessories or services include: selected electronic, mechanical or other aids for the blind, hearing aids, batteries for hearing aids, provision of hearing aid repairs through internal or contract sources, orthopedic software, and such other items or services which may be designated by appropriate VHA Headquarters Program Officials.
- q. **Disability Codes**. Decision Support System (DSS) identifiers assigned to a patient for specific disabilities.
- r. **Durable Medical Equipment (DME)**. Items determined to be medically necessary for home treatment including invalid lifts, hospital beds, commodes, etc.
- s. **Driver Rehabilitation Centers**. Facilities specifically funded and equipped to train appropriate veteran beneficiaries to drive a motor vehicle independently and in accordance with State Department of Motor Vehicle regulations.
- t. **Enrollment**. Effective October 1, 1998, VA is required to enroll patients annually and to ensure that enrollees receive health care. Veterans seeking care for service connected disabilities, and veterans with service connected disabilities rated at least 50 percent are exempt.
- u. **Federal Acquisition Regulation (FAR)**. The primary document in FAR system contains policies and procedures contained in regulations which govern all purchasing activities for Federal agencies.
- v. **Federal Procurement Data System (FPDS)**. A mechanism of collecting, developing, and disseminating procurement data to Congress, the Executive Branch, and the private sector, as directed by Pub. L. 93-400.

w. **Health Care Procedural Code (HCPC)**. Medicare created HCPCS, the Health Care Financing Administration's Common Procedure Coding System, for the purpose of universal cost coding. This system has been adopted by VHA as a national mechanism of common identification. The codes are assigned to appliances, devices, medical equipment and supplies provided to patients. Each code corresponds to the Health Care Financing Administration (HCFA) designated 5-digit identifier or VA-unique 5-digit identifier.

x. **Home Improvement and Structural Alterations (HISA) Committee**. A committee composed of professional and ancillary service personnel responsible for determining whether requested benefits are necessary and appropriate for the effective and economical home health treatment of a veteran's disability. Requests may include, but are not limited to: construction of wheelchair ramps (permanent only), widening doorways for wheelchair access, lowering kitchen cabinets or counters for use by a wheelchair patient, improve otherwise inaccessible entrance paths and driveways, etc.

y. **Integrated Funds Distribution, Control Point Activity, Accounting And Procurement (IFCAP)**. A fiscal accounting software package that automates fiscal, budgetary, inventory, billing and payment activities.

z. **Item Master File**. A listing which provides a full description of the item, related stock numbers, vendors, contract numbers and a procurement history.

aa. **Joint Commission on Accreditation of Healthcare Organizations (JCAHO)**. A national independent accreditation organization which certifies health care organizations such as hospitals as compliant with its promulgated standards.

bb. **Last Clinic**. Facilities established at select VA medical centers which are staffed, funded, and equipped to develop lasts, perform measurements, cast patterns, and make modifications to/for custom-made orthopedic shoes.

cc. **Major Appliances**. Includes all custom-made prosthetic appliances, items of medical equipment which cost more than \$6,000, artificial limbs and specialty equipment, e.g., clinitron beds, communication devices, environmental control units.

dd. **Major Medical & Special Equipment Committee (MMSEC)**. A committee composed of medical, therapy, engineering and allied health personnel who are knowledgeable about prosthetic equipment and rehabilitation responsible for reviewing requests and determining medical need for major items of prosthetic equipment.

ee. **Major Medical Special and/or Experimental Appliances**. Any newly developed or unusual non-contract orthopedic appliance, therapeutic or rehabilitative device, regardless of cost, which has not been previously issued by the health care facility.

ff. **Medical Supplies**: Expendable items generally required on a recurring basis for home treatment of specific disabilities, including supplies required for home hemodialysis.

gg. **National Prosthetics Patient Database (NPPD)**. A compilation of statistical data extracted from each VA medical center's entries to the prosthetics package, reflecting both fiscal obligations and completed patient transactions.

- hh. **Patient Satisfaction Program.** A survey and analysis of patient evaluation of prosthetic services provided by the VA.
- ii. **Preservation Amputation Care and Treatment (PACT).** Model of care developed to prevent or delay amputation through early identification of patients who are at risk for limb loss.
- jj. **Primary Service Area (PSA) for Prosthetic Services.** A defined geographical area responsible for providing complete prosthetic services, including the administration of HISA, Home Oxygen Therapy, Automobile Adaptive Equipment and Clothing Allowance Programs.
- kk. **Prosthetic Appliances.** All aids, devices, parts or accessories which patients require to replace, support, or substitute for impaired or missing anatomical parts of the body. The items include artificial limbs, terminal devices, stump socks, braces, hearing aids and batteries, cosmetic facial or body restorations, optical devices, manual or motorized wheelchairs, orthopedic shoes, and similar items.
- ll. **Prosthetics.** A broad term used to identify the total concept associated with replacing, supporting and/or complementing human anatomy impaired or destroyed as a result of trauma or disease. This term may be used to refer to orthotics, sensory aids, medical equipment, medical supplies, components, research, education and training, appliances, services, repairs, and any other related aspects of administering the total program.
- mm. **Prosthetic-Orthotic Laboratories.** Facilities established at select VA medical centers to design, fabricate, repair and fit custom-made prosthetic appliances.
- nn. **Prosthetics Program.** Includes any Prosthetic Treatment Center, Prosthetic and Sensory Aids Service, or section established in a VA field facility charged with the responsibility for the provision of prosthetics at that facility.
- oo. **Prosthetics Purchasing Agent.** An employee in a VA medical center who is certified under COCP and specifically designated and trained to procure prosthetic appliances and repairs, thereof, usually at the simplified acquisition level.
- pp. **Prosthetics Treatment Center (PTC).** A VA facility with an established Amputee Clinic Team, experienced prosthetic staff and Physical Medicine and Rehabilitation personnel capable of providing assistance necessary to resolve difficult prosthetic problems. These centers normally have a substantial number of special medical programs, i.e., Spinal Cord Injury Service (SCIS), Spinal Cord Injury Outpatient Support Clinic (SCI/OSC), Visual Impairment Services Team (VIST), Hospital Based Primary Care (HBPC), Prosthetic-Orthotic Laboratory (POL), Restoration Clinic (RC), Blind Rehabilitation Center or Clinic (BRC), Driver Rehabilitation (DR), Geriatric Research, Education and Clinical Center (GRECC), etc.
- qq. **Prosthetics Representative.** A VA employee who is a patient advocate, manages the prosthetic program, and ensures that adequate resources are available to meet the medical needs of veterans requiring prosthetic services.
- rr. **Prosthetics Representative Management Trainee (PRMT) Program.** An established educational experience designed to develop professionally competent personnel to conduct and manage the Prosthetic Program at a VA medical center.

ss. **Prosthetic Request.** An appropriately written medical prescription or electronic request by an authorized clinician, or patient's request for replacement of an issued item/service requiring action by the Prosthetic Service.

tt. **VA Form 10-2501, Prosthetic Service Card (PSC).** A debit-card issued to eligible beneficiaries authorizing repairs for artificial limbs, wheelchairs, braces, and aids for the blind. This card usage is limited to repairs.

uu. **Prosthetic Stock Items.** Any item of medical equipment, or prefabricated prosthetic appliances, or parts or components thereof, which has been procured with allocated medical funds, and which is currently stocked by a Prosthetic program for direct issue to eligible beneficiaries. This includes donated and/or reclaimed items of equipment.

vv. **Prosthetic Surgical Implants.** Artificial devices implanted in the patient to replace, support or substitute for deformed or weakened anatomical parts of the body, e.g., artificial hips, knees or other joints; cardiac pacemakers, heart valves, or implantable cardiac defibrillators; intraocular lenses, prosthetic arteries, penile implants, implantable nerve stimulators, etc.

ww. **Purchase Card.** A card similar to a credit card, with a pre-set monetary limit, used to pay for goods or services acquired by authorized and designated employees for the official VA use.

xx. **Reconciliation.** The process by which Integrated Funds Distribution, Control Point Authority, Accounting and Procurement (IFCAP) obligations are made compatible with invoices received for purchases initiated by a Purchase Card through the Veterans Health Information systems and Technology Architecture (VISTA) software package.

yy. **Required Sources of Supplies and Services.** Sources identified in Federal Acquisition Regulation (FAR) Part 8 that have priority as sources from which to acquire goods and services.

zz. **Restoration Laboratory.** Facilities established at select VA medical centers which custom-make artificial eyes, facial and body restorations, and similar appliances.

aaa. **Sensory Aids.** Items and/or devices designed to compensate for deficiencies in sense organs, e.g., hearing aids, optical prescriptions, low vision and mobility aids, speech and communication aids, etc.

bbb. **Spina Bifida.** A developmental anomaly characterized by defective closure of the bony encasement of the spinal cord, through which the cord and meninges may protrude.

ccc. **Strategic Healthcare Group (SHG).** A multidisciplinary group of personnel and programs organized generally to support the provision of a continuum of care to a specified population of patients or care in a particular setting. The SHG functions by integrating data, skills and best practices into system-wide policy, planning and service delivery through the development of clinical care strategies and decision support mechanisms.

ddd. **Transaction.** Any action with permanent numbering that affects a bill or an account that identifies a request; consisting of the Station Number - Fiscal Year - Quarter - Control Point Sequence Number.

eee. **Vendor Master File.** A listing which contains ordering and billing addresses, contract information, FPDS information and telephone numbers of businesses.

fff. **Department of Veterans Affairs Acquisition Regulations (VAAR).** Policies and procedures which pertain directly to procurement performed by the VA. These policies supplement FAR and will not duplicate it.

ggg. **Veterans Integrated Service Network (VISN).** A geographical area designated by the Department of Veterans Affairs Headquarters for the purpose of basic budgetary and planning of the veterans healthcare system. Each VISN will be led by a Director who will report to the VHA Chief Network Officer.

hhh. **Visual Impairment Services Team (VIST).** Health care and allied health care professionals charged with the responsibility for determining the comprehensive services required by a visually impaired veteran.

iii. **Wheelchair Committee Clinic.** A locally established team composed of a physician, rehabilitation therapist, and prosthetic representative charged with evaluating, refining, and developing prescriptions for wheelchairs.

4. PROSTHETIC SERVICES AUTHORIZED

a. **Provision of Appliances and Repairs.** VA will provide prosthetic appliances, aids for veterans who are blind, medical equipment, including repairs when required for the medical treatment of any veteran eligible for such services.

b. **Acquisition of Prescribed Appliances and Repairs.** After required approval, prescribed appliances and/or repairs will be furnished in accordance with the policies and procedures outlined in this manual and other pertinent directives. Purchase of appliances will be made in accordance with FAR and VAAR.

c. **Inspection of Appliances or Equipment.** Custom fit appliances will be inspected to insure that they have been fabricated according to prescription and that they function/fit properly.

5. RESPONSIBILITY FOR RENDERING SERVICES

a. **Prosthetic and Sensory Aids Services (PSAS) Programmatic Responsibilities.** PSAS programmatic responsibilities will include, but are not limited to the following:

(1) Inspecting and evaluating artificial limbs and other custom-fitted devices for which replacements have been requested, and authorizing replacement of identical appliances when no medical problem is evident.

(2) Evaluating custom-fitted appliances prior to delivery to patients, and recommending acceptance or rejection of such items to prescribing physicians, clinic teams, or special committees.

(3) Authorizing the issuance of a second appliance when indicated.

(4) Coordinating with the facility AMMS Service, or other office responsible for the acquisition program at the facility, the establishment of local contracts that will expedite delivery of prosthetic appliances and/or services.

(5) Taking action to effect a beneficiary service contract for the purchase, delivery, set-up, instructional use and recovery of medical equipment. Items of equipment and supplies may include, but are not limited to the following items: hospital beds, trapeze assemblies, mattresses, over-the-bed tables, bedside commodes, patient lifts, oxygen equipment and respirators. Provisions for repair and storage may be included in these contracts. **NOTE:** *Compliance with JCAHO and CARF Home Standards is required.*

(6) Establishing formal systematic follow-up procedures to review all pending orders.

(7) Counseling beneficiaries concerning their eligibility to receive prosthetic appliances, devices, accessories, repairs, replacements, spares, and related training. **NOTE:** *Notations of counseling are documented in appropriate medical records of beneficiaries.*

(8) Providing liaison support and assistance to other facilities regarding the procurement and delivery of prosthetic items and services.

(9) Implementing, maintaining, and monitoring a VA equipment accountability program in accordance with this manual.

b. **Procurement Actions.** All procurement actions for prosthetic items and/or services for Prosthetic Representatives, who are legally eligible for such treatment, will be approved by their immediate supervisor. The exception to this policy concerns requests for automobile adaptive equipment, which require the approval of the VISN Prosthetic Representative, and the Chief Consultant, Prosthetic and Sensory Aids Service (PSAS) SHG, VA Central Office.

c. **Facilities without a Chief, PSAS**

(1) The Chief of Staff will designate a staff physician to be responsible for the clinical aspects of the Prosthetic Program. This physician will be professionally responsible for the supervision of the development of prescriptions for appliances, evaluation of appliances prior to delivery to the veteran, condemnation of existing devices, and determination of the need for repairs. The administrative aspects of the program include, the determination of eligibility and/or entitlement; procurement; repairs, etc., will be supervised by the VISN Prosthetic Representative designated by VISN Director.

(2) An employee designated as prosthetic purchasing agent is responsible to the VISN Prosthetic Representative for all processing, clerical, accounting, and reporting duties inherent in the administration of a limited Prosthetics Program.

d. **Prosthetic (PSA)**

(1) The Directors of each of the VA medical centers will identify the geographical area to be served by each health care facility.

(2) Each medical center with a prosthetics program will provide all prosthetic services, consistent with its primary service area, including the administration of the Automobile Adaptive Equipment, HISA, Home Oxygen Therapy, and Clothing Allowance Programs, etc.

e. **Furnishing of Special and/or Experimental Appliances.** Replacement of an experimental appliance still considered in the experimental phase will not be authorized without specific VHA Headquarters approval in each case.

f. **Furnishing of Appliances to Beneficiaries in other Federal Facilities, Non-VA Nursing Homes or other Institutions, State Veterans Homes, and Penal Institutions**

(1) **Other Federal Facilities.** Appliances required for treatment in another Federal facility will normally be furnished under the Federal reciprocal per diem rate. When the other Federal facility is unable to furnish the appliances, or the item is not within the purview of the reciprocal per diem rate and is necessary for completion of hospital treatment or to affect discharge, the device will be provided by the Prosthetic Service with PSA responsibility authorizing the hospitalization.

(2) **Non-VA Nursing Homes or Other Private Institutions**

(a) Prosthetic appliances, medical equipment, and supplies will not be furnished to a veteran receiving community nursing home care at VA expense if the community nursing home is required by contract to provide that appliance, equipment, or supply item. Items normally required by contract are those which are for general use, e.g., hospital beds, mattresses, trapeze assemblies, side rails, over-bed tables, bedside tables, etc. Items which are not required to be furnished by a community nursing home by contract are those which are intended for the personal use of the veteran, e.g., artificial limbs, braces, hearing aids, eyeglasses, walkers, canes, crutches, wheelchairs, cushions, etc.

(b) Prosthetic appliances, medical equipment, and supplies will not be furnished to a resident of a State veterans home on whose behalf VA aid payments are being made if the home is required to provide the appliance, equipment, or supply item by regulation. Items normally required by regulation are those which are for general use, e.g., hospital beds, mattresses, trapeze assemblies, side rails, over-bed tables, bedside tables, etc. Items which are not required to be furnished by a State home regulation are those which are intended for the personal use of the veteran, e.g., artificial limbs, braces, hearing aids, eyeglasses, walkers, canes, crutches, wheelchairs, cushions, etc.

(3) **Penal Institutions.** Appliances and/or repairs will be furnished to eligible veterans serving sentences in penal institutions who can present themselves for the required medical treatment. Before processing the application, prison officials must be advised and there must be an understanding that the veteran be able to report to the field facility, or to such other place as the field facility may direct, for any necessary measurements, fittings, or follow-up examinations. VA accepts no responsibility for the veteran's custody or actions during absence from the penal institution; written acknowledgment of same should be obtained prior to scheduling treatment. VA facility police will be notified whenever an incarcerated veteran is being treated.

g. Furnishing Appliances to Beneficiaries Residing or Sojourning in Foreign Countries or in Territories or Possessions of the United States

(1) Prosthetic appliances, sensory aids, aids for the blind, medical equipment, medical supplies, and/or repairs thereto will be furnished to eligible service-connected veterans sojourning or living in foreign countries or in U.S. Territories or possessions by referring the requests to the VA Health Administration Center, Denver, CO. Veterans residing in Canada will contact the VA Medical Center, White River Junction, VT. Stump socks and hearing aid batteries will be issued by the DDC, Denver, CO.

(2) Eligible beneficiaries who reside in a foreign country are entitled to prosthetic services at any VA facility with PSA responsibility when visiting the United States.

h. Furnishing of Appliances to Allied Beneficiaries Residing in the United States.

Appliances will be furnished to allied beneficiaries residing in the United States by the Prosthetic Service with PSA responsibility in accordance with M-1, Part I, Chapter 24.

i. Furnishing of Appliances as Loaned Items

(1) Any items or DME valued at \$6,000 or more furnished to eligible beneficiaries may be loaned. Such loaned items will be prorated at 20 percent per year, and dropped as a loaned item upon being de-valued to zero dollar amount. Items and or DME may be loaned as "short-term" to beneficiaries with temporary disabling conditions or with poor prognoses, irrespective of cost. Items previously loaned, but returned to VA and subsequently issued as a "VA stock" item will not be routinely loaned again. Examples include, but are not limited to hospital beds, wheelchairs, invalid lifts, etc.

(2) Form Letter (FL) 10-219, Notice to Veteran of Loan of Medical Accessories and Receipt Therefore, as provided through the correspondence option of the prosthetic software will be used to notify the veteran of the terms and conditions of the loan.

(3) Veterans with items and/or DME on loan will be permitted to take the items and/or DME to a new residence within another field facility's PSA. Records will be transferred to the responsible field facility to permit the necessary follow-up. Reclamation will be managed by the Prosthetic Service with PSA responsibility where the beneficiary resides.

(4) Loan items and/or DME provided to beneficiaries for which VA receives payment from a private insurance company under the Medical Care Cost Recovery (MCCR) Program will be permanently issued and dropped from all loan records.

(5) Whenever a veteran is initially furnished items and/or DME on a loan basis, FL 10-426a, Information Letter-Major Medical Equipment, will be provided advising the veteran of VA's policy concerning repairs, maintenance, recovery, etc. This form should be utilized via the correspondence option of the prosthetic software for recording to VA Form 10-2319 (ADP), Record of Prosthetic Service.

(6) Prior to initiating recovery action on any items and/or DME, the Prosthetic Service will make a comparison of the cost of recovery and the residual value of an item to determine the economic feasibility of recovery.

j. **Replacement and Second Appliances**

(1) Appliances will not be replaced until a feasibility determination is made by an authorized VA official that the current appliance is unsatisfactory for further use by the beneficiary.

(2) Second appliances may be furnished to eligible beneficiaries only after determination of need in each specific case. Such determination will be based on the seriousness of the disability, availability of adequate local facilities for prompt repair of the particular appliance and individual need of the beneficiary concerned.

(3) Replacement and second appliances that are serviceable and still meet the veteran's overall need, as determined by the Prosthetics Activity in consultation with the contractor and in-house VA medical center committees, will not be replaced for the sole purpose of obtaining a newer model of the same or similar equipment. When substantiated abuse of the equipment can be documented as the basis to expedite replacement, the average useful life of the appliance will be established from the date of issue and applied in determining if replacement will be made.

k. **Prosthetic Stock Items.**

(1) A supply of prosthetic stock items is authorized for any VA facility to meet the immediate needs of the veteran population. This may include a variety of items of medical equipment, non custom-fitted appliances and select medical supplies. These items will be maintained and accounted for by Prosthetic Program Officials, or a designated official, in a VA field facility not having an established Prosthetic program.

(2) Program officials will compare issue and stock control record balances with the actual shelf inventory not less than on a quarterly basis. Stock record adjustments will be made for normal differences and an investigation will be made if abnormal and frequent discrepancies are discovered. Item usage will be reviewed to adjust stock and re-order levels on a locally established basis and should not exceed a 30-day supply.

(3) When equipment is stored by a contractor under the provisions of a local beneficiary delivery and/or service contract, program officials will review inventory levels on a monthly basis and compared to the stock control record affecting the delivery and/or service contract.

(4) Program officials will routinely inspect stock items during inventory reconciliation with special consideration given to appliances that deteriorate because of age or climatic conditions, that require special storage facilities such as refrigeration, darkness, security provisions, require repair or modification, or are surplus because of age, condition, or obsolescence, etc. Items which are identified as being excess to needs should be turned-in to Acquisition and Materiel Management Service, or the facility Accountable Officer, via VA Form 2237, Request, Turn-in, and Receipt for Property or Services.

6. VHA HEADQUARTERS ORGANIZATION AND RESPONSIBILITY

The Chief Consultant, Prosthetic and Sensory Aids Service (PSAS) Strategic Healthcare Group (SHG), recommends policies, plans, operational directives and professional standards pertaining to a unified and comprehensive VA prosthetic program, and coordinates activities

with the other VHA Headquarters elements. In that connection, the Chief Consultant is responsible for:

a. Overall field consistency of the program; this includes field facility Prosthetic Programs, Prosthetic Treatment Centers, Prosthetic-Orthotic Laboratories, Orthopedic Shoe Last Clinics, Restoration Clinics, and Amputee Clinic Teams.

b. Analyzing, evaluating and responding to reports of audit, survey, and review teams, including recommendations made by the veteran service organizations.

c. Recommending standards, technical specifications and proposals for artificial limbs, wheelchairs and other contracts.

d. Rendering opinions on prosthetic matters to the Board of Veterans Appeals and Veterans Benefits Administration staff as requested.

e. Answering professional inquiries and controlled correspondence pertaining to the prosthetic program, as requested.

f. Preparing and maintaining a system of handbooks, directives, information letters, bulletins, and program guides covering pertinent aspects of the prosthetic program.

g. Maintaining a system of prosthetic program review and evaluation for purposes of management effectiveness by conducting planned and recurring visits to field facilities.

h. Conducting studies of program operations, preparing analyses of results, and implementing policy, standards or indicated procedural changes.

(1) Analyzes data related to workload, staffing, and special programs of field facilities.

(2) Reviews, evaluates, and/or coordinates with pertinent Clinical Program staff, requests for unusual or experimental prosthetic devices submitted by VA field facilities.

i. Analyzing and submitting data related to prosthetic program workloads, space allocations and staffing at VA field facilities to appropriate VHA Headquarters activities.

j. Assisting field facilities in recruiting, selection, and evaluation of various categories of prosthetics personnel.

k. Collaborating with the Employee Education Service in formulating and developing educational programs spanning the field of prosthetics, for professional, technical, and administrative staffs.

(1) Coordinates and supervises a centrally directed and funded training program for prosthetic representatives, orthotists, prosthetists, and restoration technicians.

(2) Authorizes VHA Headquarters' representatives or qualified field facility prosthetic representatives to conduct on-site evaluations of field facility prosthetic operations (in coordination with medical center staff), and provides the facility staffs with technical and operational training as indicated.

- l. Planing and preparing prosthetic workshops, conferences, ad hoc committee meetings for VHA Headquarters, VISN, and field facility staff involvement in the broad areas of prosthetics.
- m. Collaborating with responsible Program Officials, Rehabilitation Research and Development, Blind Rehabilitation, Physical Medicine and Rehabilitation, Spinal Cord Injury, Audiology and Speech Pathology, etc., relative to formulating and developing programs and projects that will benefit patients receiving prosthetic services.
- n. Recommending short- and long-range plans pertaining to the prosthetic programs.
- o. Preparing and submitting requests for General Counsel opinions on legal issues that arise in the administration of the program; such as, the scope of authority to furnish unusual appliances or services recommended for veteran patients.
- p. Coordinating and administering the automobile adaptive equipment benefit program within VHA.
- q. Coordinating and administering the clothing allowance benefit program within VHA.
- r. Coordinating and administering the HISA Program benefit program within VHA.
- s. Participating in professional meetings, conferences, national assemblies and Network meetings of the American Orthotic and Prosthetic Association, national service organizations, other Government agencies, educational and scientific institutions and private groups where necessary to represent the department and/or program in the broad field of prosthetics. This includes activities associated with the development, implementation and improvement of recognized national voluntary standards for prosthetic and sensory aids.
- t. Maintaining current and historical records of activities of the prosthetic and sensory aids program.

7. PROSTHETIC FUNDING MANAGEMENT

In order to monitor, maintain and continually improve the fiscal accountability of prosthetics funding, all VA facilities will submit a budget plan by quarter each fiscal year to local designated management official for approval. This plan will be reviewed by the financial staff of the VISNs and PSAS Program officials to develop and implement a quarterly funding and workload analysis to monitor all prosthetic cost centers. The budget plan should be based on historical expenditures and projected need.

a. General Costing Instructions by Cost Center

1. **8272 - Prosthetic Program.** Includes cost for new and repair prosthetic equipment, appliances, devices, etc., for patients.
2. **8201 - Medical.** The cost of surgical implants (for the device only) when performed by Medical Service personnel, e.g., cardiac pacemakers, defibrillators, etc. *NOTE: Do not include the cost of related items or equipment, e.g., sutures, staples, clips, pliers, etc.*

3. **8202 - Surgical.** The cost of surgical implants (for the device only) when performed by Surgical Service personnel, e.g., artificial hips, knees and other joints, heart valves, galvanic nerve stimulators, dorsal column stimulators, intra-ocular lenses, vascular prostheses, bladder neck prostheses, etc.

4. **8265 - Denver Distribution Center.** Includes the cost incurred for hearing aids; hearing aid batteries, parts and accessories; prosthetic stump socks; prosthetic feet; flexible orthoses, etc.

5. **8266 - Orthopedic Shoe Service.** Includes the cost of centralized orthopedic shoe program (VA Medical Center, New York, NY, National Footwear Center only).

6. **8273 - Orthotic Laboratories.** Includes the cost of materials and components used in the fabrication of orthotic and/or prosthetic devices and prefabricated devices custom fitted to the patient (limited to VHA Headquarters-approved Prosthetic-Orthotic Laboratories).

7. **8274 - Restoration Clinic.** Includes the cost of materials used in the fabrication of cosmetic restorations, e.g., artificial eyes, ears, noses, etc., and supplies (limited to VA Central Office approved Restoration Clinics).

8. **8211 – Dialysis.** Include the charges for home dialysis activities only when provided by services other than Prosthetics.

9. **8364 - Contract Dialysis.** Include the costs for supplies and equipment when provided under contract through Medical, Surgical, or Prosthetic Services. *NOTE: Do not duplicate costs charged under Cost Center 211 and 272.*

b. **General Costing Instructions by BOC**

(1) **2551 - Prosthetic Contractual Services.** Includes repair and all contractual agreements and services required to provide prosthetic appliances, sensory aids, cosmetic restorations and sickroom accessories and equipment; veterinary treatment for guide dogs; repairing and reweaving of clothing damaged by wearing of prosthetic appliances, and is restricted to services furnished beneficiaries.

(2) **2574 – Home Oxygen Program.** Includes the cost of home oxygen contractual agreements, rental fees for concentrators, portable systems, and cylinder contents or liquid contents.

(3) **2674 – Oxygen Supplies.** Includes the purchase cost of oxygen equipment and supplies for home oxygen use.

(4) **2692 - Prosthetic Supplies.** Includes the cost of all aids, appliances, parts or accessories which are required to replace, support, or substitute for a deformed, weakened, or missing anatomical parts of the human body. This includes complete prosthetic appliances, sensory aids, stump socks, hearing aid batteries, cosmetic restorations, medical accessories, dental maxillo-facial prostheses and related implants and raw materials used in the fabrication or repair of such items. All prosthetic devices implanted in the patient; includes cardiac pacemakers, heart valves, artificial joints, intra-ocular lenses, prosthetic arteries, penile implants, medication pumps, neuro-stimulators, etc., are to be costed to Cost Center 8201 or 8202 under this sub-account.

(5) **2693 - Home Dialysis Equipment and Supplies.** Includes the cost of dialysis equipment and recurring prosthetic supplies provided to veterans under the Home Dialysis Program.

8. PROSTHETIC REPORTS

a. Delayed Prosthetic Orders

(1) A delayed prosthetic order is an appropriate prosthetic request that affects the care and treatment of the beneficiary that has not been acted upon within 5 workdays. Requests for payment of PSC repairs, home oxygen invoices, invoices for services rendered, and disputed payment claims are not counted as delayed orders. Different items on the same request, will be counted in direct relationship to the number of individual sources required to fill the request.

(2) The number of orders will normally approximate the number of requests received and may be less than the number of items issued. All VA medical centers will submit a monthly report to the appropriate Network Director on delayed prosthetic orders.

b. **National Prosthetic Patient Data (NPPD).** A compilation of statistical data extracted from each VA medical center entries to the Prosthetic Package reflecting both fiscal obligations and completed patient transactions. This quarterly report, divided into new and repair sections, is designated by categories of items and services. Each category is sub-divided by unique numerical identifier, which is mapped by Health Care Procedural Codes (HCPC). This report replaces the Automated Information Management System (AMIS) as the primary collection method for this information.

c. **Special Reports.** Specified data requested to inform the Secretary, Under Secretary of Health, Congressional Committee inquiry, etc. about program performance, expenditures and related issues. Instructions for such reports will be disseminated to the field facilities.

d. **Quality Improvement Reports (QIR).** Documented evidence of substandard quality or performance of contracted equipment. Upon discovery, the Standard Form (SF) 380, Reporting and Processing Medical Material Complaints/Quality Improvement Reports, will be annotated and forwarded to the VHA Chief Financial Officer (176) through PSAS VHA Headquarters. Concurrent notification electronically will be accomplished concerning each QIR filed.

9. BASIC RECORDS AND FORMS

a. **VA Form 10-1394 , Application for Adaptive Equipment-Motor Vehicle.** A standardized document that authorizes the necessary equipment or adaptations for ingress, egress, and safe operation of an automobile or other conveyance.

b. **VA Form 10-2319 (ADP), Record of Prosthetic Service.** A form that will be created as a consolidated record of prosthetic services furnished to all beneficiaries. This form serves as the basic document of reference, and features screens of information. It will be initially prepared by the Prosthetic Program with PSA responsibility for wherever the veteran resides. The screens are:

(1) **Screen 1 - Patient Demographics.** Screen 1 contains the veteran's name, address, patient identification number (SSN), next of kin, prosthetic disability code(s), and veteran's eligibility (rating).

(2) **Screen 2 - Clinic Enrollments/Correspondence.** Screen 2 contains information about the veteran's hospital admissions and discharges, clinic enrollments, pending appointments, and correspondence. *NOTE: One may create or view a letter to the veteran through this screen.*

(3) **Screen 3 - Entitlement Information.** Screen 3 contains PSC information, Clothing Allowance, Automobile Adaptive Equipment, and Loaned Equipment data.

(4) **Screen 4 - Appliance Transactions.** Screen 4 contains all information regarding new appliances and repairs. Inquiries to individual transactions may be found on the sub-screen for each item.

(5) **Screen 5 - Automobile Adaptive Equipment.** Screen 5 contains all information concerning each vehicle and modifications under the adaptive equipment program. This screen should only be used for beneficiaries who are eligible under Pub. L. 91-666, Pub. L. 96-466, or Pub. L. 97-66.

(6) **Screen 6 - Critical Comment.** Screen 6 allows for entry of information that may be important to providing service to the beneficiary.

(7) **Screen 7 - Add/Edit Disability Code.** Screen 7 enables the user to record a disability code to the record of prosthetic services.

(8) **Screen 8 - Home Oxygen Program.** Screen 8 contains all information concerning prescribed delivery systems, supplies, and associated costs.

c. **VA Form 10-2341, Stump Sock Record.** A document used to establish entitlement to receive stump sock from DDC at the beneficiary's request.

d. **VA Form 2345, Veteran's Request For Stump Socks.** A document used by the beneficiary to request replacement stump socks from DDC, when VA Form 10-2341 has been established.

e. **VA Form 2346, Veteran's Request For Hearing Aid Batteries.** A document used by the beneficiary to request batteries from the DDC.

f. **VA Form 10-2421, ADP Prosthetic Authorization for Items or Services.** A procurement document used to purchase new items and services for individual beneficiaries, to include the repair of same.

g. **VA Form 10-2431, Request for Prosthetic Services.** This is a physician's authorization, either manual or electronic, to provide a prosthetic item and service.

h. **VA Form 10-2501, Prosthetic Service Card (PSC).** This is a debit-card issued to eligible beneficiaries authorizing repairs for artificial limbs, wheelchairs, braces, and aids for the blind. This card is limited to repairs.

- i. **VA Form 10-2520, Prosthetic Service Card Invoice.** This form is generated by a vendor for those PSC repairs which do not exceed the monetary limit.
- j. **VA Form 10-2529-3, Request and Receipt for Prosthetic Appliances or Services.** A document used to obtain orthotics, prosthetics, restorations, and footwear from other VA facilities.
- k. **VA Form 10-2641, Authority for Issuance of Special and/or Experimental Appliances.** A document requesting written authority to provide items designated for mandatory approval, high cost items, non-contract items, and for the purpose of advising VHA Headquarters, PSAS SHG of unusual field facility requests.
- l. **VA Form 10-2914, Prescription and Authorization for Eyeglasses.** A procurement document for the purpose of prescribing and purchasing corrective lenses and frames.
- m. **VA Form Letter 10-55, Authority to Exceed Repair Costs of Prosthetic Appliances.** A letter of authorization forwarded to a provider of PSC repairs, when the cost of that repair exceeds the limit authorized by the PSC. The letter should accompany the associated invoice.
- n. **VA Form 21-8678, Application for Annual Clothing Allowance.** A form completed by the veteran or health care professional in which veteran's disability and prosthetic appliance is described and justification provided to request an annual clothing allowance.
- o. **VA Form 21-8679, Eligibility Determination for Clothing Allowance.** A form used to enter appropriate eligibility information and document clothing allowance decisions made by the appropriate VA official.