

**Department of
Veterans Affairs**

Memorandum

Date: APR 9 2003

From: Deputy Under Secretary for Health for Operations and Management (10N)

Subj: Billing for In-House Treatment of Work Related Injuries

To: Network Directors

1. Veterans Health Administration (VHA) strongly supports programs designed to reduce injuries and costs associated with work-related injuries. However, some practices and activities may obscure injury reporting and the associated costs. Accuracy in reporting the prevalence of on the job injuries and illnesses is a cornerstone of the safety program. It is the basis for planning and allocation of resources aimed at reducing future incidents and for planning programs. Under reporting interferes with effective program planning.

2. About 70 percent of injuries that occur in the workplace in VHA do not become workers' compensation claims. Of those incidents that do produce claims, the majority produce few or no compensation or medical costs. Reporting those incidents remains important, as the risk factors for those incidents are similar to those with lost time (see VA Directive 2002-032, attached). In the private sector between 75 and 85 percent of work-related injuries do not lead to the filing of claims, for a broad range of reasons. Fear of reprisal and discrimination is one reason. Creating a climate that supports both the reporting of injuries and the filing of claims is essential to ensure employee rights and appropriate benefits. It is imperative that no actions discourage employees from filing claims.

3. Within VHA about 30 percent of injuries lead to the filing of claims. The use of Occupational Health clinical services to address those claims entails a cost. Preventive services in Occupational Health are authorized under section USC 7091. Funding for clinical services is provided by the Department of Labor (DOL) through the Employment Standards Administration. Sums paid for services are negotiated through an Interagency Agreement at the Office of Personnel Management. Bills for clinical services should be submitted within the month to DOL at the interagency rate (currently \$210.00 per visit) (see VA Directive 99-050, attached). Facilities should ensure that these funds are used appropriately to support the delivered services. Employee compensation is paid directly through DOL. DOL receives the monies back through the chargeback process with a two-year delay. When accomplished appropriately, this program supports both employee needs and those of the medical centers.

4. It is the responsibility of appropriate management officials in VHA to:

- a. Ensure that all employees are adequately informed of their workers' compensation program rights.
- b. Guarantee appropriate billing for treatment of injured workers at VHA Facilities, as appropriate, and as outlined in VA Directive 5810 (Attached).
- c. Provide Continuation of Pay benefits in accordance with regulations.

5. Circumvention of the billing process for work-related injuries treated in VHA facilities constitutes a misuse of appropriated funds. It also prevents, in the long run, the effectiveness and efficacy of the treatments provided. Occupational Health units serve a purpose. The billing process developed to meet the Federal Employee's Compensation Act requirements provides reimbursement to facilities within the same fiscal year. If billing occurs appropriately, there is no financial penalty to facilities. Please use the attached guidelines to develop an appropriate mechanism for billing (see VA Directive 5810, attached).

6. This billing process is an element of the best practices available in administrative case management. A vast number of claims received by Office of Workers' Compensation Programs (OWCP) are initially accepted on the face of the submission and are not formally adjudicated unless certain criteria are met. Field personnel report difficulty in obtaining action on cases in which the employee may be on long term-limited duty. OWCP's own procedures read as follows:

"Cases closed short form will automatically be reopened if the medical bills exceed \$1500."


Appropriate billing for in-house care meets the legal obligations of using appropriated funds for treatment of work-related conditions, and also quickly brings cases to the threshold for full review. At the current interagency rates, six to seven billable in-house visits will put such cases in line for review by OWCP.

7. In order to enhance the utility of the information systems employed in workers' compensation case management, facilities are also directed to use their facility specific tax identification numbers. This will allow easy retrieval and analysis of costs generated by in-house treatment of work related conditions. The listing of tax identification numbers is included in Attachment B.

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8. A sample facility billing procedure is attached for your use and reference. Local policies and procedures may differ due to organizational needs (Attachment B).

9. If you have any questions, or require additional information, please contact Steven Sloane, Program Analyst, at 202-273-8459.



Laura J. Miller

Attachments:

VA Directive 5810:

[http://www.va.gov/pubs/directives/Human-Resources-Management-\(HR\)/5810dir.htm](http://www.va.gov/pubs/directives/Human-Resources-Management-(HR)/5810dir.htm)

VA Directive 2002-032:<http://vaww.va.gov/publ/direc/health/direct/12001032.pdf>

VHA Directive 99-050:

<http://vaww.va.gov/publ/direc/health/direct/199050.pdf>

Link to OWCP Home Page:

http://www.dol.gov/esa/owcp_org.htm

Sample Billing Procedure

Attachment A:

| VISN | Station | Facility Name | Fed tax id |
|------|---------|---------------------------|------------|
| 1 | 402 | Togus VAMC | 018001944 |
| 1 | 405 | White River Junction VAMC | 030280256 |
| 19 | 436 | Fort Harrison VAMC | 810233748 |
| 13 | 437 | Fargo VAMC | 450226662 |
| 13 | 438 | Sioux Falls VAMC | 460227571 |
| 19 | 442 | Cheyenne VAMC | 830168494 |
| 21 | 459 | Honolulu VAMC | 990073396 |
| 4 | 460 | Wilmington VAMC | 510065004 |
| 20 | 463 | Anchorage VAMC | 920189513 |
| 18 | 501 | Albuquerque VAMC | 850416296 |
| 16 | 502 | Alexandria VAMC | 720411414 |
| 4 | 503 | Altoona VAMC | 251721021 |
| 18 | 504 | Arnarillo VAMC | 751616212 |
| 11 | 506 | Ann Arbor VAMC | 383149486 |
| 7 | 508 | Atlanta VAMC | 580587213 |
| 7 | 509 | Augusta VAMC | 582089405 |
| 5 | 512 | Baltimore VAMC | 521855761 |
| 11 | 515 | Battle Creek VAMC | 383146294 |
| 8 | 516 | Bay Pines VAMC | 593206683 |
| 6 | 517 | Beckley VAMC | 550357746 |
| 1 | 518 | Bedford VAMC | 043214787 |
| 18 | 519 | Big Spring VAMC | 752510465 |
| 16 | 520 | Biloxi VAMC | 640836707 |
| 7 | 521 | Birmingham VAMC | 630810292 |
| 1 | 523 | Boston VAMC | 043211342 |
| 3 | 526 | Bronx VAMC | 237288797 |
| 2 | 528 | Buffalo VAMC | 161447141 |
| 2 | 528A5 | Canandaigua VAMC | 161446654 |
| 2 | 528A6 | Bath VAMC | 161472847 |
| 2 | 528A7 | Syracuse VAMC | 150619303 |
| 2 | 528A8 | Albany VAMC | 141339778 |
| 4 | 529 | Butler VAMC | 250975161 |
| 20 | 531 | Boise VAMC | 820465077 |
| 7 | 534 | Charleston VAMC | 570720016 |
| 12 | 537 | Chicago West Side VAMC | 363957782 |
| 10 | 538 | Chillicothe VAMC | 316014208 |
| 10 | 539 | Cincinnati VAMC | 310542398 |
| 4 | 540 | Clarksburg VAMC | 550362865 |
| 10 | 541 | Cleveland VAMC | 340715726 |
| 4 | 542 | Coatesville VAMC | 238014856 |
| 7 | 544 | Columbia SC VAMC | 570986980 |
| 8 | 546 | Miami VAMC | 650470225 |
| 8 | 548 | West Palm Beach VAMC | 593275434 |

| | | | |
|----|-----|----------------------|-----------|
| 17 | 549 | Dallas VAMC | 756108647 |
| 11 | 550 | Darville VAMC | 370662493 |
| 10 | 552 | Dayton VAMC | 310540155 |
| 11 | 553 | Detroit VAMC | 381358898 |
| 19 | 554 | Denver VAMC | 641247130 |
| 12 | 556 | North Chicago VAMC | 362171572 |
| 7 | 557 | Dublin VAMC | 582080668 |
| 6 | 558 | Durham VAMC | 561303855 |
| 3 | 561 | East Orange VAMC | 221526640 |
| 4 | 562 | Erie VAMC | 251715951 |
| 16 | 564 | Fayetteville AR VAMC | 710548518 |
| 6 | 565 | Fayetteville NC VAMC | 561932832 |
| 13 | 568 | Fort Meade VAMC | 460429218 |
| 21 | 570 | Fresno VAMC | 770356492 |
| 8 | 573 | Gainesville VAMC | 593209933 |
| 19 | 575 | Grand Junction VAMC | 840832294 |
| 12 | 578 | Hines VAMC | 363767770 |
| 16 | 580 | Houston VAMC | 760418077 |
| 9 | 581 | Huntington VAMC | 550357745 |
| 11 | 583 | Indianapolis VAMC | 351906280 |
| 12 | 585 | Iron Mountain VAMC | 381358898 |
| 16 | 588 | Jackson VAMC | 840836318 |
| 15 | 589 | Kansas City VAMC | 436173947 |
| 6 | 590 | Hampton VAMC | 541172096 |
| 22 | 593 | Las Vegas VAMC | 880438553 |
| 4 | 595 | Lebanon VAMC | 251752758 |
| 9 | 596 | Lexington VAMC | 610443527 |
| 16 | 598 | Little Rock VAMC | 710744870 |
| 22 | 600 | Long Beach VAMC | 330587175 |
| 9 | 603 | Louisville VAMC | 610990338 |
| 22 | 605 | Loma Linda VAMC | 953625072 |
| 12 | 607 | Madison VAMC | 390817515 |
| 1 | 608 | Manchester VAMC | 020222932 |
| 11 | 610 | Northem Indiana VAMC | 351516418 |
| 21 | 612 | Martinez VAMC | 942674840 |
| 5 | 613 | Martinsburg VAMC | 550357747 |
| 9 | 614 | Memphis VAMC | 620480254 |
| 13 | 618 | Minneapolis VAMC | 410696270 |
| 7 | 619 | Montgomery VAMC | 630288981 |
| 3 | 620 | Montrose VAMC | 141630103 |
| 9 | 621 | Mountain Home VAMC | 620478102 |
| 16 | 623 | Muskogee VAMC | 730766778 |
| 9 | 626 | Nashville VAMC | 620484828 |
| 18 | 629 | New Orleans VAMC | 720448791 |
| 3 | 630 | New York VAMC | 132972977 |
| 1 | 631 | Northampton VAMC | 043208311 |
| 3 | 632 | Northport VAMC | 112589323 |

| | | | |
|----|-----|---------------------|-----------|
| 16 | 635 | Oklahoma City VAMC | 731097102 |
| 14 | 636 | Omaha VAMC | 470376487 |
| 6 | 637 | Asheville VAMC | 581853237 |
| 21 | 640 | Palo Alto VAMC | 941179505 |
| 4 | 642 | Philadelphia VAMC | 232742804 |
| 18 | 644 | Phoenix VAMC | 800101019 |
| 4 | 646 | Pittsburgh VAMC | 251723192 |
| 20 | 648 | Portland VAMC | 931127631 |
| 18 | 649 | Prescott VAMC | 860098758 |
| 1 | 650 | Providence VAMC | 050474219 |
| 6 | 652 | Richmond VAMC | 540515611 |
| 20 | 653 | Roseburg VAMC | 931148588 |
| 21 | 654 | Reno VAMC | 880059762 |
| 11 | 655 | Saginaw VAMC | 382391420 |
| 13 | 656 | St Cloud VAMC | 411768149 |
| 15 | 657 | St Louis VAMC | 430687806 |
| 6 | 658 | Salem VAMC | 541691022 |
| 6 | 659 | Salisbury VAMC | 560564309 |
| 19 | 660 | Salt Lake City VAMC | 870372919 |
| 21 | 662 | San Francisco VAMC | 941160824 |
| 20 | 663 | Seattle VAMC | 910565166 |
| 22 | 664 | San Diego VAMC | 237262137 |
| 19 | 666 | Sheridan VAMC | 830168495 |
| 16 | 667 | Shreveport VAMC | 720423660 |
| 20 | 668 | Spokane VAMC | 911109753 |
| 17 | 671 | San Antonio VAMC | 742112082 |
| 8 | 672 | San Juan VAMC | 660386593 |
| 8 | 673 | Tampa VAMC | 593214855 |
| 17 | 674 | Temple VAMC | 742791419 |
| 12 | 676 | Tomah VAMC | 391765537 |
| 18 | 678 | Tucson VAMC | 860098757 |
| 7 | 679 | Tuscaloosa VAMC | 630297932 |
| 20 | 687 | Walla Walla VAMC | 911605622 |
| 5 | 688 | Washington DC VAMC | 521856279 |
| 1 | 689 | West Haven VAMC | 061379945 |
| 22 | 691 | Los Angeles VAMC | 953626252 |
| 20 | 692 | White City VAMC | 930788525 |
| 4 | 693 | Wilkes Barre VAMC | 240796250 |
| 12 | 695 | Milwaukee VAMC | 391326366 |
| 18 | 756 | El Paso VAMC | 742934770 |
| 10 | 757 | Columbus VAMC | 311278085 |

Attachment B:

**SAMPLE BILLING PROCEDURES FOR WORKERS'
COMPENSATION CLAIMS AT THE VA**

1. The Occupational Health Clinic is responsible for documenting each employee visit that pertains to an on-the-job injury.
 - a. The Occupational Health Practitioner (OHP) conducts and documents the initial assessment/evaluation of any employee who reports a work-related injury. There is no charge for this visit. This represents an administrative activity appropriately journaled as authorized absence and not lost time.
 - b. Following a traumatic injury, (filing of a CA-1), if the employee selects the VA as their treating provider, the OHP authorizes appropriate treatments and consultations as deemed necessary. Employees are not permitted to elect treatment by the VA for occupational disease / illness, (filing of a CA-2, or CA-2a) claims until such claims are accepted. The first two visits are not billed to OWCP. Each succeeding visit becomes billable.
 - c. If a CA-2 or CA-2a claim is accepted and if the employee wishes to obtain their treatment, physical therapy, or tests such as MRI or EMG at the VA, such treatment is permitted and bills are sent to OWCP.
 - d. The Occupational Health Physician is responsible for co-signing all documentation made by the OHP on the injured employee. (OWCP only accepts documentation signed by a physician)
 - e. The chart will be reviewed by coding and CPT codes will be entered into PCE.
 - f. The Occupational Health clerk will enter each work-related injury into the computer and document it if the visit is 'billable' or 'not billable' based on the information provided by the OHP. This information will be entered into PCE/claims tracking.
 - g. At the end of each month the Occupational Health clerk gives the computer data to the Workers' Compensation Program Manager (WCPM)
2. The Workers' Compensation Program Manager
 - a. Reviews the computer printout for accuracy, i.e., some employees may be treated for more than one injury; others are simply dropping off documents from their personal physician which is not billable.
 - b. Clarifies any discrepancies with the OHP.
 - c. Writes the claim number and date of injury next to the employee's name.

- d. Gives completed list to the designated billers in the business office. Billers will use this as an identification tool
- e. Ensures that a copy of the completed bill is filed in the employees' compensation folder.

3. Business Office

- a. Human Resources will give the business office a CA-16 (Authorization for Examination and/or Treatment).
- b. Bills will be created using the interagency billing rates.
- c. Biller will utilize CPT codes in Vista to create a bill. Biller will ensure that no bills are created to any private health insurance. The billing form for these bills will be the one appropriate for the situation.
- d. List the name of the physician, not other provider, as the one providing care.
- e. Submit the bill to OWCP.
- f. A copy of the bill will be given the Workers' Compensation Program Manager.
- g. AR will perform follow-up with OWCP and ensure that reimbursement is at 100%.