



Department of Veterans Affairs  
Health Administration Center

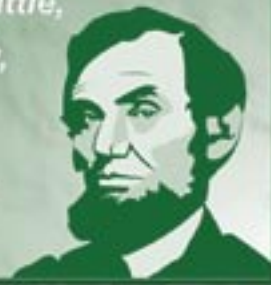
**CHAMPVA**

**newsletter**

Winter 2005 Volume 1 Number 2

*"To care for him who shall  
have borne the battle,  
and for his widow,  
and his orphan"*

Abraham Lincoln



**2005**

## Seasons Greetings from the HAC Director

Happy Holidays! On behalf of the 580 members of the Health Administration Center, I want to wish you all a safe and happy holiday season.

As we move into 2005, I want to share with you a couple of accomplishments from fiscal year 2004 (end of September). The HAC processed over 5.5 million claims – over a million more than the year before. We added 41,000 new CHAMPVA beneficiaries, and through our technology, advanced claims system and organizational improvements, we saved \$116 million over last year. We increased enrollment in Meds by Mail (FREE medications by mail!) by 15,563 beneficiaries in 2004, saving the VA \$61.9 million that could be used for other important services. Our error rate for processing claims was less than 2% (the industry average) and we decreased the number of claims that had to be reprocessed by 1.47 percent despite an increase of over a million claims submitted from the previous year. We processed more than 98% of claims in 30 days (another industry standard) and most claims

were actually processed in 14 days. Applications for benefits were also processed in an average of 14 days.

While I would like to report that we were answering all your calls in 30 seconds, we did not meet that goal. In fact, for the last month or so of fiscal year 2004, waiting times increased. This was due to staffing shortages, which we corrected in October and November, and waiting times on the average are now under 1 minute.

We are committed to continue providing you exceptional service and expand our efforts to save money as we move into 2005.

Let me talk a little about where we are going over the next year or so. First, because of financial limitations this year, this newsletter will go from twice a year to once a year. We are looking at ways to keep you posted on program changes in other ways. For those of you with internet access, you can always check our web site at: [www.va.gov/hac](http://www.va.gov/hac). In 2005 we plan to unveil an all-new site, easier to “see” and easier to use.

For those without internet access, we are looking at ways to use our toll free phone line to provide recorded information.

I know that you are concerned about identity theft and protecting your social security number from unnecessary release. We are looking at changes to your CHAMPVA card for late in 2005 or early 2006. We plan to include additional information for your local pharmacy, remove your social security number and replace it with another unique identifier as well as make some other modifications that should make your card more useful and acceptable to your health care providers.

I also know that some of you are having a hard time finding providers who accept CHAMPVA assignment (willing to file a claim for your visit). With some superb cooperation from TRICARE and the Department of Defense, we expect this situation will improve in many areas. Under the new TRICARE contracts, each of the three contractors must ask their network providers if they will



accept CHAMPVA assignment. For those that agree, the contractors will annotate their provider directories. Right now, these directories are only available on the internet and are not yet complete. By early summer, we believe the directories will be current. At that time we also expect you will be able to check the internet for a provider (we'll have a link to the appropriate directory on our web site) or you will be able to call the CHAMPVA call center (800-733-8387) and one of our benefit advisors will be able to look up a provider for you or mail you an extract from the provider directory for your community.

For those of you with internet access, we plan to expand the things you can do on our special MyCHAMPVA.com web site ([mychampva.com](http://mychampva.com)). While you can check your claims status now, we plan to allow you to update your other health information, address, phone number and some other information via the web site.

If you have ideas about what you would like us to do to improve our service, please feel free to send us a note (you can e-mail us at [hac.inq@med.va.gov](mailto:hac.inq@med.va.gov)), drop us a letter or give us a call at our call center.

We recognize the sacrifices you and your family have made for our country and we want to thank you for giving us a chance to serve you. And again, we wish you health and happiness in 2005.

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# CHAMPVA Communications

Over the past two years, the CHAMPVA beneficiary population has grown to nearly 240,000, an increase of about 95,000 individuals. In order to serve you, we have added staff and improved our training and business processes. Most of our communications are done by live telephone conversations with our Benefit Advisors or through written correspondence. We have also invested time and energy to open some new communications options to beneficiaries, medical providers, and billers.

## Interactive Voice Response (IVR)

About 17% of our callers take advantage of our IVR system in order to check the status of a specific claim, the eligibility of a beneficiary, or the current balance on their annual deductible or catastrophic cap. We

also offer a menu of pre-recorded messages, eligibility and claims rules, as well as a voice mailbox to take your requests for publications or forms. We strive to provide quick, easy access to information with the smallest number of menu choices possible. We know that a lot of people do not like using voice menus, but in our most recent survey, 91% of the people that have used the IVR thought it provided quick and easy access to information. Also, it's available 24 hours a day!

## The Internet ([www.va.gov/hac](http://www.va.gov/hac))

We receive between 20,000 and 25,000 "hits" to the Center's homepage and the CHAMPVA program homepage every month. This web site offers many valuable features for both beneficiaries and providers. Some examples are:

Access to the Latest

Program News, the 2004 CHAMPVA Handbook and many informational pamphlets and brochures on our services.

Access to all CHAMPVA Fact Sheets, brochures, handbooks and forms (English and Spanish language) is as easy as pointing and clicking on the correct link. All of these publications are labeled by topic and can be immediately downloaded or printed at your convenience. Adobe Acrobat Reader is needed to view the fact sheets on line, however, the HAC has made available a free download of the Adobe program, located at the bottom of the main HAC page.

We know that

not everyone has access to the World Wide Web, but for those of you that do, this is an excellent resource that is available 24 hours per day. For those that do not have access to the World Wide Web we suggest you call your local library. Many public libraries provide free use of computers to access the Internet and librarians can assist you in navigating our website.



We have over 100 benefits advisors like Glenn working to serve you in our call center

## CHAMPVA Annual Survey

At the end of March 2004, we sent our annual program survey to a randomly selected group of beneficiaries. Over 40% of the group responded, and we sincerely thank you for taking the time to complete and return this survey. Here is a summary of the results:

Beneficiaries were pleased with our recent improvements (extended phone hours, addition of more phone lines, and improved correspondence response speed) and over 80% of you gave us an overall satisfaction rating of "good" or higher.

a number of you that use our e-mail, Interactive Voice Response menu and Internet website.

Several of you expressed a desire for coverage in additional areas within the CHAMPVA program.

The Health Administration Center has submitted proposals to Congress for modest increases in the areas of vision coverage and chiropractic care. There is also an attempt underway to extend membership in the TRICARE retired dental plan to CHAMPVA beneficiaries. As we await a response for our proposed initiatives, rest assured that we will notify you immediately if there are changes to our CHAMPVA programs.

Once again, thank you for your input. It will help us as we strive to provide the best possible programs and services.

The survey results indicated that the majority of you prefer to contact us by phone or mail, but there are

## CHAMPVA Newsletter

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The CHAMPVA Newsletter is an official publication of the VA Health Administration Center and is written for the express purpose to inform CHAMPVA beneficiaries and providers. Questions and comments should be directed to

[hac.inq@med.va.gov](mailto:hac.inq@med.va.gov)

# Alert!

It has come to our attention that there is a website, [www.champva.com](http://www.champva.com), that is in existence and has questionable and offensive material posted on it.

The Health Administration Center is in no way affiliated with the [www.champva.com](http://www.champva.com) website, nor do we supply or contribute material, text nor support endorsements for any product, company or message displayed on that site. The site is owned by Goldmark Inc. of Dallas.

If you are looking for valid, official information on any of the Health Administration Center programs including CHAMPVA, please go to [www.va.gov/hac](http://www.va.gov/hac), the sanctioned and official site of the Department of Veterans Affairs.

## Health Tips – Understanding Obesity

Good food and eating well does not always lead to good health. Too much of a good thing can be problematic, which is especially true of eating too much. Regularly over-eating will lead to obesity and, once obese, you are on your way to developing many other health problems.

### How much food is too much?

This is a good question, but, unfortunately, it does not have a simple answer. Everyone has different food requirements. Your food needs depend on your age, size, activity level, and health. For adults, if your weight tends to gradually increase, then you are probably eating too much for your daily activity level. Some people maintain their overweight level by consuming food that sustains that weight. Usually, eating quantities of food that maintain an unhealthy weight or cause you to gain more weight means you are eating too much food for your activity level.

### Why is obesity bad?

The medical community has linked obesity to many medical problems; however, you know that as your weight increases you have experienced more health problems or are less comfortable. At the very least, more weight makes it more difficult to be active. Once your activity level decreases you are more susceptible to gaining more weight.

Obesity may cause the following medical conditions or problems: hypertension, type II diabetes, sleep apnea, heart disease, skin rashes, osteoarthritis, and back problems. Each of these conditions can also lead to other serious medical problems. For instance, hypertension may result in kidney damage or a cerebral vascular accident (stroke). Each body system is very integrated with other body systems. When one body system or organ is damaged, it effects another which effects yet another. Being thin is not a guarantee to good health; it just reduces your chances of health problems.

### How do I know if I am overweight?

For some of us, being overweight is apparent to us. For others, who may be the same size as your family members and who feel fine, identifying a weight problem may be difficult. If you have any questions about what your ideal weight should be, ask your doctor. You can also calculate your Body Mass Index (BMI). The BMI is a number that factors your height and weight together to better identify your size. The National Institute of Health website, <http://www.nhlbisupport.com/bmi/bmi-m.htm> has a BMI calculator. This web site also provides information in determining your risk factors for other obesity related diseases.

BMI	Weight classification
< 18.5	Underweight
18.5-24.9	Normal
25.0-29.9	Overweight
30-39.9	Obese
40 +	Morbidly obese

### What should I do if I think I am overweight?

Some diseases and/or genetics may cause or predispose you to a weight problem. If you think you have a problem, you should see your physician who can determine if you have other health problems. Your doctor may recommend an ideal weight and provide you with diet and activity/exercise strategies.

If you are battling with a weight problem, don't lose confidence. You can lose weight. Every pound you loose helps your health.

### Is there anything I should do if I am not overweight?

If you are not overweight, the best thing you can do is to prevent obesity. Exercise and eat a variety of foods in moderation. Since more than half of the American adult population is considered overweight, prevention is essential. Recognize your weight problems before they get out of hand. It is easier to loose five pounds than fifty-five.

### What does CHAMPVA cover?

If you have another disease related to your obesity, e.g., hypertension, your CHAMPVA benefits will cost share most diagnostic tests, office visits and treatments. If you need surgical intervention for obesity, your CHAMPVA benefits will cover some surgical treatments for morbid obesity. To identify if your situation would meet CHAMPVA's criteria for morbid obesity surgery, you may review our policy at the following web site:

<http://www.va.gov/hac/champva/policy/cvampchap2/1c2s29.15.pdf> or you may contact a benefits advisor at 1-800-733-8387.

### Does the surgical treatment for morbid obesity require preauthorization?

No, you do not need to have morbid obesity surgery preauthorized. When your providers submit their claims, they should include documentation that supports medical necessity for the procedure performed. Since preauthorization is not required, it is recommended that you and/or your physician review our criteria for morbid obesity surgery to determine if the procedure will be covered.

### What is excluded from CHAMPVA coverage?

Your CHAMPVA benefits specifically exclude prescription medication for weight reduction, non-surgical treatment of obesity/morbid obesity including dietary control or weight control programs, health club memberships or liquid protein diets.

### How do I get additional information about coverage issues?

If you have any questions regarding coverage issues, you may contact the VA Health Administration via any of the following methods:

Phone: 1-800-733-8387

Fax: 1-303-331-7804

E-mail: [hac.inq@med.va.gov](mailto:hac.inq@med.va.gov)

If you choose to write us, please include the name of the beneficiary and nature of the inquiry.



## Health Tips – There's More Than One Way to Prevent the Flu

Many people have expressed a concern about the flu season and the vaccine shortage. The Center for Disease Control and Prevention (CDC) recommends that the people considered at a higher risk from complications of the flu be given priority when it comes to getting the flu shot. These groups of people should seek vaccination this season. People who are considered to be at a higher risk include the following:

- Children ages 6 – 23 months
- Adults ages 65 or older
- People of any age with chronic medical conditions such as diabetes, asthma, heart or lung disease
- Pregnant women
- Children 6 months to 18 years of age who are on a chronic aspirin therapy
- Health care workers who provide direct patient care
- Those who have household contacts with children less than 6 months old

In addition, the influenza vaccination shouldn't be administered to individuals who have had the following adverse reactions unless you have

discussed this with your physician and he/she has stated otherwise:

- Severe allergies (such as anaphylactic allergic reaction) to eggs
- Previously developed the onset of Guillain-Barre` syndrome during the six weeks after receiving a flu vaccine. Guillain-Barre` syndrome is also called acute idiopathic polyneuritis, post infectious polyneuritis, and Landry's paralysis. This is a rare disease affecting the peripheral nervous system especially spinal and cranial nerves

### Some Tips to Staying Healthy

Although getting a flu shot is one of the best ways to prevent getting the flu, it is not the only way. For those of you that are not considered to be at high risk for the flu, some practical steps can be implemented to decrease your chance of getting the flu. The CDC recommends these simple steps that can stop the spread of germs and help protect you from getting sick:

The most obvious way to dodge the flu is to avoid close contact with those people who are already sick. If you do become sick, try to keep your distance from

others to protect them from getting sick. If at all possible, stay home while you are sick.

Coughing and unclean hands spread respiratory illnesses. It is recommended that you cover your mouth and

nose when you cough or sneeze. If you do not have a tissue handy, it is better if you cough or sneeze into your upper sleeve instead of your hands. Always wash your hands with soap and water or an alcohol-based hand cleaner after coughing or sneezing.

Whenever possible, avoid touching your eyes, nose or mouth. This helps to prevent germs from spreading when you touch something that is contaminated.

Staying healthy during the flu season helps promote your resistance to illness. Getting plenty of sleep, engaging in physical activity on a regular basis, managing your stress, drinking water and maintaining a healthy diet are good habits to practice to prevent getting sick.

For more information regarding influenza vaccinations and preventing the flu, you can contact the CDC at [www.cdc.gov/flu](http://www.cdc.gov/flu) or call the National Immunization Hotline at (800) 232-2522 for English, (800) 232-0233 for Espanol and TTY (800) 243-7889.

Source: Department of Health and Human Services, Center for Disease Control and Prevention.

## Have you been sending mail to the correct address?

The Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA) has several addresses and we know that this can be a little confusing.

Lately, we have received notification from the U.S. Postal Service indicating that some beneficiaries and providers are sending mail to an incorrect zip code. Mail sent to the 80206-5022 zip code is being delayed and is reaching our agency as much as three days later

than mail that is correctly addressed. Please be sure to route mail to the correct zip code to avoid payment delay.

If you are mailing new health insurance claims (Less than one year old) to CHAMPVA, please use the address below:

VA Health Administration Center  
CHAMPVA  
PO Box 65024  
Denver, CO 80206-9024

If you are mailing other correspondence such as

general inquires or if you would like to send claims more than one year old, please use the address below:

VA Health Administration Center  
CHAMPVA  
PO Box 65023  
Denver, CO  
80206-9023



# Reporting Fraud and Abuse

Fraud, waste and abuse costs the American taxpayers millions of dollars each year and causes the government to spend money needlessly that it could otherwise put to good use. Although the Health Administration Center has actively sought to stamp out fraud and abuse, we can't do it alone; combating fraud and abuse takes a cooperative effort from each of us.

As part of that effort we would like to ask that you thoroughly review your explanation of benefits (EOBs) to ensure that

the services billed to CHAMPVA were reported properly. If you should identify a service and/or supply billed to us that was not provided to you or did not occur as claimed, please report that to us immediately in writing. To assist in expediting the referral, specify in the letter that you are filing a fraud complaint and document the following facts:

- The name and address of the provider
- The name and SSN of the beneficiary who

supposedly received the service or item

- The claim number
- The date of service in question
- The service or item allegedly rendered
- The reason why you believe the claim should not have been paid, and
- Any additional information or facts showing that the claim should not have been paid.

Send the information for our review to the following address:

VA Health Administration Center  
Policy and Compliance Division  
Program Integrity Unit  
PO Box 65020  
Denver, CO 80206-9023  
ATTN: Fraud Complaint



## Speed Up Your Claims!



With the end of the calendar year upon us and many CHAMPVA beneficiaries sending in their stack of claims saved from the entire year, we think it would be useful to pass along a few simple things that **you** the beneficiary, can do to speed up the processing of your claims. Please take a moment to read these hints—these small changes will provide a huge help to us as we process your claims:

### Submit pharmacy summaries, not labels.

Please submit pharmacy summaries. Your pharmacy can give you a printout for the date range you specify. If it is necessary to submit prescription labels, please send *copies only*. You may then

retain the originals for yourself. It is also unnecessary to send information descriptions of the drugs.

### Do not staple your claims.

Staples jam machines we use in order to scan your claims. Please do not staple your claims together. It is not necessary as our employees meticulously ensure that claims and all pertinent paperwork will stay together.

### Make sure all papers are 8 ½ x 11.

It is easier for us to process your claims if all of the papers you submit are a full 8½ by 11 inches. If you have continuous feed documents, please separate them along the perforated lines. Additionally, please try to ensure that there are no torn or frayed edges.

### Do not tape papers.

If a paper is small, frayed, or torn, please do not tape it to another paper. Instead, please make a copy and submit that. Also, please do not submit sticky notes with your claims.

Make certain that the patient's name and social security number are on the claim.

Please make certain that it is the name and social security number of the person *receiving* the medical services that appears on the claim. If a dependant receives medical services, their name and social security number should appear on the claim, not the sponsors. In addition, if two or more people in your family have similar first and last names, please have the middle name spelled out on the claim form. It would also be beneficial if you inform whoever is providing the medical services of this so they can bill us correctly.

Following these few simple hints will help us decrease the time it takes to process your claims. Although we will always do our best to rapidly process any claim that you submit, following this advice will greatly help us to increase our speed. We would like to thank you in advance for your assistance as we continue to endeavor to provide you with the sterling customer service you so greatly deserve.

## Is Kaiser Permanente Your Primary Insurance?

The Health Administration Center has received quite a few complaints from beneficiaries who have insurance with Kaiser Permanente; basically, that we have not honored submitted claims. This is due to the fact that Kaiser does not provide beneficiaries the necessary data they need to submit claims for reimbursement of their cost share from CHAMPVA. We recognize that this is, and has been an ongoing problem, however, we are please to announce that we have solved that problem.

“To ensure that we meet the needs of our beneficiaries that have Kaiser we really had to think outside the box,” said HAC Policy Supervisor, Kevin Jobes. “We looked for codes that would not only make it easy for the HAC to process the claim, but ones that were satisfactory to Kaiser as well. And, we came up with what I feel is a great compromise. Kaiser is happy, the beneficiaries will be happy and we (CHAMPVA) can do our job of processing these claims.”

This is how it works (and please pardon us for sounding so technical): in order to process a claim for a Kaiser Permanente bill that is submitted to CHAMPVA which does not include a medical diagnosis or procedure code, CHAMPVA will default to using the code V70 “General Medical Examination” for the diagnosis, and code 99499 “Unlisted evaluation and Management service” for the procedure. So that the HAC can process these claims using the new method, please provide a copy of your Kaiser Permanente card showing the amount of your copayments with your claims to assist CHAMPVA in calculating reimbursement of your cost share.

Although CHAMPVA is providing this method of processing claims for beneficiaries insured by Kaiser, we urge you to request that Kaiser provide a bill that includes the following information: Tax Identification number and address of the Kaiser provider; Date of Service; Medical Code or description for the Diagnosis and the procedure; Patients responsibility or Patient Copayment for services.



## New Daily Hospital Rates

With the beginning of the federal fiscal year on October 1, 2004, your daily hospital rate for inpatient hospital stays increased from \$459 to \$512 per day. This means that your cost share for inpatient stays will be the lesser of:

- \$512 per diem multiplied by the number of inpatient

days except for the day of discharge, or

- 25% of the hospital's billed charges, or
- the allowable amount (the diagnostic related group rate).

Please keep in mind that there is an annual catastrophic cap of \$3,000. That means when



you have paid \$3,000 in cost shares for the medical care of your CHAMPVA-eligible family, the cost share for

covered services for the remainder of the calendar year is waived and CHAMPVA pays 100% of the allowable amount.

## CHAMPVA Benefit Expansion

CHAMPVA is an ever-evolving program and as the health care community accepts medical advances as necessities, CHAMPVA also offers these as covered benefits for its beneficiaries. In the past fiscal year the CHAMPVA coverage was expanded to provide the following:

In October of 2003, therapeutic embolization of pulmonary arteriovenous malformation,

which is a procedure, used to treat conditions that may include: abnormalities of blood vessels, tumors, and bleeding. Materials are placed in the blood vessels to open or close diseased vessels or to deliver medicine to specific areas of tissue.

In February, implantation of the cochlear external speech device (some limitations apply) was added. A cochlear device is an implant, which is surgically inserted in the inner ear. The implant is used to assist in restoring partial hearing to the deaf. An external device connects to the implant and bypasses the damaged parts of the ear to allow the nerve to be

directly stimulated. Coverage was expanded for the external speech device.

Also in February, bone density testing (some limitations apply) may be performed to assist in the diagnosis of osteoporosis. Osteoporosis is a disease that thins your bone causing them to become more fragile and likely to break.

Just recently in October, 2004 endovenous laser ablation of varicose veins (some limitations apply) which is a procedure incorporating the use of a laser beam to shrink the vein walls. This will assist in closing off a faulty vein so blood no longer flows through it. This is sometimes used in lieu of a surgical procedure called vein stripping for the treatment of severe varicose veins.



## Rules that Impact CHAMPVA Eligibility

There are a few life changes that can significantly impact CHAMPVA eligibility. If you become ineligible but do not provide proper notification, you will have to return any money received for claims filed for services performed after becoming ineligible. It is your responsibility to keep your status current with both CHAMPVA and your VA Regional Office.

You need to report important life changes to the VA:

- If you have divorced or received an annulment from the CHAMPVA sponsor (veteran). Your eligibility will terminate as of midnight on the effective date of the divorce or annulment
- A dependent child between the age of 18 and 23 who withdraws from

school during the semester

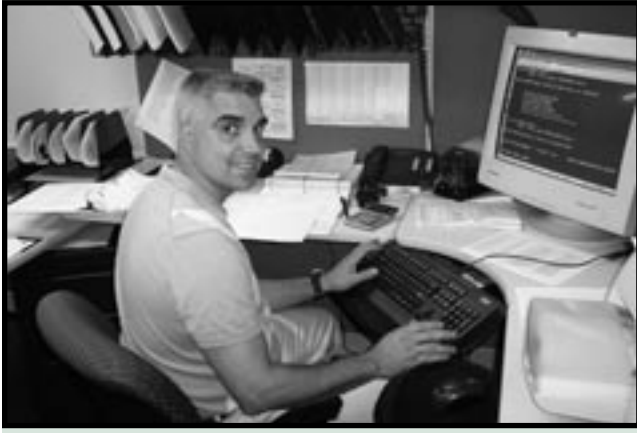
- A dependent child between the age of 18 and 23 who attends school less than full-time (12 credit hours)
- A dependent child marries
- A stepchild no longer lives in the household of the veteran sponsor
- You are a surviving spouse of a veteran and you remarry prior to age 55

Changes in eligibility status need to be reported to CHAMPVA *and* your servicing VA Regional Office.





# Beneficiary Services



## Website

The HAC website is located at [www.va.gov/hac](http://www.va.gov/hac). On this website is information on all of our programs -CHAMPVA, Spina Bifida, Children of Women Vietnam Veterans (CWVV), Foreign Medical Program (FMP), and Fee- as well as all associated printed materials and forms for each program as well as program news, updates, speaking engagements, fact sheets and a whole host of other important items.

## Check Your Claims Online

If you go to MyCHAMPVA.com, MySpinaBifida.com, MyCWVV.com or MyFMP.com sites, you can track your claims. Log in with your password and PIN and you will be able to see the status of any claim you submitted.

## E-mail

Beneficiaries can e-mail us at any time by sending their inquiries to [hac.inq@med.va.gov](mailto:hac.inq@med.va.gov). Just like calling our 1-800-733-8387 number, your e-mail inquiry will be answered by one of our Benefit Advisors within one working day. This is a very reliable and easy method to make inquiries. Remember though, that any inquiries which contain sensitive personal information will be answered on a secure e-mail site that will require you to log in using a password.



## Publications and Forms

All forms, fact sheets and publications for all of our programs are available for download from the HAC web site. Simply click on the icon that says Forms, Publications or Fact Sheets and a comprehensive list will appear.

Then click on the one you need and print your own copy. Additionally, all brochures and forms are now available in Spanish as well as English! Or if you need any of our forms you can simply call the 1-800-733-8387 number and request them from one of our Benefit Advisors.

There are also electronically fill-able forms for HAC programs located at [www.va.gov/forms/medical](http://www.va.gov/forms/medical). These forms can be filled out right from your computer, however you must print and sign them when you have finished and mail them to the HAC.



## Guest Speakers and CHAMPVA Training

Our expert staff is available for speaking engagements and training sessions for Veterans Service Organizations, Veterans Service Officers and other organizations. To arrange a speaker, call the HAC Public Affairs Office at 303-331-7864. Unfortunately, due to the limited number of staff and budgetary constraints, there is a minimum requirement of 75 persons per group required to request a speaker. For smaller groups the HAC can also provide a live video teleconferencing session that will satisfy all of your training and informational requirements.

## Virtual Tour

Ever wonder what the HAC looks like and who was taking calls and processing claims? The HAC now has a virtual tour of our facility with photos and 360-degree images of the HAC. Simply go to the HAC Home Page and click on the "Virtual Tour" icon.

## Multi-lingual Services

The HAC has contracted with a company that now provides multi-language translation services for our 1-800-733-8387 phone number so that we can communicate with all of our beneficiaries. To utilize this option call the 1-800 number and tell the Benefit Advisor what language you speak. A translator will be immediately contacted. We also have the capability to accommodate beneficiaries that are

hearing impaired via the Federal Relay Service.

The CHAMPVA, FMP, Spina Bifida, and CWVV handbooks can also be requested in any language by mailing or phoning in a request to the HAC. Please allow five weeks for translation and mailing.



## Braille

The CHAMPVA handbook is now available in Braille. Simply contact the HAC by mail or call 1-800-733-8387 to request a copy.

## Written Confirmation

Whenever you update your eligibility file with the HAC, i.e., effective date, address, school certification, etc., or if you call-in or write to change information dealing with your other health insurance the HAC will automatically send you a confirmation letter so that we can be absolutely sure that we have the correct information.

## Chat live!


If you would like to chat live, online with a Benefit Advisor you can do so between the hours of 4:30 to 6:30 p.m. Eastern Standard Time, Monday, Wednesday and Friday. Simply go the HAC web site, [www.va.gov/hac](http://www.va.gov/hac) and click on the box that says, "Live Chat." This is a great way to get your questions about CHAMPVA answered by a professional.





# Having problems identifying a CHAMPVA beneficiary?

CHAMPVA only uses the issued CHAMPVA Identification Card. We do not use picture Military ID cards, or Universal Veterans Administration (VA) data cards. All CHAMPVA beneficiaries are issued this card:

<b>CHAMPVA Benefit Coverage/Limitations</b> – see the CHAMPVA Handbook for information on covered benefits and limitations. <b>This is also your Pharmacy Card.</b> <b>Preauthorization</b> – required for the following services: <ul style="list-style-type: none"> <li>• Organ and bone marrow transplants</li> <li>• Hospice services</li> <li>• Most mental health/substance abuse services</li> <li>• All dental care</li> <li>• All durable medical equipment with a purchase or total rental price of \$300 or more</li> </ul> <b>Preauthorization Requests</b> Medical Services 1-800-733-8387 Mental Health/Substance Abuse 1-800-424-4018		 <b>Authorization Card</b> P.O. Box 65024 Denver, CO 80206-9024	
Subscriber Name			
A-Card Number			
Note: Include A-Card Number on all claims and correspondence			
Effective Date		Expiration Date	
		Assistance 1-800-733-8387 hac.inq@med.va.gov	

Approximately 20% of all claims received at CHAMPVA are for patients not enrolled to receive CHAMPVA benefits. If we receive a claim for anyone not enrolled, we will return the claim unprocessed.

Below are two common ID cards that we receive with claims for patients not enrolled to receive CHAMPVA benefits. If a patient presents either of the cards below, please **DO NOT** submit the claim to CHAMPVA for payment.

## These are NOT CHAMPVA ID Cards

If you have a patient with the following card, please contact TRICARE at 1-800-538-9552 or [www.tricare.osd.mil](http://www.tricare.osd.mil) for information.



If you have a patient with the following card, please contact your nearest VA Medical Center for assistance at 1-877-222-8387 or [www.va.gov](http://www.va.gov) for information.



If you have questions about a beneficiary's card or eligibility, please call us at 1-800-733-8387 between 8:05 a.m. and 7:45 p.m. Eastern Time or you can verify CHAMPVA eligibility by calling the same 1-800 number, 24 hours a day using our automated phone system.

The CHAMPVA Program compensates health care providers for covered drugs (injectibles, infusables, pharmaceuticals, and chemotherapy agents) rendered during the course of an outpatient treatment. The drug must be FDA approved for the treatment of the condition to which it's administered, be medically necessary, and be covered under the program provisions.

To assist you in expediting the processing of your claim, as well as ensure appropriate payment, we advise that both the HCPCS "J" code and the appropriate National Drug Code (NDC) for each drug with the appropriate quantity or units be provided on the claim for adjudication. This will eliminate erroneous denials for specific drug information. This is important particularly

when a drug does not have an applicable code resulting in the use of a miscellaneous or non-specific HCPCS code.

CHAMPVA reimbursement of covered medical drugs is limited to the Red Book Average Wholesale Price (AWP), plus a \$3 dispensing fee. Payment is contingent upon the appropriate pharmacy coding conventions and billing guidelines. When bill-

## Can you be a new Electronic Claims Submitter?

The Health Administration Center (HAC) is currently receiving thousands of electronic claims from hospitals and individual health care providers. Our providers are using the new Health Insurance Portability and Accountability Act (HIPAA) standard transactions, as required on October 16, 2003. Submitting an electronic claim is an easy, efficient and cost effective means of claims processing for both the provider and the HAC.

If **YOU** have the capability of submitting electronic health care claims via your billing office, an electronic claim network or clearinghouse, please contact our clearinghouses as noted below:

### For Medical Claims:

WebMD Envoy Payer ID 84146  
 Nashville, TN  
 Phone: 1-615-885-3700  
[www.webmdenvoy.com](http://www.webmdenvoy.com)

### For Pharmacy Claims:

Medical Matrix LP No Payer ID required  
 Ft. Worth, TX  
 Phone: 1-800-880-1398  
[www.medicalmatrix.com](http://www.medicalmatrix.com)

Or for more information on electronic transactions visit us on the web at:  
[www.va.gov/hac/provider/provider.asp](http://www.va.gov/hac/provider/provider.asp)

## Billing and Reimbursement of Injectibles

ing CHAMPVA, please ensure that the pricing of these drugs is comparable to that of the AWP reimbursement methodology, according to the appropriate dosage and quantity of the drug.

In providing you with these billing guidelines, we hope to reduce the number of claim denials and decrease the possible overpayments that would be collected retrospectively.



# Long-Term Care Facility Reimbursement

Unlike Medicare, CHAMPVA, does not reimburse long-term facilities by the prospective payment system (PPS). Currently, the reimbursement payment method for skilled nursing facilities, acute rehabilitative care facilities, or long-term acute care facilities is called cost-to-charge. While the PPS reimbursement for hospitals gives the hospital a fixed amount of money based primarily on diagnosis, procedures and length of stay, the cost-to-charge methodology reimburses for each covered service or procedure.

Covered services include medically necessary skilled nursing and/or rehabilitative care performed on a daily basis that cannot be provided in the home or can be provided better in the facility. Since this payment methodology reimburses for covered services, supplies, or medications, it is important to be aware of items that are excluded from coverage.

If the item is not covered while at home, then the same item will not be covered when the care is provided in the long-term care facility. Some typical charges that would be denied include over-the-counter medications and personal care items including incontinent care items; the beneficiary would be responsible for the payment of these items.

Facility charges such as room and board for room holds while the patient is out of the facility are not covered. The responsibility for this charge would be the beneficiary only if the beneficiary has requested this service.



Additionally, CHAMPVA considers certain services or supplies included in the room and board charge, so the facility cannot be reimbursed separately for those items. Room and board services include those services provided by its employees such as nursing care and other ancillary services such as those provided by a social worker. The beneficiary would not be responsible for these charges if the CHAMPVA benefit covered the room and board charge.

Once the care becomes custodial, and skilled care is not provided on a daily basis, then coverage for the facility charge ends. Examples of custodial care include personal care such as assistance in walking, getting in and out of bed, eating, dressing, bathing and taking medicine.

When the facility charge is no longer covered, certain services or supplies, if medically necessary, will be covered while the patient still resides in the non-covered facility. These include



prescription medication, intermittent therapies such as physical, occupational or speech, medical supplies and diagnostic laboratory or radiological tests.

Skilled nursing and rehabilitative care facilities do not require a preauthorization; however, if you have any questions regarding covered services for a long-term care facility, you may contact a beneficiary advisor at 1-800-733-8387.

**The following table provides examples of typical items/services that are NOT covered. This list is not all-inclusive.**

Over-the-counter Medications	Items included in room and board or other service	Personal items
Antacids e.g. Maalox	Beds	Admission kit
Aspirin	Case Management Services	Alcohol wipes
Bacitracin ointment	Collection of blood (arterial or venous)	Artificial tears
Benadryl 25mg. (Diphenhydramine)	Family/patient conference	Chux
Citrucel	Food	Denture supplies
Colace (Docusate)	Infusion therapy	Diapers
Dulcolax (Bisacodyl)	Linen	Guest food tray
Fleets enema	Nursing Care	Lanolin
Herbs	Recreation outings	Private room that is not medically necessary
Hydrocortisone cream .1%-.5%	Specimen handling	Shampoo
Lactase	Wheel Chairs	Soap
Metamucil		Telephone
Miconazole 1-2% creams/sprays (Lotrimin)		Television
Milk of Magnesia		Toothpaste
Minerals (Iron, Calcium etc)		Water pitcher
Nicorrette gum		
Pepsid 10MG-20MG (Famotidine)		
Senna		
Simethicone		
Tylenol (acetaminophen)		
Vitamins		



# No Grace Period for New CPT Codes

As a provider you realize how important the Current Procedural Terminology (CPT) Codes are in filing the proper claim for reimbursement. In the past, providers were allowed a 90-day grace period by federal programs to implement new CPT Codes released

by the American Medical Association (AMA).

This year however, Medicare has eliminated the 90-day grace period in an effort to have providers apply the proper code as soon as possible. In response to Medicare's initiative

with the CPT Codes, the Health Administration Center has determined that the CHAMPVA Program will follow the guidelines established by Medicare and implement the new 2005 CPT codes

effective January 1, 2005.

Claims received with invalid 2004 CPT codes on or after January 1, will be returned to the provider for proper coding.

## Professional & Technical Component Modifiers



Would you like to receive the appropriate reimbursement for certain procedural codes requiring the use of modifiers -26 (professional component) and - technical component (TC)?

If so, please read on, as this notice may have a financial impact on you.

CHAMPVA will be conducting quality assurance reviews to proactively identify scenarios where the billing of both modifiers -26 and -TC resulted in an inappropriate payment. Inappropriate reimbursement is defined as billing for the global reimbursement of a service when in fact, only one of the components, either the professional or the technical portion was provided by the individual provider.

Below are informative coding tips in the appropriate

application of modifiers -26 and -TC:

Modifier -26 should be appended to certain CPT codes when a physician is billing for the professional component or physician interpretation of the procedure. Reimbursement is based on the CHAMPVA allowed amount for the professional relative value unit. Documentation of the service must be accessible in the patient's medical record. The written documentation must include the physician's diagnostic procedure findings, relevant clinical issues, and the signature of the physician.

Modifier -TC should be appended to certain CPT codes when the service represents the technical component of the procedure. Reimbursement is based on the CHAMPVA allowed amount for the technical relative value unit. Technical services represent the actual performance of the diagnostic test or study.

Certain procedures without appended



modifiers represent a combination of both the technical and professional component resulting in a global reimbursement to a provider for both services. Certain procedures allow for global reimbursement when rendered by the same provider.

Please ensure that the appropriate applications of these modifiers are being used in your billing process. In some instances, services may be inappropriately reported resulting in either an under or overpayment. In the event that either of these situations has occurred in your billing process, please report these findings in writing to:

Health Administration Center,  
Policy and Compliance  
Division.  
PO Box 65020  
Denver, CO 80206-9020





# Reconsideration Requests for Payment Issues



A large majority of the request for reconsideration (appeals) that are received at the Health Administration Center are related to payment decisions. The most common payment issues are the DRG rate, CMAC (CHAMPVA maximum allowable charge) rates, per diem rates, prevailing rates, and edits related to unbundling of codes, billing for incidental or mutually exclusive services.

Based on our regulation, 38 CFR 17.272(b), a provider must accept the payment of the CHAMPVA-determined allowable rate and therefore disagreements with the determined allowable amount are not appealable. This includes the DRG rate, CMAC rate, per diem rate, and the prevailing rate. Other issues that are not appealable are related to the amount of the beneficiary's outpatient cost share and the deductible.

For other payment issues, such as a disagreement with the edits for payable codes, the grouping of the services to a specific DRG, or coverage of a service, you

have two levels of appeal—a first level reconsideration may be requested within 1 year of the explanation of benefits or denial letter. The request for reconsideration must be in writing and include new or supporting documentation. Examples of supporting documentation are medical documentation supporting the intensity

of a procedure, the interpretation of CPT or HCPCS codes, or possibly coverage criteria for that service as indicated by the Food & Drug Administration, other federal programs or third-party carriers.

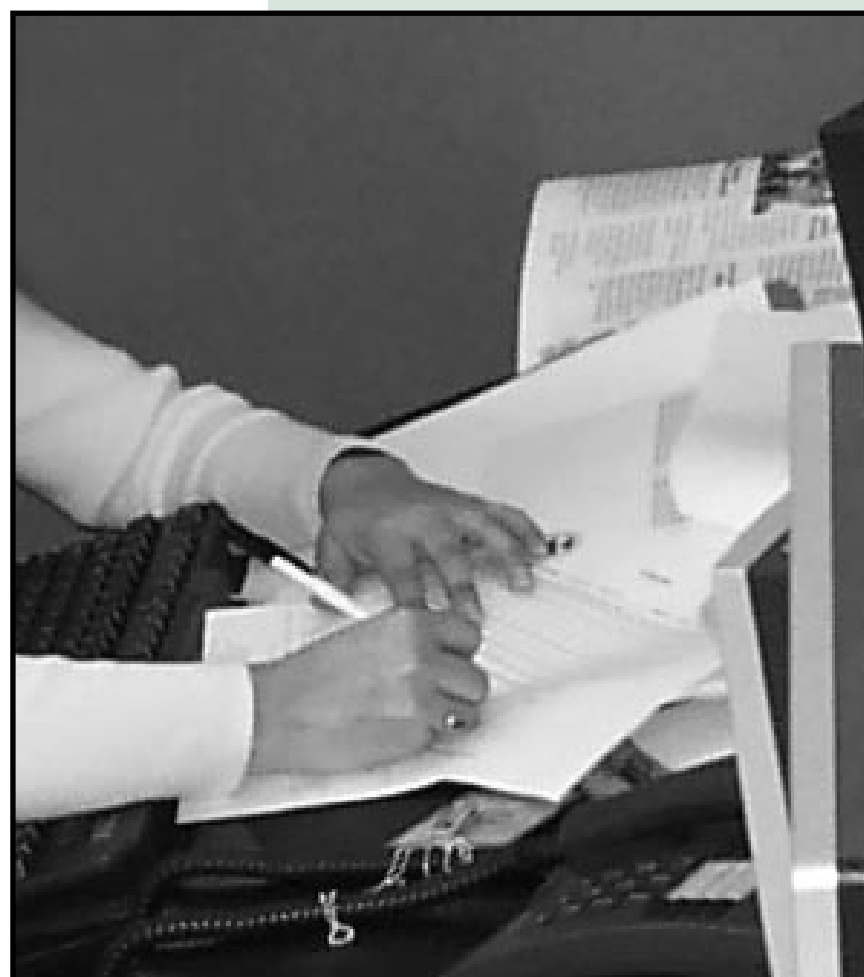
If the first level reconsideration upholds the original denial, and you disagree with that decision, you may request a second-level reconsideration. That reconsideration must be requested in writing within 90 days of the date of the first-level decision and include new or supporting documentation that was not considered in the first reconsideration. The second-level reconsideration decision is final.



If you have any questions regarding the reconsideration process, call the toll free number at 1-800-820-1756. Also, the CHAMPVA 2004 Beneficiary Handbook references the reconsideration/appeal process on pages 87 through 91.

Appeals should be mailed to:

Department of Veterans Affairs  
Health Administration Center  
ATTN: Appeals  
PO Box 460948  
Denver, CO 80246





# Attention CHAMPVA Providers!

Providers, are you receiving payment from the HAC by Treasury check? You have the option of receiving payment by electronic funds transfer (EFT).

The benefits of EFT are:

- Convenience. No need to cash or deposit paper checks.
- EFT is highly dependable and efficient.
- The risk of a lost, stolen or forged check is eliminated.
- Funds are available on the EFT payment date.

***To apply for EFT, call the VA Financial Services Center toll free at 1-(877) 353-9791.***



**CHAMPVA Newsletter**  
**ATTN: HAC PAO**  
**PO Box 65020**  
**Denver, CO 80206-9020**