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Overcoming VA Reimbursement Challenges

WHITE PAPER

VA Reimbursement

Since the VA Mission Act passed in 2018, hospitals have faced mounting challenges in reimbursement for veterans' treatments. The Mission Act expanded veteran access to healthcare, creating increased traffic to community hospitals—but no clear-cut avenue for payment.

A 2014 scandal involving hidden waiting lists at VA facilities motivated a strong call for VA reform.[1] Some veterans were forced to wait weeks or even months before receiving treatment they needed. In the aftermath of the scandal, the Veterans Choice Program was developed as a temporary solution—but the Mission Act opened the door for long-term improvement. Today, if veterans face a waiting period of 20 days or more, they are eligible to seek privatized care—and the goal is to reduce that threshold to two weeks.[2]

By default, the onus of responsibility then rests on hospitals to pursue sufficient reimbursement, and the process is notoriously tedious. As your facility faces the challenge of securing VA-related payments, it is important to stay informed on the best ways to overcome roadblocks.

Veterans and Privatized Care

In the 2018 fiscal year, 1.7 million veterans used some form of private care, and the Mission Act added more than half a million veterans to the pool seeking private care.[3] Rather than drive for hours or wait for weeks, more and more veterans will choose non-VA facilities. The public sees increased healthcare access for veterans largely as an advantage—but it does bring unique challenges.

As veterans pursue community-based avenues for care, hospitals will see additional VA-related treatments and difficulty collecting payments. Many veterans are unclear on their benefits, and providers are forced to fill in the gaps. Treatment without prior authorization can result in a denied claim, so effective communication with the VA is critical to streamline approval.

Patient Access Training

When incoming patients do not understand their eligibility, hospital staff struggle to obtain the answers they need. To minimize roadblocks in achieving VA reimbursement, the patient access team must learn how to interact with veterans to collect the crucial data they will need to file a claim later.

To make matters more confusing, the VA has multiple purchase programs for healthcare, and eligibility rules differ across all of them. Health systems must be aware of which programs veterans are part of to determine the best course of action in administering approved treatments. One overlooked detail can lead to long-term consequences and it becomes even more difficult to acquire information after the patient leaves the facility. Knowing how to handle VA-related situations upfront will reduce follow-up tasks.

With the industry's emphasis on the patient experience, your intake staff needs to be knowledgeable enough to educate veterans on their coverage. It will not be enough to rely on the patient to know what to say; your team must be able to ask the right questions and identify specific differences in contracts to eliminate errors.

Coordination of Benefits

In the case, Richard W. Staab v. Robert A. McDonald, the U.S. Court of Appeals struck down a VA regulation that prevented reimbursement for veterans who received care that was covered by secondary insurance.[4] However, the VA attempted to get around the ruling for several years—and the courts had to litigate the issue again in 2018, making it clear that the VA is required to cover veterans' expenses, even if they are partially covered by a secondary provider. Still, the process of ensuring proper coordination of benefits (COB) is tedious, and VA claims processing methodologies are changing daily. This generates a great deal of confusion around eligibility, billing, and reimbursement right now, which requires constant monitoring—and few facilities have the time or bandwidth for that responsibility.

When veterans receive bills for their care, the ramifications go beyond a longer wait time for reimbursement—those bills also reflect poorly on the hospital and create unnecessary stress for the recipients. Dissatisfied patients often contribute to negative press, and in a society where one bad review can do catastrophic damage, it is important to prioritize patient satisfaction and follow correct COB processes.

Because the Veterans Administration is not officially considered a health insurance plan, coordination of benefits becomes a more complicated challenge. A private insurer is the first line of reimbursement—but VA can be used in tandem with other insurance plans, including a private plan, Medicare, Medicaid, and TRICARE.

Cumulative Visit Deficit

However, few veterans realize how much they have access to since the rules can be complicated.[5] Because contracts and processes change continually, the patient access team faces added challenges when screening veterans due to ever-evolving agreements.

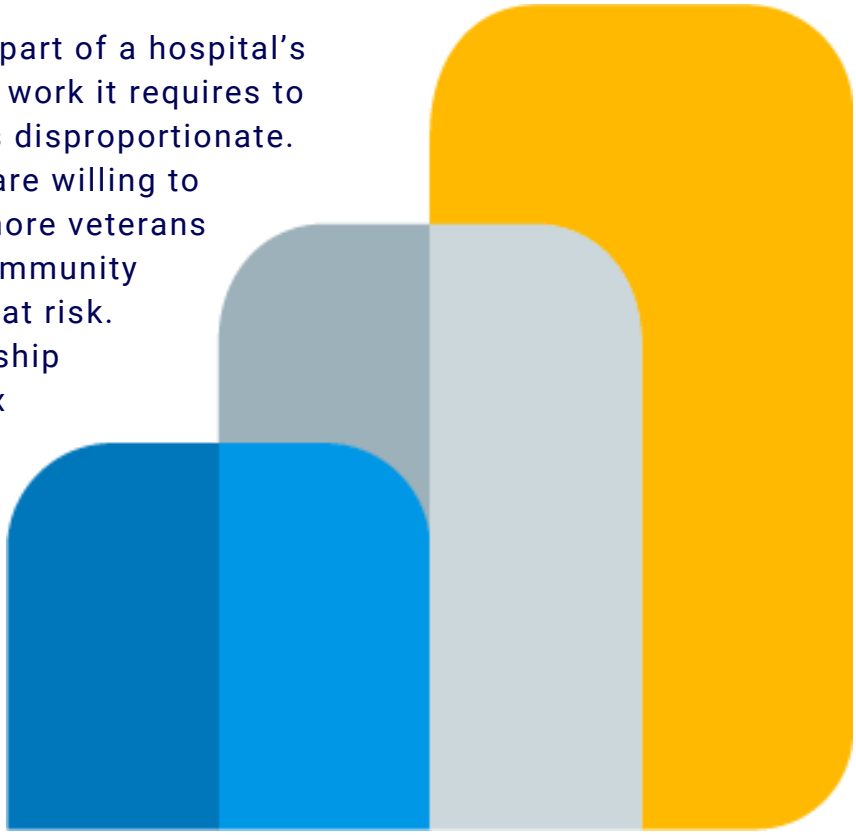
EHR Integration

The VA's antiquated medical system poses challenges for hospitals trying to coordinate care. A new system has been in-process for several years—with no clear end in sight. In the current system, veterans' medical records are printed and then retyped as necessary, leaving room for errors and unnecessary delays.

The announcement of a new system outlined a 10-year plan that would cost an estimated $16 billion.[6] Unfortunately, as work continues on the rollout, the VA has been plagued with criticism. Many lawmakers have expressed frustration regarding the time and money it will require to launch an interoperable system.

As recently as February of 2020, the VA's plans to launch its new, integrated EHR system were delayed again due to glitches and setbacks.[7] While the desire to implement a complete, error-free system is admirable, the adjusted timeline means facilities will be waiting even longer for a streamlined information system, and that puts reimbursement at risk. Ultimately, the long-term goals must outweigh the short-term inconveniences—but when a facility's entire livelihood is threatened, the short term is all that matters.

VA claims are a small part of a hospital's total revenue—and the work it requires to collect on them seems disproportionate. Many health systems are willing to take the loss, but as more veterans become eligible for community care, more dollars are at risk. Establishing a partnership with a trusted complex claims management provider can be the difference between ending the year in the red or in the black.



At Aspirion, we've helped facilities nationwide double their collections from VA claims in as little as one year—and we want to equip you to do the same. We offer unlimited patient access training to ensure that your staff knows how to collect the right information for VA claims and eliminate eligibility-related denials. Our team of specialists will pursue every claim to completion, no matter how many roadblocks they face. Don't let VA complications hold your health system back. Contact Aspirion today.

1. *https://www.nytimes.com/2014/05/29/us/va-report-confirms-improper-waiting-lists-at-phoenix-center.html*
2. *https://militarybenefits.info/va-mission-act/*
3. *https://www.nytimes.com/2019/06/05/us/politics/va-health-care-veterans.html*
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5. *https://www.cnbc.com/2019/01/03/military-vets-can-use-both-medicare-and-va-health-care.html*
6. *https://www.washingtonpost.com/news/checkpoint/wp/2018/04/25/here-are-5-urgent-problems-a-new-va-secretary-would-need-to-tackle/*
7. *https://ehrintelligence.com/news/va-ehr-implementation-delayed-due-to-integration-issues*

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