

**Department of
Veterans Affairs**

Memorandum

Date: May 12, 2015

From: Acting Principal Deputy Under Secretary for Health (10A)

Subj: VA Care in the Community (Non-VA Purchased Care) and use of the Veterans Choice Program

To: Veterans Integrated Service Network (VISN) Directors (10N1-23)

1. The Veterans Health Administration's (VHA) objective is to provide high quality care in a manner that maximizes service to Veterans while ensuring good financial stewardship. This memorandum outlines VHA policy intended to ensure that the Veterans Choice Program (VCP) is available to patients waiting for care and attempts clarify how a confusing array of options for purchasing care in the private sector should be used. To that end, this memorandum provides mandatory guidance on the utilization of various options available for providing VA Care in the Community (Non-VA Purchased Care).

2. Hierarchy for Purchased Care: Effective June 8, 2015, the following hierarchy of care must be used when the Veteran's primary Department of Veterans Affairs (VA) facility cannot readily provide needed care to a Veteran, either because the care is unavailable at the facility or because the facility cannot meet VHA's timeliness standard. Under VCP, that standard is currently 30 days from the clinically indicated date (CID) or, in the absence of a CID, 30 days from the date preferred by the Veteran. (If VHA has or establishes a more stringent standard for specific services, that standard shall apply to that specific service, but may not qualify for the use of Choice). In such circumstances the Veteran's primary facility will:
 - a) Refer to another VA facility, using their usual inter-facility referral patterns that can accommodate the patient within the specified timeliness standards. If a referral VA facility can schedule the service within VHA's timeliness standard, the patient is not eligible for VA care in the Community. The primary facility may use existing DOD, IHS facilities, and Tribal organizations agreements as usual. Facilities may make exceptions to this referral rule based on the unique circumstances of the Veteran, such as extreme distance, health status, frequency of visits, etc. and refer the Veteran to Community Care using VCP.

 - b) If the Veteran's primary facility cannot secure care from another VA facility as specified in 2a, the primary facility will refer the Veteran to VCP when the program covers the needed services. The facility should follow the attached grid when referring patients to VCP.

- c) If the Veteran is not eligible or the needed services are not covered by VCP, the primary facility may utilize other non-VA care options.
 - d) If the Veteran is eligible for VCP, but elects not to use the program, then the facility should schedule an appointment in VA, use the recall reminder system, or place the patient on the EWL, consistent with VHA policy. If the service is not available at the primary facility, a VHA referral facility identified in 2a should either schedule the patient or place them on their EWL. In rare circumstances, the facility may use other non-VA care options to secure care when the Veteran is eligible for the VCP but elects not to use the program.
 - e) If VCP care is authorized but the TPA returns the authorization, the primary facility may use a VCP Provider Agreement (standardized document forthcoming), as authorized by the Choice Act, to arrange for care in the private sector. When doing so, the facility must ensure that the provider meets all VCP eligibility requirements and that authorizations and claims are processed in accordance with VCP requirements.
 - f) If the TPA returns the authorization or if VA cancels a previously scheduled appointment for services in VA, the original CID or the Veterans preferred date should be used to reschedule the appointment.
3. New/Renewal of Local Contracts and Sharing Agreements: At this time, no new agreements or renewals of existing local contracts and local sharing agreements should be implemented for the purchase of services covered by VCP or national contracts. Affiliation agreements or contracts for direct care services provided on-site at a VA facility are allowed, as are sharing agreements where VA clinicians are providing care in non-VA facilities. Exceptions may be granted only in urgent circumstances as determined by the DUSHOM.
4. The provisions in this memo must be strictly enforced. VISNs/facilities who do not follow the hierarchy and incur costs for VA care in the community outside of the guidelines will be required to use operating funds from the medical services account to cover the expense.
5. Questions regarding this memo may be directed to the Chief Business Officer at 202-382-2500 or sent to the following Outlook email address CBOPCNVCHierarchy@va.gov .



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cc: Chief Business Office (10NB)
VISN Business Implementation Managers (BIMs)