

PUBLICATION

Veterans Access, Choice, and Accountability Act May Result in More Patients for Medicare Providers [Ober|Kaler]

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The President signed the [Veterans Access, Choice, and Accountability Act of 2014 \[PDF\]](#) on August 7, 2014 (the “Act”). Ordinarily, the Department of Veterans Affairs (VA) provides medical care to veterans at Veterans Health Administration facilities through VA providers. The Act creates a new Veterans Choice program that allows eligible veterans to receive care from health care providers unaffiliated with a VA facility if the VA cannot provide the veteran with timely access to care. Veterans Choice is a temporary program that will expire by August 7, 2017, or when the \$10 billion Veterans Choice Fund has been spent.

The VA has 90 days to issue interim final regulations to implement the Veterans Choice program. While these regulations will determine many aspects of Veterans Choice, the new law is intended to accomplish the following:

1. Create Veterans Choice cards that will be used by eligible veterans as an insurance card to receive care outside of a VA facility and to allow the health care provider to be paid by the Veterans Choice Fund.
2. Allow qualifying providers participating in Medicare, any Federally Qualified Health Centers (FQHCs), and any Department of Defense or Indian Health Service facility to be eligible to provide care to veterans participating in Veterans Choice.
3. Establish provider agreements with eligibility requirements for providers, including satisfying the participation requirements for licensing and credentialing that is required of current VA providers under the Veterans Health Administration.
4. Establish reimbursement rates that will generally be no greater than Medicare reimbursement unless the veteran lives in a highly rural area.
5. Allow the VA to enroll eligible veterans in an electronic waiting list to determine eligibility for Veterans Choice based on wait time goals. The waiting list will be used to provide Veterans Choice information to veterans, monitor waiting times for appointments, and assist veterans to decide whether to wait for VA care or seek care under Veterans Choice.
6. Establish wait time goals of no longer than 30 days for medical services but allowing the VA to set alternate wait time goals if necessary.
7. Establish veteran cost-sharing amounts for Veterans Choice access that will be no greater than the cost-sharing amounts at a Veterans Health Administration facility.
8. Create and implement a claims processing system to handle Veterans Choice claims and to pay claims consistent with the federal Prompt Payment Act.
9. Implement Veterans Choice as a secondary payer to any other health benefit plan except Medicare or Medicaid.

Ober|Kaler's Comments

The Act will allow veterans temporary access to providers outside of the current Veterans Health Administration system for the next three years or when the \$10 billion Veterans Choice Fund has been spent.

The VA should issue interim final regulations in early November that will address both the provider issues discussed above and the eligibility criteria for veterans before the Veterans Choice program begins.

Hospitals, facilities, and physicians who participate in Medicare and FQHCs that serve areas with a large veteran population should be able to participate in Veterans Choice. While the reimbursement rates and claims processing procedures have not been finalized, those providers could see a temporary, three year increase in demand and reimbursement for their services. Providers, particularly small and rural providers, may need to train their administrative staffing to comply with the new Veterans Choice regulations and claims procedures.

The Act also included other provisions to assist the VA in funding new facilities, to provide counseling to victims of military sexual trauma, to continue two community pilot programs for veterans, and to provide greater oversight on the accountability of senior VA officials.