Goal: Getting Payments Right
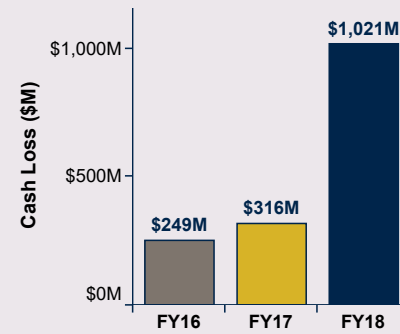
VA
Community Care

Brief Program Description:
Provides timely and specialized care to eligible Veterans and allows VA to authorize Veteran care at a non-VA health care facility when the needed services are not available through the VA, or when the Veteran is unable to travel to a VA facility.

Change from Previous FY ($M) $705M ↑

Cash Loss by FY ($M)

	Key Milestones	Status	ECD
1	Finalize cash loss estimation methodology	Completed	Nov-18
2	Identify cash loss amount for FY 2018	Completed	Nov-18
3	Identify true root causes of cash loss	Completed	Nov-18
4	Develop mitigation strategies to get the payment right the first time	Completed	Dec-18
5	Evaluate the ROI of the mitigation strategy	On-Track	Sep-19
6	Determine which strategies have the best ROI to prevent cash loss	On-Track	Dec-19

	Quarterly Progress Goals		Status	Notes	ECD
1	Q4 2018	Implement a new set of business rules in FBCS to help identify improper payments in pre-payment state.	On-Track	Work toward this task began on 11/1/2018.	Jan-19
2	Q4 2018	Implement the remaining seven Medicare Fee Schedules in FBCS.	On-Track	Work toward this task began on 9/1/2018.	Mar-19

	Recent Accomplishments	Date
1	OCC implemented the first of the seven remaining Medicare Fee Schedules in FBCS. As of 9/26/2018, the Outpatient Rehabilitation & Comprehensive Outpatient Rehabilitation Facility schedule was fully implemented in FBCS. Work toward implementing the s	Sep-18
2	OCC staff assessed best practices from subject matter experts and existing performance-based quality reviews to create a set of standardized review criteria aimed at identifying payment error trends at both the local and national levels. OCC staff al	Oct-18
3	OCC staff completed an assessment on transitioning business rules into FBCS. The assessment was focused on identifying new business rules to help identify improper payments in a pre-payment state. The assessment was completed on 10/25/2018 and resul	Oct-18

FY18 Amt($)	Root Cause	Root Cause Description	Mitigation Strategy	Anticipated Impact of Mitigation
$1,021M	Administrative or process errors made by: federal agency	Centers for Medicare and Medicaid Services (CMS) rates were not fully implemented and deployed to the claims processing system as required by 38 CFR Â§ 17.56 and 17.1005 in accordance with VA Community Care policy.	Implement the remaining Medicare Fee Schedules into VA's Fee Basis Claims System (FBCS). Schedules include: Outpatient Rehabilitation & Comprehensive Outpatient Rehabilitation Facility, Skilled Nursing Facility Prospective Payment System, Rural Heal	By implementing the remaining Medicare Fee Schedules in FBCS, VHA Office of Community Care (OCC) can ensure CMS rates are fully implemented and are available to calculate reimbursement rates. Implementing the remaining Medicare Fee Schedules will hav
		Various claims processing errors can occur due to manual processing or human intervention and therefore introduces risk. Categories include: application of scrubber edits, eligibility determinations, and keying errors.	Standardize the quality review process and establish a formal reporting process for supervisors to submit the results of quality reviews, actions taken to resolve the issues identified, and internal controls implemented to prevent future errors.	Through the implementation of a standardized quality review process, OCC will be able to detect error trends at both the local and national level. If error trends are detected, OCC staff will be in a position to act quickly to implement internal cont
		Complex pricing rules and methodologies coupled with the use of a manual pricing process results in risk and errors related to payment amounts as well as other pricing and payment methodology errors.	Implement business rules into the Program Integrity Tool (PIT) and FBCS to proactively identify improper payments in a pre-payment state.	Implementing business rules into the PIT and FBCS to proactively identify improper payments in a pre-payment state will allow OCC to stop improper payments before they happen. With each business rule that is added to the PIT and FBCS, OCC will be in