Fact Sheet 06-02

Spina Bifida Health Care Benefits Program Payment Methodology

What is the Spina Bifida Health Care Benefits Program?

The Spina Bifida Health Care Benefits Program is a health care benefits program administered by the Department of Veterans Affairs for certain Korea and Vietnam Veterans' birth children who have been diagnosed with spina bifida (except spina bifida occulta). The VHA Office of Community Care (VHA CC) in Denver, Colorado, manages this program, including the authorization of benefits and the subsequent processing and payment of claims.

The program provides reimbursement for medical services and supplies. Effective October 10, 2008, there was a change to Public Law 110-387, Section 408, which outlines the benefits available under the Spina Bifida Health Care Benefits Program. As a result of this change, medical services and supplies for spina bifida beneficiaries are no longer limited to the spina bifida condition. This program now provides health care for all of a beneficiary's disabilities and diseases.

Spina Bifida Health Care Beneftis Program Payment Methodology Summary

BENEFIT	SPINA BIFIDA HEALTH CARE BENEFITS PROGRAM PAYS
Ambulatory Surgery: Facility Services	Lesser of the billed charge or a prospective payment system (PPS) reimbursement. The PPS amount is similar to the DoD TRICARE or Medicare rate.
Ambulatory Surgery: Professional Services	Lesser of the billed charge or 100% of the VA-determined maximum allowable charge, which is similar to the DoD TRICARE or Medicare rate.
Durable Medical Equipment (DME)	Lesser of the billed charge or the VA-determined allowable amount.
Home Health Services	Lesser of the billed charge or the VA determined allowable amount.
Hospice	The Hospice reimbursement is based on the per diem National Medicare Hospice Rates for the four levels of care: routine home care, continuous home care, inpatient respite care and general inpatient care.
Inpatient Services: Professional Services	Professional services (physician fees and anesthesia) are paid the lesser of the billed amount or the VA-determined maximum allowable amount.
Inpatient Services: DRG-Based Payment System	An inpatient service occurs when the admission to a hospital is for 24 hours or more, or when the admission was intended to last for more than 24 hours. The Diagnosis Related Group (DRG) payment system is used to calculate payments for episodes of care. The DRG payment system is priced as of the date of discharge using the rules, weights and rates in effect on the date of discharge. The DRG payment rates are based on an average cost of local care and the allowable amount may be either more or less than the billed amount. DRG payment rates are similar to DoD TRICARE and Medicare rates.
Inpatient Services: Non-DRG-based	These include Christian Science Sanitoriums, foreign hospitals, long-term hospitals, rehabilitation hospitals and sole community hospitals. Payment is equal to billed charges.
Mental Health: RTC	Payment based on the lesser of the DoD TRICARE mental health per diem rate or the billed charge.
Mental Health: High Volume/Low Volume	Payment is based on the TRICARE's inpatient mental health per diem rates.
Outpatient Services (i.e., doctors visits, lab/radiology, skilled nursing visits, ambulance)	Lesser of the billed amount or 100% of the VA-determined maximum allowable amount (similar to DoD TRICARE and Medicare rates).
Pharmacy Services	Lesser of the billed amount or 100% of the average wholesale price plus a $3 dispensing fee.
Skilled Nursing Facilities	Reimbursement is based on the Medicare Resource Utilization Group (RUG) rates.

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VA
U.S. Department of Veterans Affairs
Veterans Health Administration
Office of Community Care
Spina Bifida Health Care Benefits Program

What does the Spina Bifida Health Care Benefits Program pay?

There are no co-pays or deductible for beneficiaries. Spina Bifida Health Care Benefits Program pays 100% of the allowable amount. The chart below shows a summary of the payment methodology for the Spina Bifida Health Care Benefits Program.

What is an allowable amount?

The term allowable amount (or allowable charge) is the maximum amount the Spina Bifida Health Care Benefits Program will authorize for payment to a hospital, institutional provider, physician or other individual professional, or an authorized provider for covered medical services.

Does the provider have to accept the Spina Bifida Health Care Benefits Program allowable rate?

Yes. Under Title 38 CFR 17.903(c), providers must accept the Spina Bifida Health Care Benefits Program allowable rate and cannot balance bill the patient.

How do I get more information?

- Mail: VHA Office of Community Care
  Spina Bifida Health Care Benefits Program
  PO Box 469065 , Denver, CO 80246-9065
- Phone: 1-888-820-1756, Monday-Friday from 8:05 a.m. to 6:45 p.m., Eastern Standard Time
- Fax: 303-331-7807
- Email: Follow the directions for submitting email via our Inquiry Routing & Information System (IRIS) at ***https://iris.custhelp.com/app/ask***
- Website: ***http://www.va.gov/purchasedcare/***