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## **OIG Report Confirms Existence of Veteran Claims “Black Hole”**

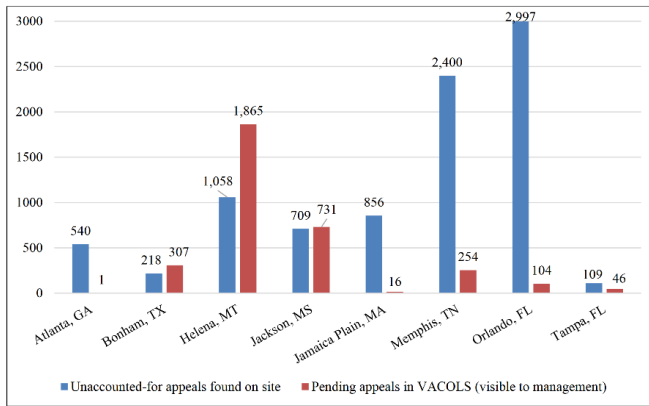
Getting reimbursed for Veteran care is rarely a ‘one and done’ process for private healthcare providers. Claims re-billing, filing of appeals, and persistent follow-up are commonplace in the laborious process of effectively procuring payment. Unfortunately, even when providers accurately fulfill all the unique requirements for reimbursement payments to be authorized, it can seem as though there’s no resolution in sight. We hear it all the time from private healthcare providers across the country; “It’s as if our Veteran claims go into a black hole”. And, based on results from the Office of Inspector General’s recent audit, it turns out that isn’t far from the truth. On the heels of the August 2019 OIG findings, and September US Court of Appeals ruling, that the VA had improperly denied billions of dollars in emergency care claims at non-VA facilities, the latest audit shows why many other claims were never resolved.

Released November 21<sup>st</sup>, the latest audit is titled ‘*VHA Did Not Effectively Manage Appeals of Non-VA Care Claims*’. While that is not groundbreaking news to anyone who has attempted to get reimbursed for Veteran care, the details of the report are rather shocking. Performed between Nov 2018 and Jan 2019, the audit was performed to determine if Veteran claims processors were doing so in accordance with the Payment Operations and Management (POM) directive. Covering all 5 regions within the Community Care Program, the audit included visits to 10 of the 80 POM facilities.

The Results of the Audit Include:

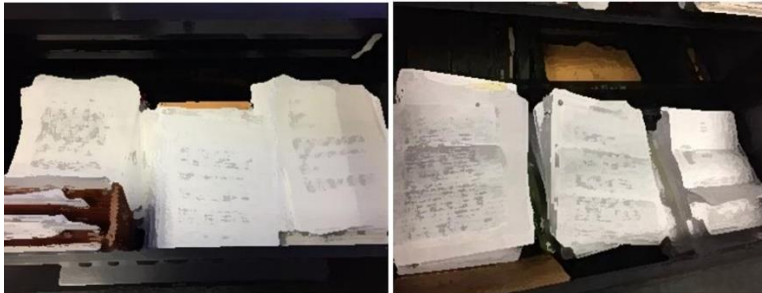
- More than 8,800 potential appeal documents found in file cabinets, boxes, cubicles, and mail rooms that POM staff had not accounted for or entered in the Veteran Appeals Control and Locator System (VOCALS)
- 12,000 of the unprocessed appeals that were recorded in VOCALS were pending an average of 710 days
- Staff at three of the 10 POM facilities were receiving appeals but not processing them at all

As shown by the graph and photos below, improper handling of Veteran claim appeals was found at numerous locations, with Orlando and Memphis among the worst offenders.



### Orlando, FL

- 3,000 documents identified as potential unprocessed appeals. The oldest appeal document was dated 2015.
- 30 bins and 12 boxes of unopened mail in the mail room



### Memphis, TN

- Received appeals, but did not have staff assigned to process them
- Staff identified appeals from incoming mail and stored them in file cabinets, bins, boxes, and in and on top of desks at their facility
- 2,400 unaccounted-for documents, dating back to 2014

As a result of the audit, the OIG made eight recommendations to improve the overall appeals management process, “including identifying and processing existing appeals, ensuring incoming appeals are directed to and received by facilities that will process the appeals, providing staff

clear policies and procedures, and ensuring appropriate staff gain access and use the appeals system of record.”

Combined with plans to consolidate from 80 POM locations to 13 by February 2021 and increase staff from 91 to 125, hopefully for private providers the recommended changes are made and prove effective. As implementation of the MISSION Act continues to increase Veteran access to private care, a better methodology of processing claims is desperately needed.

Source of Data, Graphics and Photographs:

Department of Veterans Affairs, Office of Inspector General

<https://www.va.gov/oig/pubs/VAOIG-18-06294-213.pdf>

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