



**DEPARTMENT OF VETERANS AFFAIRS**

**8320-01**

**Reasonable Charges for Inpatient Medical Severity-Diagnosis Related Groups (MS-DRG) and Skilled Nursing Facility (SNF) Medical Services; v3.26, Fiscal Year (FY) 2020 Update**

**AGENCY:** Department of Veterans Affairs.

**ACTION:** Notice.

**SUMMARY:** This document updates the acute inpatient and the skilled nursing facility (SNF)/sub-acute inpatient facility charges. The updated charges are based on the Medicare severity-diagnosis related groups (MS-DRG) for Fiscal Year (FY) 2020.

**FOR FURTHER INFORMATION CONTACT:** Romona Greene, Office of Community Care, Revenue Operations, Payer Relations and Services, Rates and Charges (10D1C1), Veterans Health Administration, Department of Veterans Affairs, 810 Vermont Avenue, NW, Washington, DC 20420; email: [Romona.Greene@va.gov](mailto:Romona.Greene@va.gov); telephone: (202) 382-2521 (This is not a toll-free number.)

**SUPPLEMENTARY INFORMATION:** Section 17.101(a)(1) of title 38 of the Code of Federal Regulations (CFR) sets forth the Department of Veterans Affairs (VA) medical regulations concerning "Reasonable Charges" for medical care or services provided or furnished by VA to a Veteran: for a nonservice-connected disability for which the Veteran is entitled to care (or the payment of expenses of care) under a health plan contract; for a nonservice-connected disability incurred incident to the Veteran's

employment and covered under a worker's compensation law or plan that provides reimbursement or indemnification for such care and services; or, for a nonservice-connected disability incurred as a result of a motor vehicle accident in a state that requires automobile accident reparations insurance. The methodologies for establishing billed amounts for several types of charges are found in 38 CFR 17.101; however, this notice will only address the acute inpatient and the SNF/sub-acute inpatient facility charges.

Based on the methodologies set forth in 38 CFR 17.101(b), this notice updates the acute inpatient facility charges that were based on the FY 2019 MS-DRGs. Acute inpatient facility charges by MS-DRGs are posted on the Veterans Health Administration (VHA) Office of Community Care's website, at the following link: [www.va.gov/communitycare/revenue\\_ops/payer\\_rates.asp](http://www.va.gov/communitycare/revenue_ops/payer_rates.asp), under the "Reasonable Charges Data Tables" section, Inpatient Data Table, as Table A (v3.24). This Table A corresponds to the Table A referenced in 83 Federal Register (FR) 47412, September 19, 2018. Table A (v3.26) referenced in this notice provides updated charges based on the FY 2020 MS-DRGs and will replace Table A (v3.24) posted on the VHA Office of Community Care's Web site.

Also, this document updates the SNF/sub-acute inpatient facility all-inclusive per diem charge using the methodologies set forth in 38 CFR 17.101(c). This charge is adjusted by a geographic area factor that is based on the location where the care is provided. For the geographic area factors, see Table N, *Acute Inpatient*, and Table O, *SNF*, on the VHA Office of Community Care's Web site under the v3.25 link in the "Reasonable Charges Data Tables" section. Tables N and O are not being updated by

this notice. The SNF/sub-acute inpatient facility per diem charge is posted on the VHA Office of Community Care's Web site under the "Reasonable Charges Data Tables" section, Table B (v3.24). This Table B corresponds to the Table B referenced in 83 FR 47412, September 19, 2018. Table B referenced in this notice is v3.26, which provides an update to the all-inclusive nationwide SNF/sub-acute inpatient facility per diem charge and will replace Table B (v3.24) posted on the VHA Office of Community Care's Web site.

The charges in this notice for acute inpatient and SNF/sub-acute inpatient facility services are effective October 1, 2019.

This notice is retaining the table designations used for acute inpatient facility charges by MS-DRGs, which are posted on the VHA Office of Community Care's Web site under "Reasonable Charges Data Tables." This notice is also retaining the table designation used for SNF/sub-acute inpatient facility charges, which are also posted on the VHA Office of Community Care's Web site. Accordingly, the tables identified as being updated by this notice correspond to the applicable tables referenced in 83 FR 47412, September 19, 2018.

The list of data sources presented in Supplementary Table 1 (v3.26) reflects the updated data sources used to establish the updated charges described in this notice and will be posted on the VHA Office of Community Care's Web site under the "Reasonable Charges Data Sources" section.

The list of VA medical facility locations is also updated. In Supplementary Table 3, posted on the VHA Office of Community Care's Web site under the VA Medical Facility Locations section, VA set forth the list of VA medical facility locations, which

includes the first three digits of their zip codes and provider-based/non-provider-based designations.

Consistent with VA's regulations, the updated data tables and supplementary tables containing the changes described in this notice will be posted on the VHA Office of Community Care's Web site, under the "Payer Rates and Charges" information section.

### Signing Authority

The Secretary of Veterans Affairs, or designee, approved this document and authorized the undersigned to sign and submit the document to the Office of the Federal Register for publication electronically as an official document of the Department of Veterans Affairs. Robert L. Wilkie, Secretary, Department of Veterans Affairs, approved this document on September 26, 2019, for publication.

Dated: September 26, 2019

**Jeffrey M. Martin,**  
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