

July 31, 2008

## HEALTH BENEFIT APPEALS PROCESSING

**1. PURPOSE:** This Veterans Health Administration (VHA) Directive provides policy guidance regarding Health Benefit Appeals and its certification to the Board of Veterans' Appeals (BVA).

*NOTE: For Clinical appeals consult current VHA policy.*

**2. BACKGROUND:** In accordance with Title 38 Code of Federal Regulation (CFR) Part 20, when a veteran is denied a benefit, the veteran may file a "Notice of Disagreement" (NOD), which is a written communication expressing dissatisfaction or disagreement with a decision rendered by the Department of Veterans Affairs (VA). When a NOD is received, the Business Office manager, or equivalent, is responsible for developing the case into a formal appeal, which can be submitted to BVA for a final decision. This Directive outlines VHA policy for processing health benefit appeals at the facility level and the submission of appeal records to the Chief Business Office (CBO) (163), for certification to BVA. *NOTE: Health benefit appeals are also known as medical appeals.*

**3. POLICY:** It is VHA policy that when a veteran has been administratively denied a medical benefit, the veteran must be advised of the veteran's right to appeal that decision, and the correct process for initiating such an appeal.

### 4. ACTION

a. **Facility Director.** The facility Director or designee is responsible for ensuring:

(1) Claimants who are denied medical benefits are afforded due process by providing a Veterans Claims Assistance Act Notice (VCAA); VA Form 4107VHA, Your Rights to Appeal Our Decision; VA Form 21-22, Appointment of Veterans Service Organization as Claimant's Representative; and VA Form 21-22a, Appointment of Attorney as Claimant's Representative. *NOTE: Medical facilities need to interact with the VHA, CBO (163) regarding appeals which originate at their facility.*

(2) Administrative staff adheres to established timeframes.

(3) A Health Benefit Appeal record is established. This record must contain copies of the following information in sequential order:

(a) A record of the veteran applying for benefits; for example: application for care, request for payment of non-VA medical services, request for a prosthetic item, request for beneficiary travel, request for dental services.

(b) A Hospital Inquiry (HINQ)

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(c) The pre-decisional VCAA notice that was sent with the original due process documents.

(d) Denial notice that has been dated and signed.

(e) Notice of Disagreement (NOD). *NOTE: The veteran, or authorized representative, must specify in relative detail what the veteran is appealing.*

(f) The Statement of the Case (SOC).

(g) A signed and dated VA Form 9, Appeal to Board of Veterans' Appeals.

(h) VA Form 8, Certification of Appeal.

(i) FL 1-26, Notice to Claimant of Transmittal of Appeal to BVA.

(4) The forwarding all appeal files directly to the CBO at the following address:

VHA Chief Business Office (163)  
810 Vermont Avenue, NW  
Washington, DC 20420

(5) Returning to VHA CBO (163), within 14 days, any incomplete appeal that was returned to the facility by VHA CBO (163). If timeliness cannot be met, VHA CBO (163) must be notified to request an extension.

b. **VHA, CBO (163)**. The VHA, CBO (163) is responsible for ensuring:

(1) That all appeals received are reviewed for completeness.

(2) Any appeal determined to be incomplete is returned to the submitting health care facility for corrective action.

(2) That appeals information is entered into the Veterans Appeals Claims Locator System (VACOLS) to be placed on BVA's docket.

(3) The scheduling of Video, Travel Board, and VHA Central Office hearings when requested.

(4) That Health Benefit Appeals records are transferred to BVA for final decision.

## 5. REFERENCES

a. Title 38 CFR, Chapter 1, Parts 3, 17, 19, 20

b. Title 38 U.S.C. Sections 5904, 7104(a), 7105(d)(3), 7304

c. Guide to Processing Appeals (January 2004), found at:  
<http://vaww1.va.gov/CBO/appeals.asp>

**6. FOLLOW-UP RESPONSIBILITY:** The Chief Business Officer (16) is responsible for the content of this Directive. Questions are referred to (202) 254-0405.

**7. RESCISSION:** VHA Directive 2002-053, Changes in Health Benefit Appeals Processing, is rescinded. This VHA Directive expires July 31, 2013.

Michael J. Kussman, MD, MS, MACP  
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