

**VETERANS HEALTH ADMINISTRATION (VHA)  
INCOME VERIFICATION MATCH (IVM) PROGRAM**

- 1. REASON FOR ISSUE:** This Veterans Health Administration (VHA) Directive provides policy for the Income Verification Match (IVM) Program.
- 2. SUMMARY OF MAJOR CHANGES:** This Directive revises and updates policy and procedures associated with the VHA IVM Program.
- 3. RELATED ISSUE:** None.
- 4. RESPONSIBLE OFFICE:** The Office of the Chief Business Officer (16) is responsible for this Directive. Questions may be directed to (404) 235-1300.
- 5. RESCISSIONS:** VHA Directive 1909, dated January 13, 1998, is rescinded.
- 6. RECERTIFICATION:** This VHA Directive is scheduled for recertification on or before the last working day of February 2008.

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Under Secretary for Health

DISTRIBUTION: CO: E-mailed 2/26/2003  
FLD: VISN, MA, DO, OC, OCRO, and 200 – E-mailed 2/26/2003



## INCOME VERIFICATION MATCH (IVM) PROGRAM

**1. PURPOSE:** This Veterans Health Administration (VHA) Directive provides policy for the Income Verification Match (IVM) Program.

### 2. BACKGROUND

a. Title 38 United States Code (U.S.C.) 1722 established eligibility assessment procedures, based on income levels, for determining whether or not non-service connected (NSC) veterans and non-compensable zero percent service connected (SC) veterans who have no other special eligibility are eligible to receive Department of Veterans Affairs (VA) medical care at no cost. Title 5 U.S.C., 5521, 26 U.S.C. 6103 (1)(7) of the Internal Revenue Code, and 38 U.S.C. 5317 establish authority for VHA to verify veterans' attributable income information against records maintained by the Internal Revenue Service (IRS) and Social Security Administration (SSA) when that information indicates the veteran is eligible for cost-free VA health care.

b. The Health Eligibility Center (HEC) administers VHA's IVM Program through computer matching of veterans' attributable income information with Federal Tax Information (FTI) from IRS and SSA. The IVM Program provides VHA with the mechanism to ensure the integrity of veterans' income-based eligibility assignments for VA health care, the recoupment of lost copayments through the first-party billing process, and improved identification of unreported health insurance.

c. The IVM Program adheres to stringent guidelines set forth by IRS and SSA to ensure appropriate security and safeguarding of FTI. Due to these rigorous information security requirements, the IVM Program is centralized to and performed at HEC in Atlanta, GA.

d. HEC verifies all Social Security Numbers (SSNs) prior to any income matching activity. The SSNs of all veterans and their dependents identified in the financial assessment will be verified through computer matching activity with SSA. If IRS and SSA income matching identifies discrepancies in the veteran's self-reported income that potentially impact eligibility for VA health care benefits, HEC must independently verify the IRS and SSA income data. If the veteran's eligibility for VA health care benefits is changed as a result of the income verification process, HEC will transmit the updated eligibility information to those facilities that cared for the veteran during the applicable income-reporting period.

e. VHA Directive 2001-073, Means Test Transmission to Health Eligibility Center, dated November 30, 2001, provides medical facilities with instructions and guidelines for the required transmission, via FAX and/or imaging program, of all completed and signed financial assessments to HEC. **NOTE:** *HEC has established an electronic file system for the signed financial assessment (VA Form 10-10EZ, Application for Health Benefits), to ensure that the income information is "self-reported" and that VA can properly "attribute" income for matching purposes.*

**3. POLICY:** It is VHA policy that HEC is responsible for the IVM Program, i.e., verifying NSC and non-compensable zero percent SC veterans' attributable income through computer matching activity with IRS and SSA.

#### **4. ACTION**

a. **Data Collection for Income Verification.** When a veteran completes an initial application for care or updated financial assessment, it is automatically transmitted to HEC along with information used to identify the veteran, spouse and any other dependents. HEC will request IRS and SSA FTI only after:

(1) Indication that the veterans' attributable income is below the established threshold for copayment exemption,

(2) The veterans' SSNs have been verified by SSA, and

(3) HEC has positive evidence of a signed financial assessment.

b. **Signed Means Tests.** Financial assessments are reviewed for the presence of a dated signature by the veteran, or an appropriate representative when proper authorization is present, such as a power of attorney or documentation of legal guardianship. A mark by the veteran, co-signed by two witnesses, is also accepted. HEC will maintain images of both the signed financial assessment and any power of attorney in the HEC imaging database

c. **SSN Validation**

(1) To verify veterans' and their spouses' SSNs, HEC must:

(a) Submit person identifiers (name, date of birth, SSN and gender) to SSA for verification.

(b) Contact the veteran and/or spouse, in writing, to obtain correct information if SSA cannot verify their SSNs.

(c) Contact the appropriate VA health care facility (ies) to update their records with the corrected SSN data.

(2) When corrected SSNs are identified and entered into VHA information systems, it is the responsibility of the facility field staff to ensure that the veteran's consolidated health record and all ancillary records reflect the corrected SSN. Facilities need to follow locally established policies for changing the SSN in remote databases as appropriate.

d. **Verification Process.** HEC Income Verification Division sends veterans and spouses individual letters to confirm income information reported by IRS and SSA and to request health insurance coverage information. The veteran must be provided extensive due process and appeal rights information in accordance with prescribed regulations and policies. HEC does not change the veteran's copayment status until information supplied by IRS and SSA has been

independently verified either by the veteran, employer, a financial institution, or through appropriate due process procedures.

e. **IVM Conversion from Copayment Exempt to Copayment Required.** If the verified financial assessment results in a change to the veteran's eligibility for VA health care benefits, a conversion indicator reflecting that the veteran's status has been changed to "Means Test Copay Required" or "Geographic Means Test Copay Required" is electronically transmitted to the VA health care facility (ies) involved in the veteran's care.

f. **Billing, Reporting ,and Notification**

(1) **Health Care Facility Staff.** The health care facility staff where the veteran received care is responsible for billing converted cases within 60 days of notification from HEC. **NOTE:** *Software is being developed that will provide HEC with billing activity reports for each veteran converted to Means Test Copayment Required as a result of the matching process.* Facilities have a reports module that allows staff to review billing status to ensure compliance with the 60-day deadline. Subsequently, HEC prepares summary management reports regarding billing and collection activities resulting from the IVM Program.

(2) **VISN and Facility Directors.** VISN and Facility Directors must establish performance standards and quality monitors to actively ensure that sites initiate billing activity for all HEC referrals within 60 days of receipt. To ensure that 80 percent of all cases converted as a result of the matching program are processed for billing within 60 days, performance standards for program officials responsible for managing first-party billing activities must be monitored by VISN and facility Directors.

g. **Security.** The IVM Program must adhere to stringent confidentiality guidelines set forth by IRS and SSA to ensure appropriate security and safeguarding of FTI. Information received from the income match activity can not be shared with facilities. Any breach of security requirements may result in loss of VHA's matching agreements with IRS and SSA. Veteran requests for release of IVM financial assessments and related information must be forwarded to HEC for processing.

h. **Release of Information.** Health care facility staff may respond to general inquiries about the IVM process. Requests for information specific to veterans' income verification activity cannot be discussed or shared; therefore, the veteran must be referred to HEC's toll-free telephone number, 1-800-929-8387 (VETS) for response. Inquiries from VA health care facility staff may be referred to 404 235-1257.

## 5. REFERENCES

- a. Title 38 U.S.C. 1503.
- b. Title 38 U.S.C. 1722.
- c. Title 38 U.S.C. 5317.

d. Title 5 U.S.C. 5521.

e. Title 26 U.S.C. 6103 (1)(7).