

# **PARTIAL RESCISSION**

## **MANUAL M-1, OPERATIONS PART I, MEDICAL ADMINISTRATION ACTIVITIES**

### **CHAPTER 2, QUARTERS AND SUBSISTENCE, PARAGRAPH 2.07**

VHA Manual M-1, Part I, Chapter 1, **Paragraph 2.07** which follows, was **rescinded** by VHA Directive 7631.1 , Elimination of Federal Tax Exemption for Key Employees Occupying Quarters, dated **October 28, 1999**.

**Manual M-1, Operations. Part I, Medical Administration Activities**

**Chapter 2, Quarters and Subsistence (Sections I through IV;  
Paragraphs 2.01 through 2.61; Appendix 2A and Appendix 2B)**

**Paragraph 2.07 only (Key Employees Required to Occupy Housekeeping Quarters)  
is rescinded by VHA Directive 7631.1, dated October 28, 1999**

This document includes:

Title page and Foreword for M-1, Part I, dated **May 27, 1968** (Change 107)  
Contents page for M-1, Part I, dated **July 27, 1993**  
Contents pages for Chapter 2, dated **July 9, 1991** (Change 5)  
Rescissions page for Chapter 2, dated **June 3, 1992** (Change 6)  
Text for paragraphs 2.01 through 2.09, dated **March 11, 1988** (Change 4)  
Text for paragraphs 2.10 through 2.18a, dated **July 9, 1991** (Change 5)  
Text for paragraphs 2.18b through 2.33d.(2), dated **August 24, 1983** (Change 1)  
Text for paragraphs 2.33d.(3) through 2.38 (first part), dated **June 3, 1992** (Change 6)  
Text for paragraphs 2.38 (second part) through 2.61, dated **January 13, 1983**  
Text for Appendix 2A, dated **January 13, 1983**  
Text for Appendix 2B, dated **June 20, 1984** (Change 2)

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**Earlier Changes** also listed at the end of the document:

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Interim Issue 10-73-43 (and Attachments A through F) dated **November 19, 1973**  
Interim Issue 10-73-42 dated **November 2, 1973**  
Interim Issue 10-73-35 dated **October 10, 1973**  
Interim Issue 10-73-33 dated **October 4, 1973**  
Interim Issue 10-73-30 dated **October 3, 1973**  
Interim Issue 10-73-29 dated **September 27, 1973**

VETERANS ADMINISTRATION

DEPARTMENT OF MEDICINE AND SURGERY MANUAL

PART I

**M-1**  
CHANGE 107

# OPERATIONS



PART ONE

MEDICAL  
ADMINISTRATION  
ACTIVITIES

WASHINGTON, D.C. 20420

MAY 27, 1966

RESCINDED  
Paragraph 2.07 only  
October 28, 1999

M-1, Part I  
Change 107

Department of Medicine and Surgery  
Veterans Administration  
Washington, D.C. 20420

May 27, 1968

Part I, "Medical [Administration] Activities," VA Department of Medicine and Surgery  
Manual M-1, "Operations," is published for the compliance of all concerned.

*H. M. Engle*  
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## FOREWORD

VA Department of Medicine and Surgery Manual M-1, "Operations," promulgates certain policies and mandatory procedures concerning administrative management and medical [administration] operational activities of the Department of Medicine and Surgery. It is for [ ] application at all VA [ ] hospitals, domiciliaries, centers, regional office outpatient clinics, VA outpatient clinics, [ ] the VA prosthetic center, prosthetic distribution centers, and all Veterans Canteen Service installations.

This manual consists of [seven] parts as follows:

- Part I --- Medical [Administration] Activities
- Part II --- Prosthetic and Sensory Aids
- Part III --- [Domiciliary] Administration *Voluntary Services*
- Part IV --- Veterans Canteen Service
- [Part V --- Performance Standards
- Part VI --- Restoration Programs
- Part VII --- Building Management Service]

*3/10/85 Part VIII - Management Analyst Program*  
Parts II [through V] have been issued as complete parts. Part I is comprised of [27] chapters with titles as indicated in the table of contents. Chapters, as completed, will be issued separately as changes to this manual. Each chapter has its own title page, re-scission page and table of contents.

This manual will ultimately rescind the provisions of VA Manuals M10-3, M10-6, and M10-11, [ ] pertinent to medical [administration] activities. All directives not in conflict with the provisions of this manual may be utilized for informational and guidance purposes only.

[ ]

*6/188 IX - Staffing Guide Lines*

*4/20/89 X - CHAMPVA Program (not added)*

RES ONLY  
Paragraph 28  
October

## PART I. MEDICAL ADMINISTRATION ACTIVITIES

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*This Chapter was Reserved, but  
was never written. IT  
NEVER EXISTED.*

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The following material is rescinded.

1. COMPLETE RESCISSIONS

a. Interim Issues

- II 10-214
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- II 10-75-18
- II 10-79-24
- II 10-79-28
- II 10-81-34
- II 10-82-43
- II 10-82-52

b. Manuals

(1) MDC-7

Chapters 1, 2, 3, 6, 7, and 8; figures 1 and 2; appendixes A and B

(2) M10-6

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(3) M-1, Part I, changes 27, 36, 44, 74, 84, 56, 112, 121

c. Technical Bulletins

TB 10A-251

d. Circulars

10-83-64

10-90-083, Supplement No. 1

e. All Station Letters and/or Other Communications

Date	Subject
September 21, 1953	Quarters, Subsistence, and Laundry Furnished to Individuals Serving on a "Without Monetary Compensation" Basis

## CHAPTER 2. QUARTERS AND SUBSISTENCE

### SECTION I. QUARTERS

#### 2.01 GENERAL

The VA policy covering the furnishing of quarters to employees is contained in appendix 2A. Policy governing charges for rental quarters is provided in appendix 2B. Annual costs to the Government for maintenance and operation of personnel quarters will be offset by annual rental receipts at each facility in accordance with DM&S Supplement to MP-3, paragraph 3.19. This policy contemplates that quarters necessary for effective operation will be fully utilized or, if not fully utilized, reported to the Associate Deputy Chief Medical Director, through the appropriate Regional Director, for discontinuance. Full utilization means a minimum of 90 percent occupancy of available rooms in nonhousekeeping quarters. Quarters structures which cannot be maintained at full utilization will not be kept open for occupancy. However, one nonhousekeeping structure for female personnel and one for male personnel may be operated at less than full utilization. Recommendations for discontinuance of quarters will include a proposal for disposition of the Government property involved. Rates applicable to specific groups are described in subsequent paragraphs.

a. **Responsibility.** The Chief, Engineering Service is responsible for managing the operation of housekeeping and nonhousekeeping quarters.

b. **Leases.** The leasing of quarters is not authorized except where indicated in this manual. All proceeds from such leases will be covered into the Treasury of the United States as miscellaneous receipts. The rentals will be collected in accordance with applicable fiscal procedures. Rental collections for leased quarters will be in advance by the month. Proration of rentals and refunds will not be made in the event the lease is terminated during a rental period, except in the event of discharge, separation for the convenience of the Government, or transfer of the employee; however, when termination of employment is anticipated, less than a full month's rental may be collected for that month, such amount to be prorated according to the number of days of occupancy. Charges may be prorated also when the tenant is assigned quarters after the first of the calendar month.

c. **Execution of Lease.** VA Form 08-6056a, Lease Between United States of America and —, will be used for the leasing of quarters.

#### 2.02 ASSIGNMENT TO EMPLOYEES

No personnel, other than those listed in paragraph 2.07 of this manual will be required to live on the facility grounds. When other employees desire to live on the facility grounds, and quarters are available, they may be assigned at the discretion of the Director.

#### 2.03 ASSIGNMENT TO OTHER PERSONS

On specific approval by the Director, available quarters may be furnished patients' or members' relatives or visitors, guests of employees, VA employees on extended detail, VA employees in travel status, and other authorized personnel specified in this chapter. Quarters so provided will be a bedroom (and bath, if available) and will include such items as linen, soap, towels, and maid service, if authorized. A relative or other person when visiting on account of the serious illness of a patient or member, will be entitled to priority in assignment of quarters. The Director will be responsible for establishing adequate procedures to ensure appropriate collections in all cases.

#### 2.04 SUBRENTING

Quarters may not be subrented either directly or indirectly.

#### 2.05 SHARING

Nonhousekeeping quarters may be temporarily shared with visiting relatives of employees.

## 2.06 EMPLOYEES IN TRAVEL STATUS OR ON DETAIL

As a general rule, when employees in travel status or on detail desire quarters they will be assigned to nonhousekeeping quarters, if available. However, when there is a furnished house, apartment, or other housekeeping quarters available, this space may be assigned at the discretion of the Director.

## 2.07 KEY EMPLOYEES REQUIRED TO OCCUPY HOUSEKEEPING QUARTERS

It has been administratively determined that the following employees in the order named in VA medical centers, medical and regional office centers or domiciliaries must be assigned to quarters, if available, and live on the facility grounds.

It has been administratively determined that if quarters are available, employees in certain positions in VA medical centers, medical and regional office centers or domiciliaries must be assigned to quarters and live on the facility grounds. The assignments must be made in the following order:

Management Representative (Director, Associate Director or Assistant Director)

Engineering Representative (Chief Engineer, Assistant Chief Engineer, Staff Engineer, Chief M&R or Chief Operations)

Clinical Representative (Chief of Staff, Associate Chief of Staff, Chief, Bed Service or Staff Physician)

At medical centers without an Associate Director, an administrative service chief can be designated as a management representative and as a required occupant.

A deviation shall be granted to permit the continued occupancy of a current resident designated as a key employee occupant under previous guidelines; however, upon the vacancy of such an employee, revised guidelines will become applicable.

Where there is a combined health care facility, each division of the facility will be considered as a separate facility for the purpose of this paragraph. In such cases, the Director will be required to reside at one and the Associate Director at the other. When the Director also serves as Clinical Representative, the Associate or Assistant Director will be required to live in housekeeping quarters to assist the Director in discharging management functions. The rental charge for these housekeeping quarters will not be regarded as part of the employees' gross salary for Federal income tax purposes under current Internal Revenue Service rulings.

a. **Exceptions.** In individual cases, extenuating circumstances may indicate that a listed employee should be permitted to live elsewhere. Permission for the Director to live off facility grounds must be obtained from the ADCMD (Associate Deputy Chief Medical Director) (10B). The medical center Director may grant permission for other listed employees to live off facility grounds if necessary service or coverage is provided by a designated substitute tenant. In such instances, a written certification attesting to the qualifications of the substitute tenant must be placed in records at the facility. Any substitute assignments must be made with the clear understanding that the assignment is temporary and subject to cancellation in the event the incumbent in one of the listed representative positions is replaced. In all instances of substitute assignments, such employees will be required to live on facility grounds, in quarters, in the same manner as the three listed functions. The rental charges for the employee who occupies quarters in lieu of the listed employees will be regarded as part of that employee's gross salary for income tax purposes even though occupying the quarters designated for one of the above-listed functions. When circumstances indicate that other employees must reside on station as a condition of employment, a written request for designation as a key employee occupant must be approved by the ADCMD.

b. **Other Employees Occupying Housekeeping Quarters.** Housekeeping quarters in excess of the three sets of quarters indicated above may be assigned in accordance with the determination of the Director as to priority. The rental charge for these quarters will be considered as part of the employee-occupant's compensation (salary deduction). When housekeeping quarters are assigned to facility canteen or purchase and hire employees, such quarters will be covered by lease.

**2.08 COLLECTION BY SALARY DEDUCTION**

Rental charges to employees for occupancy of quarters will be collected by salary deduction.

**2.09 COLLECTION IN ADVANCE ON LEASE BASIS**

Extended assignments (30 days or more) to other than that facility's employees will be covered by lease, e.g., purchase and hire, etc.

RESCINDED  
Paragraph 2.07 only  
October 28, 1999

## 2.10 REGULAR ASSIGNMENTS TO NONHOUSEKEEPING QUARTERS

Assignment to quarters either designated for male or for female occupancy will be made without regard to position title.

## 2.11 FURNISHED WITH CHARGE

- a. **Relatives or Other Persons Visiting Patients or Members.** The daily rate applies.
- b. **Relatives or Other Persons Visiting Employees.** The daily rate applies, unless the visitor occupies housekeeping quarters assigned to the employee.
- c. **Salaried Representatives of Service and Welfare Organizations on Full-time Duty at the Facility.** The monthly rate applies, and collections in advance on a lease basis.

## 2.12 FURNISHED WITHOUT CHARGE, IN LIEU OF MONETARY COMPENSATION, FOR SERVICES RENDERED

The following persons who render services to VA and do not receive monetary compensation for these services may be furnished quarters on the basis indicated below without charge if the services rendered are commensurate with the rental charge:

- a. **On an Occasional Basis.** (1) Those who render services on an occasional basis and who are authorized to serve in the "without compensation" category. Examples: VAVS volunteers, a troupe of "performers" and/or nonemployee attendants; (2) Staff physicians and residents who perform scheduled duty after normal working hours or who serve as Officers of the Day.
- b. **On a Regular Basis.** Students or trainees participating in affiliated programs as well as individuals rendering regular, emergency and "on call" service of a quasi-technical or paramedical nature. After appropriate approval for each program and individual has been obtained, appointments will be made under the authority of 38 U.S.C. 4114 in accordance with the provisions of VHA Supplement to VA Manual MP-5, part II, chapter 2.
- c. **Emergency Situations.** Directors, after declaring that an emergency exists, will use their discretion in authorizing quarters free of charge to employees serving in the emergency situation. The hardship on the employee, relative ease or difficulty in utilizing an alternative lodging resource, and possible adverse reaction to charging for lodging while at the same time requiring the employee's presence should be taken into consideration. Emergency situations are defined as extreme weather conditions, public emergency situations such as breakdown of public equipment, serious interruption of public transportation services, civil disaster, fire, flood, etc., which would normally permit excusing employees from duty or reporting for duty, without charge to leave.

## 2.13 FURNISHED TO VA RESIDENTS AS PARTIAL COMPENSATION FOR THEIR SERVICES

- a. VA may provide free quarters to VA medical and dental residents whose index hospital counterparts receive free quarters as partial compensation.
- b. VA may furnish free quarters to VA residents who serve short rotations (6 months or less) at a VA medical facility and establish the need for a second residence because the

substantial distance to the VA medical center makes commuting from the university affiliate impractical while the brevity of the training assignment rules out a permanent change of residence. In this situation, free quarters would be furnished to both residents on the VA payroll and residents appointed to VA WOC (without compensation).

c. The use of the authority in paragraphs a. or b. requires the written approval of the ACMD for Academic Affairs.

d. When free quarters are provided to residents pursuant to paragraphs a. and b. the value of their stipends, which is the value of the quarters plus any cash compensation, shall be reviewed pursuant to MP-5, part II, chapter 3, change 22, paragraph 3A.09b(2). If required by this manual provision the cash stipend paid to a resident shall be reduced by the value of the quarters.

#### **2.14 RECORD OF ASSIGNMENTS**

Adequate records will be maintained to reflect the cost of operating quarters and the rate of utilization. The records will contain the rental rate for each unit, the name of the individual assigned, date of assignment, and date of termination. These records will be reconciled periodically with fiscal records to assure that proper collections have been effected, and will be retained for review by the General Accounting Office and other authorized personnel. VA Form 10-2125, Veterans Administration Guest Lodging Authorization and Temporary Receipt, will be used to record assignments to "guest" quarters.

#### **2.15 BUILDING MANAGEMENT SERVICE**

Routine cleaning will be provided in community areas in nonhousekeeping quarters. Periodic cleaning activities will be provided on a scheduled basis. Maid service may be provided in nonhousekeeping quarters when authorized by the Director and reflected in the rental rate. Housekeeping quarters will be cleaned as necessary only between occupants. Pest control services will be provided in housekeeping and nonhousekeeping quarters as appropriate. Interior design services will be included in the medical center interior design plan for housekeeping and nonhousekeeping quarters.

#### **2.16 USE OF FACILITY LAND FOR GARDENING PURPOSES BY PERSONNEL OCCUPYING FACILITY QUARTERS**

The Director may designate and set aside an area or areas for gardening purposes in accordance with the provisions of VHA Supplement to MP-3, paragraph 2.12. Patients or members will not be assigned to the care of employees' gardens as an occupational therapy or other detail. Use of Government tools, implements, equipment, fertilizers, supplies, etc., for developing or maintaining personal gardens is prohibited.

#### **2.17 RENTAL RATES**

a. The monthly rate will be applicable when quarters are assigned by salary deduction or lease.

b. When the following persons are supplied quarters at a VA facility, on a temporary or transient basis, the quarters occupied will be charged for at rates equivalent to private transient housing of comparable type and quality. A daily rate will be charged for each

"lodging day" supplied. A lodging day will extend from 12:00 noon 1 day to 12:00 noon the succeeding calendar day. However, when local circumstances warrant, Directors may designate a lodging day that begins and ends at times other than 12:00 noon. Such a designation, when made, will be issued as a facility policy statement and made known through distribution and posting to all concerned persons. Charge will be made for full days only; fractions of days will be considered as full days. No charge will be made if the lodging arrangements are mutually canceled prior to occupancy. When no rental properties are available for comparison, the rates to be charged will be arrived at by employing the real estate concept of "rental value." These rates will be established through application of appendix 2B, together with applicable VA Regulations.

- (1) Relatives or other persons visiting patients.
- (2) Relatives or other persons visiting employees (including relatives sharing nonhousekeeping quarters).
- (3) Employees in travel status or on detail, occupying nonhousekeeping quarters while on per diem.
- (4) Individuals performing official duties at the facility, not specifically covered elsewhere.

**c. The Following Special Considerations Are Applicable**

- (1) An employee absent on leave will not be furnished separate quarters at another facility without charge therefor. The charge for quarters provided at the employee's duty facility (salary deduction or otherwise) will not be considered as payment for quarters occupied at another facility during a period of leave.
- (2) No charge will be made to the guest of an employee when the guest is accommodated in housekeeping quarters assigned to that employee.
- (3) No charge for sleeping accommodations will be made to an employee living elsewhere who is required to remain on duty status overnight.
- (4) When employees in travel status or on detail are assigned to housekeeping quarters, they will be charged the monthly rate; one-thirtieth of the monthly rate will be charged for each day the quarters are occupied.
- (5) No charge for sleeping accommodations will be made to an employee living elsewhere who is serving in an "on-call" capacity and who elects to remain overnight and such election is determined to be beneficial to the facility.

**2.18 CONDITION OF HOUSEKEEPING AND NONHOUSEKEEPING QUARTERS**

The Resident may be billed for:

- a. Any unnecessary roughness or damage above and beyond fair wear and tear. Unnecessary roughness or damage is defined as: irreparable damage to both personal property (refrigerator, stove or dishwasher); and/or building service equipment

October 28, 1999

**ELIMINATION OF FEDERAL TAX EXEMPTION FOR  
KEY EMPLOYEES OCCUPYING QUARTERS**

- 1. PURPOSE:** This Veterans Health Administration (VHA) Directive clarifies and changes existing Department of Veterans Affairs (VA) policy that required specific key employees to be assigned to quarters, if available, and live on the facility grounds.
- 2. SUMMARY OF CONTENTS:** This VHA directive supercedes existing VA policy that required specific key employees (a management representative, a clinical representative, and an engineering representative) to be assigned to quarters, if available, and live on the facility grounds. In compliance with Federal policy, this directive clarifies that occupancy of quarters is voluntary, except under certain conditions where the agency requires it to provide for needed services or protect VA property.
- 3. RELATED ISSUES:** VA Directive 7631, Quarters Management.
- 4. FOLLOW-UP RESPONSIBILITY:** The Chief Facilities Management Officer (18/181B), is responsible for the contents of this directive.
- 5. RESCISSIONS:** This directive rescinds VHA Manual M-1, Part I, Chapter 2, paragraph 2.07, Key Employees Required to Occupy Housekeeping Quarters, dated March 11, 1988.
- 6. RECERTIFICATION:** This directive is scheduled for recertification on or before the last working day of October 2004.



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Acting Under Secretary for Health

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(sink, tub, toilet, lights); and/or any defacement of interior or exterior walls, windows, flooring, door and other fixtures.

- b. Any charges to haul excess trash, left either inside the quarters or on the grounds outside the quarters.
- c. Any cleaning over and above normal average time of 16 hours restorative cleaning.

2.18-2.20 (Reserved.)

## SECTION II. SUBSISTENCE

### 2.21 GENERAL

- a. The VA and other Government agencies are required to charge for subsistence at a rate which is commensurate with the cost incurred by the agency for the subsistence. Appendix 2A will be used as a guideline for establishing the appropriate subsistence rate.
- b. All references in this manual to authorizing persons other than inpatients, to receive meals in VA dining room facilities, are subject to the availability of such facilities as determined by the Director.

### 2.22 DEFINITIONS

- a. **Full Subsistence.** Three meals a day from 5 to 7 days per week. The exact number of days will be predetermined as appropriate.
- b. **Partial Subsistence.** One or two meals a day for 5 days a week; or, in specified cases, 6 or 7 days a week.
- c. **Annual or Contract Rate.** Based on the complete aggregate cost of three meals a day, 7 days a week for 11 months and prorated as indicated in current VA subsistence rates schedule.
- d. **Regular Subsistence.** Full or partial subsistence at the applicable annual rate.
- e. **Occasional Meal Rate.** Based on the complete aggregate cost of individual meals.
- f. **Substitution of Meals.** When an employee misses a meal, he or she is not entitled to substitute another, either on the same or subsequent days. If an employee is required to work beyond the normal tour of duty, either extra hours on 1 day or an extra day(s) in a week, and is not to receive overtime pay for this duty, he or she may take an equivalent meal(s) as a substitute for the meal(s) not taken during compensatory or "in lieu" time off.
- g. **Contract.** VA Form 10-4560, Request and Authorization for Quarters, Subsistence, Garage or Parking Facilities and Laundry, will be authorized as a contract in all salary deduction cases.
- h. **Meal Tickets.** VA forms standardized to insure uniformity of procedure.

### 2.23 EMPLOYEES LIVING IN NONHOUSEKEEPING QUARTERS

- a. Employees occupying nonhousekeeping quarters may contract to receive meals, either full or partial subsistence, with the approval of the Director or his/her designee. Where dining room facilities are limited, priority for requests from employees in general will be given to those in nonhousekeeping quarters.
- b. Where VCS, commercial eating establishments, etc., are available, these employees may elect to use such resources. As a general policy, employees who make such an election will not be permitted to eat in VA dining room facilities.

## 2.24 EMPLOYEES LIVING IN HOUSEKEEPING QUARTERS

As a general policy, employees occupying housekeeping quarters will not be permitted to eat in VA dining room facilities. Where circumstances fully justify a deviation from this policy, the Director may authorize these employees to contract for full or partial subsistence subject to the availability of adequate VA dining room facilities.

## 2.25 EMPLOYEES LIVING OFF THE FACILITY GROUNDS

Employees living off the facility grounds will not be permitted to eat in VA dining room facilities when other resources are available. (Occasional meals may be authorized as provided in par. [2.31.]) When such other resources are not available and adequate VA dining room facilities are available, these employees may be permitted to contract for one or two meals a day, 5 days per week.

### 2.25.1 DIETETIC SERVICE PERSONNEL

Adequate controls by which food consumption by employees can be monitored to ensure payment must be in effect.

## 2.26 VETERANS CANTEEN SERVICE EMPLOYEES

Full or partial subsistence may be provided under the administrative conditions prescribed for other employees, including the conditions governing charges and adjustments. [Costs will be deducted by payroll deduction on the same basis as for all other employees.]

## 2.27 PURCHASE AND HIRE EMPLOYEES

Annual rates will be appropriate for the full employment period only if such employees will be continuously employed on the project for a period in excess of 30 calendar days. Otherwise, the daily rate is applicable. [OF 1114, Bill for Collection, will be issued on a regular payroll period basis to recapture the amount of the applicable full annual rate.]

## 2.28 VA EMPLOYEES ON TEMPORARY DUTY OR DETAIL

a. Employees under contract at their home facility may be furnished the same meals at the temporary duty facility, and subject to mutual agreement by the two Directors. If the employee is on per diem, this provision is applicable only if the authorized per diem rate has been reduced by an amount equal to the daily subsistence rate.

b. Employees not under contract may be furnished subsistence at the occasional meal rate.

## [2.29 MEALS FURNISHED TO NONCAREER MEDICAL AND DENTAL RESIDENTS (HOUSE STAFF) BASED ON LOCALITY PRACTICES

a. Facility Directors may establish matching meal plans for noncareer medical and dental residents based on practices found at the facility's index hospital. (For definition of index hospital, see DM&S Supp., MP-5, pt. II, par. 3A.09.) Plans so established will provide VA paid or WOC exchange noncareer residents with gratuitous or reduced-cost meals under terms and in amounts comparable to those made available to residents at the index hospital. For example, if the index hospital provides 3 meals a day "in kind," 5 days a week at no cost to residents, the matching VA meal plan may provide up to 3 gratuitous meals a day, 5 days a week. Local management considerations may result in the VA matching meal plan being less permissive than the index hospital's meal plan. The locally developed and approved meal plan, however, may not be more permissive. Written exceptions may be granted by the ACMD for Academic Affairs, under unusual circumstances.

b. Facilities establishing matching meals plans for noncareer residents will maintain close liaison with the index hospital in order to assure that practices remain as comparable as practicable. The Chief of Staff is responsible for assuring that index hospital meal practices are formally reviewed once each year. The Chief of Staff will assure that records of these reviews are properly maintained. The review file should include a current copy of the index hospital's meal policy

statement, if available. In any event, the file should contain material provided by the index hospital which would be adequate for audit purposes.

c. Index hospital policies regarding meals for residents vary substantially throughout the nation. Variations include 3 gratuitous meals daily up to 7 days a week, 3 gratuitous meals daily 5 days a week, a gratuitous noon meal daily, gratuitous meals incident to Officer of the Day duty, gratuitous meals incident to weekend duty, gratuitous meals incident to standby or "on call" duty, meals at discount rates, up to \$90 worth of gratuitous meals per month, meals at nominal cost, such as \$1 each, etc. It should be possible to establish a matching meal plan to meet any of these circumstances. The Chief of Staff is responsible for establishing procedures necessary for implementing such plans.

d. The locally developed meal plan will be used in lieu of stipend supplements described in DM&S Supp., MP-5, pt. II, par. 3A.09(4)(b) when an index hospital provides meals "in kind" or at discount. It will not be used to correct inequities unrelated to index hospital meal policies. It will not be used in lieu of index hospital meal allowances paid totally in cash. It will not apply to noncareer residents during those periods when they may, coincidentally, be serving as fee-basis admitting physicians.

#### 2.30] NON-VA PERSONNEL

a. Full-time salaried representatives of recognized service organizations who occupy nonhousekeeping quarters may be furnished subsistence at the annual rates and under the same administrative requirements applicable to VA employees. If not occupying nonhousekeeping quarters, occasional meal rates are applicable.

b. **Relatives or Other Persons Visiting Patients or Members.** Occasional meal rates apply.

c. **Persons Engaged in Authorized Activities at the Facility.** Occasional meal rates apply.

d. **Guests of Employees.** Occasional meal rates apply.

#### [2.31] OCCASIONAL MEALS

a. An occasional meal, at the occasional meal rate, may be authorized by the Director for employees and other persons, consistent with the needs of the facility.

b. Occasional meals may be authorized *at no cost* for outpatients in accordance with [paragraphs 2.33 and 2.33.1.]

#### [2.32] MEALS FURNISHED WITHOUT CHARGE FOR SERVICES RENDERED

a. **General.** At the discretion of the Director, persons who are authorized to provide services to the VA without compensation may be provided meals or other nourishment free of charge on an occasional basis when the value of the services is commensurate with the value of the meal. Examples are VAVS volunteers, a troupe of performers, nonemployee attendants, blood donors who contribute blood without charge to the facility, etc. Persons who are remunerated for the services performed are ineligible. Except as noted in subparagraph b(1) below, employees serving in standby situations or "on call" cannot receive free meals.

##### b. Specific

(1) Residents who perform scheduled duty after normal working hours (including weekends and holidays) or who serve as Officers of the Day are entitled to meals without charge during these assignments. These include supper, the late night meal or substitute, breakfast (where the tour of duty has included the previous night) and lunch (Saturday, Sunday and holidays only). These do not include meals which are furnished under annual contract for which salary deductions are made. The Chief of Staff is responsible for establishing procedures to insure that these physicians are properly scheduled and the Dietetic Service is given advance notice of their names and schedules. This notice will be given the morning after duty in emergent instances. Physicians performing such duties for a fee are excluded from this provision even though such physicians may coincidentally hold additional appointments as VA noncareer residents. At the discretion of the Director,

residents serving in standby situations or "on call" may receive free meals while performing services at the facility over a meal hour, but only if they do not receive compensation for the services and only if the facility's index hospital (as defined in DM&S Supp. to VA Manual MP-5, pt. II, ch. 3) authorizes such meals for its residents who perform similar duty.

*NOTE: Meals may not be furnished without charge to staff physicians.*

(2) During an emergency, meals may be provided on the same basis as quarters. (See par. 2.12c.)

(3) Meals and refreshments will not be served to individuals attending meetings or conferences at VA facilities. These include Medical District or Regional meetings, veterans' service organizations, secretary council, visits by groups such as student groups, Deans Committee, medical society, etc.

(4) Beverages, food or other nourishment for between meal snacks for other than patients or blood donors will not be served.

(5) Meals will not be authorized without charge for employees who, while on a tour of duty, accompany patients on an outing or trip or otherwise attend or supervise patients in dining room facilities or elsewhere when the patients are eating meals.

#### [2.32.1 REFRESHMENTS AT ANNUAL RECOGNITION CEREMONIES FOR VOLUNTEERS

Facility unarmarked General Post Funds may be used for the purpose of providing refreshments at annual recognition ceremonies for volunteers. Expenditures for this purpose can not exceed \$500 per year. Requests for exceptions to exceed the \$500 limit should be forwarded to the appropriate Regional Director (135). Comptroller General Decision B-152331, dated November 19, 1975, recognized the propriety of using General Post Funds for this purpose. The Administrator authorized the Chief Medical Director to establish maximum expenditures.

#### [2.33] MEALS FURNISHED WITHOUT CHARGE TO OUTPATIENTS

Outpatients, including applicants for treatment, may be provided meals without charge under the following circumstances:

a. When a veteran requests and is determined eligible by Medical Administration Service for the necessary expenses of travel (including lodging and subsistence) to or from a VA facility or other place for the purpose of examination, treatment or care and is either issued authorization for transportation, meals and lodging, or is reimbursed for the actual expenses of same (excluding reimbursement based on mileage), and the authority for the meal(s) is issued as an expense incidental to the travel in the form of a meal ticket for use at a VA Canteen or Dietetic Service dining room facility, or

b. A beneficiary was requested to report in the morning for examination or treatment without breakfast, or

c. A veteran is held over at the VA health care facility as a lodger, when the necessity for the layover has been medically or administratively determined in accordance with the provisions of VA Manual M-1, part I, chapter 1, section V, or

d. Veterans participating in an ongoing outpatient program approved by the Chief Medical Director, which includes meals without charge as part of the total services made available to the veteran participants. Examples are:

(1) The Day Hospital Program (Program Guide G-9, M-2, pt. X);

(2) Certain patients in the Day Treatment Program (G-10, M-2, pt. X). In this program, meals without charge are provided only within an established program as part of the specific treatment plan for a veteran. That is, meals may be provided only if they are prescribed by the physician as part of the overall treatment plan. It is not intended to be a perpetual arrangement. Meals without charge are not intended for every veteran participating in the Day Treatment Program;

(3) Veterans participating in an established Adult Day Health Care Program designed as a medical model, who are receiving medical services ordered by a physician. Meals without charge may be provided if the medical services are provided over a meal hour, and the meals have been specifically prescribed by a physician as part of the medical services that were ordered.

e. Meals without charge will not be provided to mental hygiene patients or to other veterans who happen to be at a VA health care facility over a meal hour, whether by appointment or not, unless eligibility is established under the provisions of this paragraph. Meals without charge will not be offered to veterans as an inducement or reward for participation in a program, or to continue treatment.

#### 2.34 TYPE OF MENU

a. **Basic Menu.** All persons for whom subsistence is authorized will be served from the same menu as that provided for beneficiaries on regular diet.

b. **Modified Diets.** Modified diets will be provided to patients only.

#### 2.35 (Reserved.)

### SECTION III. RATES, CHANGES AND ADJUSTMENTS

#### 2.36 RATES

a. **Rental Rates.** The policy governing the establishment of monthly rental rates for quarters will be found in DM&S Supplement to MP-3, chapter 3, paragraphs 3.01 through 3.18.

b. **Subsistence Rates.** Dietetic Service at each facility will establish the cost for meals. The rates for subsistence will be based on the aggregate cost of meals, to include the cost of raw food, food preparation and service, and an inflation factor established by VA Central Office Dietetic Service (111I).

c. **Rates Under Salary Deduction.** The annual subsistence rate is based on the complete aggregate cost of three meals a day for 11 months, but this actual charge to the employee is prorated over a 12-month period. In view of this 1 month credit, no adjustment may be made for subsistence not taken during periods of leave, except as provided in paragraphs 2.42 and 2.43. The per annum rates, which represent eleven-twelfths of the aggregate annual cost, are shown in paragraph 2.40. The facility developed subsistence rates will be approved by the facility Director, coded into the paid system, and published locally. Directors are responsible for granting permission to employees to elect to take and pay for meals under contract.

d. **Annual Review of Rates.** To ensure recovery of the full cost of subsistence furnished to employees and other authorized persons, an annual review of established rates will be made by Dietetic Service Central Office (111I).

e. **Code.** Types of subsistence service are designated by code as shown in paragraph 2.40. The applicable code will be recorded on VA Form 10-4560.

### 2.37 METHODS OF COLLECTION

a. **Salary Deduction.** When subsistence is authorized as a part of compensation (salary deduction), payment will be effected and collections made in accordance with applicable fiscal procedures.

b. **Cash Collections.** When subsistence is provided on an occasional meal basis, or at the annual rates to those not subject to salary deduction, payment will be effected and collections made in accordance with the provisions of DM&S Supplement, MP-4, part I, paragraph 1E.04.

### 2.38 SUBSISTENCE RATES AND CODES

a. **Rates.** (See current VA subsistence rates schedule.)

b. **Coding Types of Subsistence Services.** The following two-digit code will be used to describe the service to be furnished employees. The number for a particular item involved and which is listed under one of the digits below will be shown as that digit in the code.

#### 1st Digit

1. Employees on rotating shifts.
2. Residents on partial subsistence 7 days a week.

3. Other employees.
4. Residents on partial subsistence 6 days a week.

#### 2nd Digit

All employees, including those on rotating shifts, and residents whose meals vary.

1. Breakfast.
2. Noon or evening meal.
3. Full subsistence.
4. Breakfast and noon or evening meal.
5. Noon and evening meal.

Employees on rotating shifts

6. One meal a day.
7. Two meals a day.

Residents whose meals vary

8. One meal a day.
9. Two meals a day.

#### 2.39 CHANGES IN SALARY DEDUCTION

A salary deduction based on a completed VA Form 10-4560 may be changed only upon approval by the facility Director or designee.

#### 2.40 MANDATORY CHANGES

In cases of resignation, separation, transfer, or extended leave without pay (covering a period of 30 consecutive calendar days or more), an employee will be relieved from the provisions of VA Form 10-4560 on the last day of active duty and will not be entitled to any services formerly provided under that authorization. No deduction for subsistence will be made from lump sum payments for accumulated annual leave.

#### 2.41 PROCESSING REQUESTS FOR CHANGES

To the fullest extent practicable, changes in salary deductions should be made effective at the beginning of a pay period. VA Form 10-4560 will be utilized for this purpose.

#### 2.42 ADJUSTMENTS IN SALARY DEDUCTIONS FOR SERVICES NOT UTILIZED

As a general rule, no refund or credit will be allowed to employees under salary deduction for quarters, subsistence and laundry services not utilized during periods of annual and/or sick leave. Refund or credit is permissible, however, under certain conditions as provided in paragraph 2.43. With respect to quarters, the appropriate rental charge will continue during all periods of authorized and unauthorized absences unless the quarters are actually vacated and are available for other assignment. The vacating of quarters means the removal of all personal effects from the quarters and from VA control and responsibility.

## 2.43 CONDITIONS UNDER WHICH ADJUSTMENTS ARE APPLICABLE

a. **When on Leave Pending Return.** For employees in a leave status who will resume utilization of services upon expiration of the leave, adjustments are permissible:

(1) For quarters vacated and available for reassignment when the employee is on extended leave for sickness or educational purposes. Extended leave, in this instance, means a minimum period of 30 calendar days, and adjustments may be made for this minimum period and all excess days.

(2) For meals not taken, when on sick leave, if the period of illness extends beyond 10 consecutive workdays. No refund or credit will be granted for meals not taken during the first 10 consecutive workdays of the period of illness. Annual leave taken in lieu of sick leave will be considered as sick leave in this context.

(3) For laundry services not utilized under conditions described in subparagraphs (1) and (2) above.

(4) For all services not utilized when granted military or court leave.

(5) For meals not taken during an extended period of LWOP (leave without pay) covering 30 consecutive calendar days or more, in which case adjustments may be made from the first day of absence from duty in an LWOP status.

b. **When on Leave Pending Separation.** For employees in a leave status pending separation, salary deduction arrangements for services not utilized will be terminated when the employee is:

(1) In an annual leave status pending separation for military service.

(2) In an annual or sick leave status pending separation for disability retirement.

(3) In an annual or sick leave status pending retirement.

c. **LWOP From Which There Is No Return to Duty.** Where an employee is in LWOP status from which there is no return to duty, adjustments may be made for all services not utilized from the last day of duty.

d. **Absence on Official Duty or Excused Leave.** When the employee receives per diem, no adjustment is permissible. When the employee receives no per diem, proportionate adjustments may be made for services not utilized.

e. **Upon Restoration to Duty After Removal, Suspension, or Furlough Without Pay.** If an employee is removed, suspended or furloughed without pay from a position, and is subsequently restored to active duty with compensation for the periods of absence, deductions will not be made from the employee's salary for the quarters, subsistence and laundry services not utilized during that absence.

f. **Administrative Requirements.** When an administrative action warranted by exceptional circumstances require discontinuance of quarters, subsistence and laundry services, appropriate action will be initiated concurrently to provide for the discontinuance of salary deductions for the period the employee is not permitted to utilize the services.

## 2.44 PROCESSING REQUESTS FOR ADJUSTMENTS

Requests for adjustments in salary deductions under the conditions set forth in paragraph 2.43 will be the responsibility of the employee concerned. The request will be channeled through the appropriate organizational elements for verification of the facts. The chief of the service concerned or designee will sign and forward the request to the Fiscal Service for refund or credit action.

2.45-2.47 (Reserved.)

**SECTION IV. MEAL TICKETS****2.48 TYPES OF EMPLOYEE MEAL TICKETS**

The following types of subsistence tickets will be issued as applicable to employees who have subsistence contracts:

- a. VA Form 10-7095, Employee's Full Subsistence Ticket; VA Form 10-7096, Employee's Partial Subsistence Ticket (1 meal); or VA Form 10-7097, Employee's Partial Subsistence Ticket (2 meals).
- b. An embossed subsistence plate may be used in lieu of the full or partial subsistence ticket.

**2.49 AUTHORIZATION FOR ISSUE OF MEAL TICKETS**

Subsistence tickets (or plates) will be issued by the Dietetic Service on receipt of VA Form 10-4560, Request and Authorization for Quarters, Subsistence, Garage, or Parking Facilities and Laundry. Tickets (or plates) may be carried by the employee or retained on file in the Dietetic Service. When retained on file in the Dietetic Service, such tickets (or plates) will be available to those employees who are on authorized meal(s) contracts. When this latter procedure is used, the facility must assure that personnel using the meal tickets (or plates) are so entitled.

**2.50 ISSUE PERIODS**

- a. Printed subsistence tickets will be issued on a 28-day cycle. Instructions for entries are contained on the reverse of the meal tickets.
- b. Embossed plates will be reissued when a change in the subsistence contract requires a new plate.

**2.51 HONORING MEAL TICKETS**

- a. Meal tickets will be punched by an employee at the time each meal is served.
- b. Employees holding embossed plates will imprint a meal request ticket on a hand imprinter in the serving line and deposit the imprinted ticket at the end of the serving line.

**2.52 COLLECTION OF EXPIRED MEAL TICKETS**

On the last day of each issue period, the Dietetic Service will collect expired tickets and issue new tickets for the next issue period.

**2.53 RETENTION OF CANCELED OR EXPIRED MEAL TICKETS**

Canceled or expired tickets will be retained by the Dietetic Service and disposed of in accordance with DM&S Records Control Schedule 10-1.

**2.54 RETENTION AND AUDIT OF IMPRINTED MEAL TICKETS**

- a. All meal tickets imprinted from the embossed subsistence plates will be filed daily under the individual employee's name or plate number. A 10 percent cyclic audit sampling will be made for each 28-day period to determine whether employees in the sampling conform to contract limitations. Employees will be billed at the occasional rate for meals taken in excess of the contract. They will also be cautioned that further excess usage will result in disciplinary action. If the sampling audit indicates significant irregularities, a complete audit of all imprinted meal slips for that particular period will be taken.

- b. Imprinted meal tickets will be retained by the Dietetic Service and disposed of in accordance with DM&S Records Control Schedule 10-1.

## 2.55 REPLACEMENT OF SUBSISTENCE TICKETS OR PLATES

Employees will promptly report lost tickets or plates to the Dietetic Service. Request for duplicate tickets or plates will be made in writing by the employee to the Dietetic Service. The replacement plate/ticket will be identified as a duplicate.

## 2.56 COLLECTION OF TICKETS OR PLATES AT TIME OF SEPARATION

The operating service will be responsible for collecting subsistence tickets or plates from employees at time of separation. These will be forwarded to the Dietetic Service as part of the employee clearance procedure.

## 2.57 PREPARATION OF SUBSISTENCE PLATES

When plates are used in lieu of tickets the following minimum data will be embossed on the plates:

- a. Name of facility and location.
- b. Employee's name.
- c. The employee's plate number and the applicable subsistence code number.

## 2.58 PATIENT MEAL TICKETS FOR USE IN DINING ROOM FACILITIES

a. **Inpatient Diet Cards.** The Chief, Dietetic Service is responsible for issuing and maintaining VA Forms 10-2748a, Diet Card (Regular), or 10-2749a, Diet Card (Modified), for every person admitted to the medical center and for coordination with medical and allied services for effective scheduling and dietary care. Following discharge of the patient, the forms will be disposed of in accordance with DM&S Records Control Schedule 10-1.

b. **Outpatient Meal Tickets.** When meals are required for eligible outpatients, the following types of meal tickets will be issued:

(1) VA Form 10-2817, Veterans Administration Special Meal Ticket, will be issued to outpatients when dining room facilities are available in Dietetic Service. A separate ticket will be issued for each meal. The Director will delegate authority to concerned employees, e.g., medical administration, nursing, Officer of the Day, etc., to authenticate and issue VA Form 10-2817, Veterans Administration Special Meal Ticket. The Chief, Dietetic Service will review this function at least quarterly to determine that meals furnished outpatients on authority of VA Form 10-2817 are being provided in accordance with approved policy. Out-of-line situations, when identified, will be brought to the attention of the Director and corrective action taken. Review findings will be separately recorded and kept for later study, if indicated, and disposed of in accordance with DM&S Records Control Schedule 10-1.

## 2.59 GUEST MEAL TICKETS FOR USE IN DINING ROOM FACILITIES

a. Supply Service will be responsible for stocking and issuing VA Form 10-2684, Authority and Receipt for Guest Meal.

b. Supply Service will issue VA Form 10-2684, in blocks of 50 or 100, prenumbered consecutively before issued, starting with the number 1 at the beginning of each fiscal year.

c. When the prenumbered forms are delivered and receipted for, a copy of the receipt showing the serial numbers will be forwarded to the Fiscal Officer.

d. Meals furnished in the VA facility will be considered in three categories:

- (1) Meals furnished with charge.

- (2) Meals furnished without charge, in lieu of monetary compensation, for services rendered.
- (3) Meals furnished without charge during an emergency.

e. The Director will approve paid guest meals and authenticate VA Form 10-2684, or delegate the authority to the chief dietitian or designee. The Director will also approve and authenticate the form for gratuitous meals, or delegate the authority to the appropriate official.

f. Gratuitous meals will be authorized by one of the two procedures described below:

(1) Employees who are serving without compensation and have subsistence contracts will be issued subsistence tickets. VA Form(s) 10-7095, 10-7096 or 10-7097, employee's full and/or partial subsistence ticket, will be used. Embossed subsistence plates may be used in lieu of the standardized forms; or

(2) Employees, volunteers, entertainers, and other persons not having contracts for subsistence, and eligible to receive gratuitous meals, will be authorized such meals by issuance of VA Form 10-2684, Authority and Receipt for Guest Meal. This applies only when Dietetic Service has facilities available to furnish the meals.

g. One of the following two administrative processes will be used to authorize paid guest meals or gratuitous meals:

(1) A separate VA Form 10-2684 will be completed and presented to the Dietetic Service for each person authorized a meal; or

(2) A separate VA Form 10-2684 will be completed for two or more persons with the names of the authorized persons entered on the reverse. The total number of diners will be entered on the face of the form in the block "Signature of VA Employee or Name of Recipient." When space is inadequate to enter all of the names, only the total number of persons will be recorded and a list of names with signatures will be attached to the form. This number will be entered on the face of the form in the block, Signature of VA Employee or Name of Recipient, after the name of the person heading or coordinating the group, i.e., "Mr. John Doe, \_\_\_\_\_, and 15 guests."

Title

h. The responsible employee will maintain a record of all VA Forms 10-2684, Authority and Receipt for Guest Meal, received from Supply Service. Controls will be coordinated with the Fiscal Officer to insure that there is an accounting for each VA Form 10-2684, and that collection is effected where indicated.

## 2.60 AUTHORIZING ELIGIBLE EMPLOYEES, VETERANS, VOLUNTEERS AND OTHERS TO OBTAIN MEALS AT VA EXPENSE FROM VCS FOOD SERVICE ACTIVITIES

When the Director has determined that it is advantageous to the VA, the following procedures will be observed in authorizing persons other than inpatients to obtain gratuitous meals from VCS Food Service activities:

a. The employee assigned the responsibility by the Director will submit a memorandum to the Chief, Canteen Service at the beginning of each month indicating the estimated number and cost of gratuitous meals to be furnished during the monthly period to each of the three groups of persons identified below:

- (1) Employees.
- (2) Beneficiaries (including nonemployee attendants).
- (3) All Other Eligible Persons.

b. Establish and maintain with Fiscal Service VA Form 4-1358, Estimated Miscellaneous Obligation or Change in Obligation, as required by current instructions, in an amount representing the estimated cost of authorizations that will be issued during the month.

c. Establish local procedures necessary to provide that cost of meals furnished employees will be charged to the cost center where the employee is assigned, using subaccount 2580. Cost of meals for beneficiaries (including nonemployee attendants) will be charged to cost center 602, using subaccount 2120. Cost of meals furnished other eligible persons will be charged to the cost center where the cost is incurred using subaccount 2580. At the end of each month the Canteen Service and Dietetic Service will notify the Fiscal Service by memorandum of the number of meals furnished WOC (without compensation) by cost center so the costs can be charged to subaccount 1069. This information must be received in sufficient time to be included in the current month's fiscal records.

d. The employee assigned the responsibility by the Director will issue a signed and numbered VA Form 10-3558, Veterans Administration Meal Ticket, to employees, WOC employees, volunteers, beneficiaries, and all others who are authorized to receive meals. The meal ticket, numbered and issued in numerical order, will show the date the meal is authorized, the name of the authorized recipient and the appropriate block will be checked as to the type of recipient. The issuing official will check the appropriate service block and sign the meal ticket. Each recipient will sign the meal ticket when issued and present it to the VCS cashier after selecting a meal. (The procedures in par. 2.59g(2) may be observed for utilization of one VA Form 10-3558 for several persons in a group.)

e. VA Form 10-7095, Employee's Full Subsistence Ticket, VA Form 10-7096, Employees' Partial Subsistence Ticket (one meal), or VA Form 10-7097, Employees' Partial Subsistence Ticket (two meals), when appropriately issued may be used also.

f. The Chief, Canteen Service will establish a petty cash fund from Canteen Service's resources and place it in the custody of a VA employee to enable authorized persons in each eligible category to purchase food from VCS vending machines when VCS is closed. The same procedure will be used for authorizing, receiving and receipting for cash as when dealing with the VCS food service cashier for meals received. In lieu of the petty cash fund from the VCS, imprest funds may be advanced by the agent cashier to the Medical Administration Service employee designated by the Director for this purpose. In either instance, the provisions of subparagraph c above apply.

#### **2.61 MEALS FOR OUTPATIENTS AND VOLUNTEERS WHEN VA DINING ROOM AND VCS FACILITIES ARE UNAVAILABLE**

When neither Dietetic Service dining room facilities nor VCS Food Service activities are available (nonexistent, closed, etc.), eligible outpatients and volunteers may be issued VA Form 60-3266a, Request for Meal or Lodging, for use in commercial eating establishments. See M-2, part XVII, paragraph 4.01 and MP-1, part II, chapter 3, paragraph 1e for volunteers and MP-1, part II, chapter 3, paragraph 4e for outpatients.

## GENERAL POLICY COVERING THE FURNISHING OF QUARTERS AND SUBSISTENCE TO VA EMPLOYEES

### 2A.01 DEFINITIONS

- a. **Quarters** includes all facilities owned or leased by the VA which are designated as housekeeping or nonhousekeeping quarters.
- b. **Hospital** also includes VA domiciliaries as well as any VA facility which provides hospital care.
- c. **Authorized Representative** is the Director of the VA facility.
- d. **Complete Aggregate Cost of Meals** includes the cost of raw food, preparation, serving, transportation, wastage, spoilage, maintenance of dining room and kitchen electricity, fuel used in heating and cooking, water, and depreciation on kitchen and dining room equipment.

### 2A.02 ASSIGNMENT AND OCCUPANCY OF QUARTERS

- a. No employee shall be required to occupy quarters unless suitable quarters are available and the Administrator determines that necessary service cannot be rendered or property adequately protected otherwise. However, every effort will be made to permit an employee to live off the facility grounds if he/she can reasonably do so and at the same time be available to meet emergency situations. An employee who maintains a residence in the vicinity of the facility will not be required, as a general policy, to accept assignment in nonhousekeeping quarters.
- b. No refund or credit will be allowed for quarters not occupied during periods of leave when the employee returns to the same facility at the expiration of such leave, except that employees on extended leave for sickness or education may be relieved of charges for quarters if the quarters are vacated and available for reassignment.

### 2A.03 SUBSISTENCE

- a. As a general rule, where VCS commercial eating establishments, etc., are available, employees will not be permitted to eat in VA dining rooms unless the Director authorizes them to do so.
- b. Employees occupying nonhousekeeping quarters may contract to receive meals, either full or partial subsistence, with the approval of the Director or his/her designee. Employees occupying housekeeping quarters will not be permitted to eat in VA dining room facilities. Where circumstances fully justify a deviation from this policy, the Director may authorize these employees to contract for full or partial subsistence subject to the availability of adequate VA dining room facilities.
- c. Employees living off the facility grounds will not be permitted to eat in VA dining room facilities when other resources are available; when such other resources are not available and adequate VA dining room facilities are available, these employees may be permitted to contract for one or two meals a day, 5 days per week.
- d. When employees are furnished meals on a payroll deduction basis, the annual rate for full subsistence (three meals a day, 7 days a week) will be established on the basis of the complete aggregate cost of the meals furnished employees for 11 months. A proportionate charge will be made when employees take less than full subsistence on a payroll deduction basis. No refund or credit for meals not taken during periods of annual or sick leave will be allowed except when an employee is on sick leave for more than 10 consecutive working days. In this case, the credit will start on the 11th day. Annual leave taken in lieu of sick will be considered sick leave. Failure of an employee to take the meals on 1 day will not be an entitlement to extra meals on any other day. No deduction for subsistence will be made from lump-sum payments for accumulated annual leave.
- e. When employees are furnished meals on a cash basis, the charge for each meal will be established on the basis of the complete aggregate cost of the meals furnished the employee.

2A.04 LAUNDRY SERVICES

VA laundry services will not be provided to employees for their personally owned items.

RESCINDED  
Paragraph 2.07 only  
October 28, 1999

EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503  
March 28, 1984

CIRCULAR No. A-45  
Revised

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Policy Governing Charges for Rental Quarters and Related Facilities

1. **Purpose.** This Circular sets forth policies and administrative guidance to be used by executive agencies in establishing and administering rental rates and other charges for Government-furnished or leased rental quarters and related facilities.
2. **Rescissions.** This rescinds OMB Circular No. A-45, dated October 31, 1964, as amended.
3. **Authority.** This Circular is issued by virtue of the authority vested in the President by 5 U.S.C. 5911(f), and delegated to the Director of the Office of Management and Budget by Section 9 of Executive Order 11609 of July 22, 1971.
4. **Coverage.** The provisions of this Circular apply to all Government rental quarters located within the fifty States, the District of Columbia, and the territories and possessions of the United States.
5. **Policy.** It is the policy of the Federal Government that:
  - a. Rental rates and charges for Government quarters and other facilities will be based upon their "... reasonable value ..." to the employee ... in the circumstances under which the quarters and facilities are provided, occupied or made available" (5 USC 5911). As intended by the Congress, reasonable value to the employee or other occupant is determined by the rule of equivalence; namely, that charges for rent and related facilities should be set at levels equal to those prevailing for comparable private housing located in the same area, when practicable; and
  - b. Federal employees whose pay and allowances are fixed by statute or regulation may not receive additional pay and allowances for any service or duty unless specifically authorized by law (5 USC 5536). Consequently, rents and other charges may not be set so as to provide a housing subsidy, serve as an inducement in the recruitment or retention of employees, or encourage occupancy of existing Government housing.

When properly determined in accordance with the provisions of this Circular, rental rates will be fair to both the Government and the employee (or other authorized occupant), be set so as to maintain fairness between the employee in Government quarters and the employee who lives in private-sector leased housing, and not serve as an obstacle in recruiting or retaining employees. Such rental rates, moreover, should reflect a consistent local pattern for all Federal quarters in a given location.

6. **Definitions.**

- a. **Base rental rate.** The base rental rate is the rental value of the quarters, established in accordance with the provisions of this Circular, before applying any administrative adjustments or charges for related facilities.
- b. **Comparable housing.** Comparable housing is housing in the private sector which is generally equivalent in size to the rental quarters, with the same number of bedrooms, and with generally equivalent amenities and related facilities. Such housing is housing available on a landlord-tenant basis, with rental rates reflecting the fair market value of the accommodations. This is distinguished from housing rented on an "employer-employee" basis or between friends and relations, for which other considerations may have influenced the rental rates. In addition, such housing, as other Government-furnished housing (Federal, State or local) and housing provided by churches or religious societies are excluded from this definition of private housing.

c. **Established community.** An established community is ordinarily the nearest population center (Metropolitan Statistical Area or an incorporated or unincorporated city or town) having a year-round population of 1,500 or more (5,000 or more in Alaska), provided that it has minimum essential medical facilities (i.e., at least one physician and one dentist) available to occupants of Government quarters. Population determinations will be based upon the most recently published decennial census of the United States.

d. **Reasonable value.** Reasonable value for rental quarters is to be measured by the test of equivalence (i.e., what the employee would pay for comparable housing in the open market). Rental rates, including charges for related facilities when appropriate, will be based upon prevailing rates for comparable private housing located in the same general area, after taking into account those factors which reduce or increase the value of the housing to the tenant.

e. **Related facilities.** Related facilities are equipment, supplies and services made available in connection with the occupancy of quarters including, but not limited to, household furniture and equipment, garage space, utilities, subsistence, and trash and laundry services.

f. **Rental quarters.** Except as specifically excluded herein or by statute, the term "rental quarters," includes all furnished and unfurnished quarters supplied under specific Government authority to Government employees, contractors, contractor employees, and all other persons to whom housing is provided as an incidental service in support of Government programs. It includes, but is not limited to, Government-owned or leased single family dwellings, apartments, bunkhouses, dormitories, trailer pads, cabins, guard stations and lookouts, mobile homes, house trailers, permanent and semi-permanent tents, and housekeeping as well as nonhousekeeping units. The terms excludes "public quarters" designated for occupancy by members of the uniformed services with loss of allowances, but it includes quarters occupied by such personnel on a rental basis under 37 U.S.C. 403(e), 42 U.S.C. 1594a(f) and 1594b, and other authorities.

## 7. Procedures.

a. **Charges for quarters.** The determination of reasonable value of Government-furnished quarters will be based upon an impartial study of comparable private rental housing. There are two methods which may be employed to determine the base rental rate. The first, an appraisal, involves direct comparison with individual private rental housing units. The second, the regional survey, creates a series of economic models based upon a survey of comparable private rental properties throughout the region. While both methods are accurate, agencies are encouraged to utilize the survey method, whenever possible, due to the costs and administrative burdens associated with conducting individual appraisals. Regardless of the method used, results of surveys and appraisals will be reviewed by the agency prior to implementation to assure that they are fair and reasonable, and that they were developed in accordance with the provisions of the Circular. Both methods are subject to the conditions and limitations set forth below.

### (1) Appraisals

(a) **Urban and suburban locations.** If Government quarters are located in or within five miles of an established community, in an urban or suburban location, the base rental rate may be determined by either a staff or contract appraiser, applying recognized real estate valuation principles.

None of the administrative adjustments provided in paragraph 7c will be made for isolation, site amenities, space devoted to official use, or excessive heating or cooling costs when an appraisal is made in an urban or suburban location. These factors, if appropriate, will already have been considered by the appraiser in the appraisal process.

(b) **Rural areas.** When the appraisal method is used to determine the reasonable value of quarters which are not located in or within five miles of an established community, it will be subject to the following limitation: To ensure a uniform approach to valuation when conducting an appraisal in such areas, the staff or contract appraiser will be limited to comparing the Government-furnished quarters with housing in the nearest established community. If there is no adequate rental market in the nearest established community which is not unduly affected by severe economic conditions, the appraiser may select comparable rental units from the next closest established community having a rental market. Such comparison will be limited to adjustments for the physical differences in the housing. The appraiser in such instances will not make adjustments for isolation or those site amenities listed in paragraph 7c(2). These adjustments will be made administratively in the same manner as authorized for regional surveys.

(2) **Regional surveys.** Regional surveys may be used in all locations where Government quarters are located. If the regional survey method is used, the base rental rates will be set by means of a series of economic models that utilizes typical rental rates for comparable private rental housing in the general area in which the Government quarters are located. (The actual analysis of rental data for the establishment of base rental rates may be accomplished using appropriate statistical techniques, such as step-wise multiple regression.)

To avoid duplication and inconsistent rates, all agencies with quarters in a given location should coordinate their survey plans and conduct a single survey applicable to all. The area selected for survey should be large enough to permit an adequate sampling of comparable rental properties in several established communities and may encompass one or more States. Ideally, the survey would establish the rental rates for a large number of Government quarters, thereby providing an economy to the Government. The methods of analysis must be capable of recognizing both the physical characteristics and the differences in economic conditions, and reflecting such differences in the base rental rates. Private rental housing samples reflecting extremely high or low rental rates should be excluded from the data base subjected to final analysis. In those communities where the rental rates are extremely high or low, the rental housing market should be reviewed periodically between surveys to determine whether changes in the private rental market warrant revision of the base rental rates for the quarters located near those communities. Appropriate adjustments may be made to the base rental rates established for quarters in accordance with the provisions of section 7c.

**b. Charges for related facilities.**

(1) **Utilities.** It is Government policy to minimize energy consumption. Consumption has been found to decrease when occupants of Government-furnished quarters are required to pay for the actual cost of utilities used (such as electricity, oil, natural gas, propane, telephone, cable television, water and sewer). Utilities should be furnished by a private company and billed directly to the occupant, whenever possible.

When Government-furnished utilities are provided, they should be metered or measured (e.g., a ton of coal), where practicable. The rate for utilities furnished by the Government will be the same as the residential rate for these utilities in the established community or survey area used in determining the base rental rate. The consumed amount of Government-furnished utilities that are individually metered or measured will be determined by actual readings.

When Government-furnished utilities are not individually metered or measured, consumption will be determined on the basis of an analysis of the average amounts of utilities used in comparable private sector housing in the established community or survey area. (Such estimates are usually available from local utility companies.) Normally, utility charges will be clearly shown and separated from rent charges. Utility charges may be combined, however, in one charge for nonhousekeeping rooms.

(2) **Furnishings.** If there is an inadequate market of comparably furnished housing for purposes of comparison with furnished quarters, the rents on otherwise comparable unfurnished private units may be used as the base and adjusted by a reasonable charge for furnishings (i.e., household furniture and equipment). This adjustment should be based on actual replacement costs allocated over the useful life of the furnishings.

(3) **Other services.** Charges for other services provided by the Government including, but not limited to, laundry, trash and garbage removal, lawn care and snow removal will be based upon prevailing rates for such services in the established community or survey area.

(c) **Administrative adjustments.** Application of the preceding guidelines might result in some instances in rental rates that are either higher or lower than "the reasonable value of the quarters." In such instances, adjustments in the form of additions to, or deductions from, the base rental rate are appropriate in the specific situations described below. The total amount deducted for all reasons must not be excessive, resulting in a rental rate to the occupant that is less than the reasonable value of the quarters, since this would constitute a supplement of salary in contravention of law. The rental rate, after all adjustments and the addition of charges for furnishings, must not be less than 50 percent of the base rental rate, unless an adjustment for isolation has been made. In such instances, the rental rate may be set at not less than 40 percent of the base rental rate.

(1) **Isolated locations.** In some cases, the Government supplies quarters in locations where minimal community services are available but only at some distance from the quarters. In addition, travel conditions or mode of transportation

may serve to further isolate some employees from minimal community services. In such situations, the head of an agency shall grant a reasonable adjustment to ameliorate the direct economic effects of the isolation, utilizing the procedure described below and in Appendix A.

The nearest established community will be used as the community for calculating the deduction, even though that community may not serve as the location of the comparable private housing used in establishing the base rental rates. The mileage used in computing the adjustment will be the shortest route usually traveled from the rental quarters to the nearest established community. If that route is closed seasonally, a weighted average adjustment will be used for the entire year, based upon the number of months each route would ordinarily be used.

The adjustment is designed to recognize different categories of highways and modes of transportation. Because of the range of possible travel conditions and modes of transportation, point values have been assigned to each category of transportation. These point values represent differences in time, cost, or both associated with each mile of each category of transportation from the quarters to the nearest established community.

The point values are multiplied by the number of one-way miles from the quarters to the nearest established community, to produce one-way points. When travel from the quarters to the nearest established community involves more than one category of transportation, the one-way miles are distributed accordingly. The one-way points in each category are then added to produce total one-way points, which must exceed 30, or there is no adjustment. Finally, the total one-way points for all modes of transport are multiplied by an Isolation Adjustment Factor (based on the automobile mileage allowance determined by the General Services Administration) to produce the monthly dollar adjustment.

(2) **Site amenities.** Living conditions at the locations of some Government housing are not always the same as those found in or immediately adjacent to the survey or appraisal communities. In such communities, the amenities listed below are generally, but not always, present and their contributory value included in the base rent. The lack of availability of any of these items at the quarters location represents a generally less desirable condition which should be reflected as a negative percentage adjustment to the base rental rate, as shown below. Similarly, an upwards percentage adjustment should be made in the base rental rate for quarters possessing site amenities which are not present in the survey or appraisal communities used to establish the base rent.

(a) **Reliability and adequacy of water supply.** The system should provide potable water (free of significant discoloration or odor) at adequate pressure at usual outlets. (+ or - 3 percent)

(b) **Reliability and adequacy of electric service.** Service must equal or exceed a 100 ampere power system capable of providing 24-hour service under normal conditions. (Occasional temporary outages are considered normal.) If an adequate backup generator is available, the amenity will be rated as present regardless of the reliability of the primary power source. (+ or - 3 percent)

(c) **Reliability and adequacy of fuel for heating, cooling and cooking.** There should be sufficient fuel storage capacity to meet prevailing weather conditions and cooking needs. Where electricity is used to heat, cool or cook, this adjustment is to be made only when the deduction in (b), above, applies. (+ or - 3 percent)

(d) **Reliability and adequacy of police protection.** Law enforcement personnel, including Government employees with law enforcement authority, should be available on a 24-hour basis. Availability is defined as the ability to respond to emergencies as quickly as if located in, or adjacent to, an established community. (+ or - 3 percent)

(e) **Reliability and adequacy of fire protection.** Fire insurance should be available with the premium charge based upon a rating equal to the rating available to comparable housing located in or adjacent to the nearest established community, or adequate equipment and trained personnel available on a 24-hour basis to meet foreseeable emergencies. (+ or - 3 percent)

(f) **Reliability and adequacy of sanitation service.** An adequately functioning sewage disposal system and a solid waste disposal system, whether community or individually provided, should be available. Individual sewage disposal systems (septic, cesspool or other) will be considered adequate even though they may require periodic maintenance, as long as they are usable during periods of occupancy. (+ or - 3 percent)

(g) **Reliability and adequacy of telephone service.** 24-hour accessibility to commercial facilities with private lines should be available. (+ or - 1 percent) The service interruption level should not substantially exceed that normally occurring in the nearest established community. (+ or - 1 percent)

(h) **Noise and odors.** There should be an absence of significant, frequent disturbing noises or offensive odors. (+ or - 3 percent)

(i) **Miscellaneous improvements.** There should be one or more of the following improvements: paved roads, sidewalks, or street lights. (No more than a + or - 1 percent adjustment can be made for this category)

(3) **Impositions on privacy or living space.** Administrative adjustments in the base rental rate are allowed if the living space or privacy of the occupant is restricted. In each such case, the agency will make a special determination of the specific conditions making certain that the conditions have not already been reflected in establishing the base rental rate.

(a) **Loss of privacy.** If occupants are subject to loss of privacy during nonduty hours by virtue of repeated public visits (i.e., occurring several times daily) or inhibited from enjoying the full range of activities normally associated with rental occupancies due to restrictions imposed by Federal agencies, a deduction not to exceed 10 percent of the base rental rate is allowable. Proportional deductions will be made in situations of less frequency or seriousness in their impact upon privacy or usage or to reflect seasonal variations.

(b) **Space devoted to official use.** When the head of the agency determines that the use of a portion of the quarters is required for official business (i.e., office, storage, etc.), loss of living space should be reflected by an adjustment to the base rental rate, based on the square footage occupied.

(4) **Transient and temporary use of quarters for other than temporary duty assignments.**

(a) **Transient quarters.** Charges for quarters occupied on a transient basis, that is, normally for 90 days or less, will be assessed at rates equivalent to private transient housing of comparable type and quality. These rates may be set on a nightly or weekly basis, or both. If comparable private transient housing does not exist in the area, the rental may be established by determining the reasonable monthly rental rate for the quarters through application of the other provisions of this Circular, and adding to the monthly rate an additional charge of at least 20 percent to cover necessary additional administrative and service charges. The total will be divided by 30 days for the nightly rate or 4- $\frac{1}{3}$  weeks for the weekly rate.

(b) **Temporary quarters.** This adjustment will apply when an employee occupies quarters for the convenience of the Government on a temporary basis (normally more than 60 days) and does not receive per diem. Under these circumstances, if the employee maintains two households, the head of the agency is authorized to adjust the rental rate on the quarters unit so that the combined rent or rent and mortgage payment paid during the period of occupancy is not excessively burdensome. The adjustment may not exceed 20 percent of the base rental rate of the quarters unit unless the head of the agency determines that the circumstances fully justify a greater deduction.

(5) **Quarters of excessive or inadequate size or quality.** If there is a lack of housing of appropriate size or quality, an employee may be provided Government quarters of a size or quality either excessive or inadequate to that which the prudent employee would have selected in the private community. In these exceptional circumstances, the base rental rate will be reduced by up to 10 percent in direct proportion to the degree of the excess or deficiency. This reduction will not continue beyond one month after the availability of either appropriate rental quarters or private housing, except when the head of the agency determines that the reassignment of quarters will not serve to benefit the Government. The determination of the availability of alternate housing will comply with the rules of availability of housing for rent, for sale, or recently rented or sold and those concerning commuting distances contained in OMB Circular No. A-18.

(6) **Excessive heating and cooling costs.** A deduction from the base rental rate is permissible if quarters require an unreasonable additional expense to the employee for heating or cooling because of poor design, the lack of all-weather construction or other related factors. The amount of the deduction will be determined as follows: If the rental quarters in question require expenses to the occupant in excess of 25 percent for the heating or cooling season over the average of

heating or cooling for comparable housing in the same area and climate zone as determined by a suitable survey or appraisal, the head of the agency may determine that the excessive costs (i.e., those in excess of 25 percent over the average) may be deducted from the annual rental rates.

(7) **Changes in administrative adjustments.** For specific quarter rental rates, agencies should implement new administrative adjustments to reflect changes in any of the factors contained in section 7c as soon as possible after learning of those changes, normally within 30 days.

d. **Cyclical and annual adjustments.** Charges for rental quarters and related facilities shall be adjusted periodically in accordance with the following:

(1) **Adjustments based on surveys or appraisals.** Base rental rates established for rental quarters shall be affirmed or adjusted by a survey or appraisal of the private rental market, as follows:

(a) At least every fifth year or when the base rental rate for the quarters has been increased by 40 percent through application of the rent series of the U.S. City Average-Regional Consumer Price Index (CPI Rent Series), whichever occurs first, or

(b) Any year when changes in the private rental market in the nearby established community indicate a need to adjust base rental rates on the basis of a survey or appraisal of the rental market.

(2) **Adjustments based on changes in the CPI.** Annual adjustments in the base rental rate shall be made by applying the percent change in the CPI Rent Series from the month and year that the last regional survey or reappraisal of the private rental market was conducted. The new rates shall be effective at the beginning of the first pay period which starts on or after February 1 of each year. Though effective in February, the adjustment shall be based on the preceding September CPI data to provide the required lead time.

(3) **Annual adjustments for isolation.** The Isolation Adjustment Factor (currently 1.6) will be recomputed by the individual agencies each October. The recomputation will reflect the Government mileage allowance for automobiles published by the General Services Administration as of the last day of September each year. The new isolation adjustment factor will be used to compute the monthly isolation adjustment applicable to rents being charged starting with the first full pay period in February of each year. This is done to coincide with the implementation of rental rates adjusted by the CPI Rent Series each year, as required in paragraph 7d(2) of this Circular.

(4) **Annual adjustments of utilities.** To ensure that rates for Government-furnished utilities keep pace with current costs, they shall be adjusted annually. The rate will be the average residential rate for the utility in the established community or survey area as of the last day of September. The new utility rate will be charged in the first full pay period in the following February to coincide with the CPI Rent Series adjustment to rental rates.

(5) **Periodic/cycle year adjustment.** The cycle year (and survey or appraisal month within the cycle year) occurs at different times for different employee quarters within a department or agency. Therefore, since annual CPI adjustments effective in February are based on the preceding September CPI data, cycle year adjustment for any particular quarters or facility shall be made as follows:

(a) When the private rental market survey or appraisal is made during the months of August through January, no CPI adjustment will be made on the upcoming February 1, but will be deferred until the start of the first pay period which begins after February 1 of the following year. Rental adjustments based on the survey or appraisal will be put into effect in the usual manner. Example: If the survey month is September 1984, no CPI adjustment will be made in February 1985, but will be deferred until February 1986. Such CPI adjustments will be based on the changes in the CPI from the actual date of the survey through September 1985.

(b) When the private rental market survey or appraisal is made during the months of February through July, no CPI adjustments will be made in February of that year, but will be deferred until the start of the first pay period which begins after February 1 of the following year. Rental adjustments based on the survey will be put into effect in the usual manner.

Example: If the survey month is March 1984, no CPI adjustment will be made in February 1984, but will be deferred until February 1, 1985. Such CPI adjustment will be based on the changes in the CPI from the actual date of the survey through September 1984.

(6) **Newly acquired quarters.** Rates for newly acquired quarters shall be the same as those prevailing for similar Government quarters in the area. If there are no established rates, an initial survey or appraisal to establish valid and realistic comparability with private rental facilities shall be made upon acceptance of newly acquired quarters, and the corresponding rental rates shall be made effective upon occupancy. The initial CPI adjustment in rental rates shall be made as follows:

(a) When the initial survey or appraisal of the private rental market is made during the months of February through July, the initial CPI adjustment will be made at the start of the first pay period which begins after the upcoming February 1.

(b) When the initial survey or appraisal of the private rental market is made during the months of August through January, the initial CPI adjustment will be made in accordance with the procedure set forth in subparagraph (5)(a) above.

(7) **Incremental adjustments.** If new appraisals, surveys or CPI adjustments result in substantial increases in rental rates (i.e., 50 percent or more above the current rental rate), such increases may be imposed incrementally over a period not to exceed one year, on the condition that they be applied in equal increments on at least a quarterly basis.

e. **Qualifications and extensions:** The principle of comparability with private rental practice may be modified under the conditions described below:

(1) **Extension of comparability.** For lack of available alternative quarters, employees must sometimes occupy space for use as quarters which is generally unsuitable for that purpose. Such space may be unsuitable, for example, because it was originally built for seasonal occupancy only, or because it was not originally built for use as quarters. In other instances, quarters may be suitable only for particular types of occupancy, such as rooming houses, bunkhouses, bachelor quarters, residence hotel-type structures, barracks-type structures, or guard stations and lookouts.

In all such cases, if no comparable rental data can be obtained or professional appraisals are not made, rental rates will be determined by the square footage occupied, at a rate equivalent to one-half the base rental rate per square foot charged for the nearest adequate rental quarters of the same or any other Federal agency. This rate will apply only to the shelter rental, with additions thereto for all other related facilities at rates comparable to those in the area. Rental and other charges will be based upon designed capacity and, when so determined, will remain in effect for each occupant without regard to fluctuations in the number of occupants from time to time either above or below designed capacity.

In buildings where space is assigned for occupancy of several persons or families, common-use space in the building will be distributed to all occupants in proportion to the space assigned for the sole occupancy of each, to determine the number of square feet chargeable to each. Common-use space includes, for example, washrooms, stairs, hallways, storage, lobby, and lounge areas.

(2) **Quarters for uniformed service personnel.** Rental rates and other charges incident to the occupancy of quarters on a rental basis by members of the uniformed services will be established in accordance with the provisions of this Circular.

Those quarters which have been designated inadequate public quarters or substandard pursuant to law and regulations of the Surgeon General of the Public Health Service and the Secretaries of Defense and Transportation require special treatment in one respect. The total of the rental rate, plus charges for furniture and utilities (except telephone), will be adjusted, if required, so as not to exceed 75 percent of the member's basic allowance for quarters. The rental rate, as used in the preceding sentence, is the base rental rate after the additions or deductions required or authorized elsewhere in this Circular have been given effect, including that requirement contained in paragraph 7c, that the rental rate, after adjustments, will not be less than 50 percent of the base rental rate.

(3) **Instances of hardship.** In certain hardship cases where continued occupancy of public quarters by former uniformed service members and dependents or by dependents of deceased service members is permitted, an amount equivalent to the member's full basic allowance for quarters and other housing allowances (i.e., Variable Housing Allowance, etc.) may be charged for such periods of time as may be properly allowed in each particular case. Occupancy of quarters in such instances will normally not exceed 60 days.

Similarly, former Federal employees (or other occupants) and dependents or dependents of deceased Federal employees (or other occupants) may continue to occupy Federally-furnished quarters for a period normally not to exceed 60 days. Such occupants will continue to pay the established rental rate for those quarters.

(4) **Alternative requirements.** The provisions of this Circular will not apply in the following instances:

(a) When employees attend training programs at Federal or private facilities and the cost of housing is factored into the program cost to the agency or through other means, the valuation rules of this Circular need not be applied, so long as the per diem rate paid the employee is set to reflect the fact that the housing is provided at no cost to the employee. In other than training situations when employees are receiving per diem (or actual per diem expense rates) and occupying Government housing, the per diem paid the employees is set to reflect the fact that the housing is provided at no cost to the employee.

(b) When employees are receiving a remote worksite commuting allowance, in accordance with 5 USC 5942, and housing is provided at no cost to the employees, the allowance paid will consist of factors other than the housing cost portion of the allowance.

(5) **Exceptions.** Efforts have been made in the preparation of this Circular to allow for unusual circumstances that may exist with respect to rental quarters. Exceptions to the requirements included in this Circular will be prescribed, therefore, only upon written request in those very unusual circumstances when it is demonstrated to the Office of Management and Budget that the application of the provisions of this Circular will not result in a rental rate equivalent to the reasonable value of the quarters to the occupant. If an exception is granted by the Director of the Office of Management and Budget, the agency concerned will be notified in writing.

8. **Agency regulations.** The following guidelines should be observed in developing agency regulations and procedures implementing this Circular:

a. To avoid potential conflicts of interest, agencies will not assign employee occupants of quarters or their subordinates to perform appraisals or serve as members of regional survey teams used to recommend rents and other charges.

b. Where several different Federal agencies provide rental quarters in the same area, those agencies will take necessary steps to ensure a consistent local pattern in rents and utility rates. In particular, such agencies are urged to establish inter-agency committees to coordinate and oversee the establishment of consistent and uniform rental rates.

c. A full record of the findings and recommendations of the appraiser or survey team, as well as documentation to justify administrative adjustments, will be kept by the agency concerned.

d. Sufficient information will be maintained centrally by the agency to allow agency management to be informed of, and to monitor, the status of administration of the requirements of this Circular.

e. A system or procedure for reconsideration of rental determinations and other charges will be provided.

f. Employees on leave will continue to be charged for quarters and related facilities, unless the quarters are vacated and made available for reassignment.

g. In keeping with the principle of comparability, the agencies assume the customary responsibilities of the landlord; those who occupy rental quarters assume the responsibilities of tenants.

June 20, 1984

M-1, Part I  
Chapter 2  
Change 2  
APPENDIX 2B

h. Agency regulations will specify the conditions under which the agency head will require occupancy of Government-furnished quarters, in accordance with the limitations cited in 5 USC 5911(e).

i. Agency heads will ensure that Government-furnished quarters are safe and sanitary. Although adjustments to the basic rental rate are permitted for such circumstances as excessive heating and cooling costs, poor condition, and lack of potable water, such conditions should not be permitted to continue any longer than absolutely necessary.

9. **Policy review.** The policies and procedures contained in this Circular shall be reviewed within three years of the date of issuance.

10. **Inquiries.** For information concerning this Circular, contact the Office of Management and Budget, telephone 202/395-7207.



David A. Stockman  
Director

RESCINDED  
Paragraph 2.0 only  
October 28, 1999

APPENDIX A

Isolation Adjustment Computation

The monthly adjustment for isolation, as described in paragraph 7c(1), is computed, as follows:

- **Step 1.** Determine the one-way distance in miles (from the quarters to the nearest established community) for each affected category of transportation listed in Figure 1. Enter mileage(s) in the appropriate block(s) under Column B.
- **Step 2.** Multiply mileage figures entered in Column B by point values listed in Column A for each affected category of transportation to produce one-way points for each category. Add 29 points to the category 4 subtotal and 27 points to the category 5 subtotal to reflect relative differences in cost or time by use of these modes of travel.
- **Step 3.** Add all categories of one-way points in Column C to produce total one-way points. (The total must exceed 30 points or there is no adjustment for isolation.)

Figure I

Category of Travel	Column A Point Value		Column B One-Way Miles	=	Column C One-Way Points
(1) Paved road or rail	1.0	x	_____	=	_____
(2) Unpaved but improved road (or hazardous conditions at least 4 months per year)	1.5	x	_____	=	_____
(3) Unimproved road (or hazardous conditions at least 6 months per year)	2.0	x	_____	=	_____
(4) Water, snowmobile, pack animal, foot or other special purpose conveyance	2.5	x	_____	=	_____ + 29 = _____
(5) Air	4.0	x	_____	=	_____ + 27 = _____
Total One-Way Points =					_____

• **Step 4.** Calculate the Isolation Adjustment Factor (IAF) using the following formula: 2 (to reflect round trip points) times 4 (to reflect number of trips per month) times \$x.xxx (GSA's current automobile mileage allowance). For example, the GSA mileage allowance, as of the date of this Circular, is \$0.205, resulting in a IAF of 1.6 (rounded to the nearest tenth).

• **Step 5.** Multiply total one-way points (sum of Column C) by the Isolation Adjustment Factor to produce the monthly adjustment for isolation (and round to the nearest whole dollar).

October 28, 1999

**ELIMINATION OF FEDERAL TAX EXEMPTION FOR  
KEY EMPLOYEES OCCUPYING QUARTERS**

- 1. PURPOSE:** This Veterans Health Administration (VHA) Directive clarifies and changes existing Department of Veterans Affairs (VA) policy that required specific key employees to be assigned to quarters, if available, and live on the facility grounds.
- 2. SUMMARY OF CONTENTS:** This VHA directive supercedes existing VA policy that required specific key employees (a management representative, a clinical representative, and an engineering representative) to be assigned to quarters, if available, and live on the facility grounds. In compliance with Federal policy, this directive clarifies that occupancy of quarters is voluntary, except under certain conditions where the agency requires it to provide for needed services or protect VA property.
- 3. RELATED ISSUES:** VA Directive 7631, Quarters Management.
- 4. FOLLOW-UP RESPONSIBILITY:** The Chief Facilities Management Officer (18/181B), is responsible for the contents of this directive.
- 5. RESCISSIONS:** This directive rescinds VHA Manual M-1, Part I, Chapter 2, paragraph 2.07, Key Employees Required to Occupy Housekeeping Quarters, dated March 11, 1988.
- 6. RECERTIFICATION:** This directive is scheduled for recertification on or before the last working day of October 2004.



Thomas L. Garthwaite, M.D.  
Acting Under Secretary for Health

Distribution: RPC: 0005  
FD

Printing Date: 10/99

June 3, 1992

1. Transmitted is a change to Department of Veterans Affairs, Veterans Health Administration Manual M-1, "Operations," Part I, "Medical Administration Activities," "Chapter 2, "Quarters and Subsistence."

2. Principal changes are:

Paragraph 2.36, b,c & d: The development and implementation of subsistence rates to be decentralized to individual field facilities.

3. Filing Instructions

Remove pages

2-iii  
2- 8a through 2-8b

Insert pages

2-iii  
2-8a through 2-8b

4. RESCISSION: VHA Circular 10-90-083 and Supplement No. 1.

  
JAMES W. HOLSINGER, JR., M.D.  
Chief Medical Director

Distribution: RPC 1127  
FD

Printing Dated: 6/92

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DIRECTOR'S OFFICE  
MAY 27 1992

MAY 27 1992

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## ADVANCE COPY

June 3, 1992

1. Transmitted is a change to Department of Veterans Affairs, Veterans Health Administration Manual M-1, "Operations," Part I, "Medical Administration Activities," "Chapter 2, "Quarters and Subsistence."

2. Principal changes are:

**Paragraph 2.36, b,c & d:** The development and implementation of subsistence rates to be decentralized to individual field facilities.

3. **Filing Instructions**

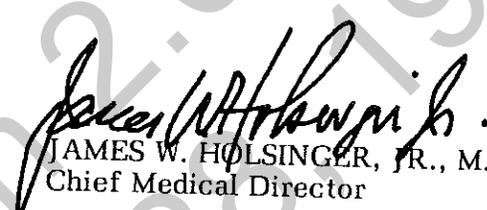
**Remove pages**

2-iii  
2- 8a through 2-8b

**Insert pages**

2-iii  
2-8a through 2-8b

4. **RESCISSION:** VHA Circular 10-90-083 and Supplement No. 1.

  
JAMES W. HOLSINGER, JR., M.D.  
Chief Medical Director

Distribution: RPC 1127  
FD

Printing Dated: 6/92

RESCISSIONS

The following material is rescinded.

1. COMPLETE RESCISSIONS

a. Interim Issues

- II 10-214
- II 10-399
- II 10-75-18
- II 10-79-24
- II 10-79-28
- II 10-81-34
- II 10-82-43
- II 10-82-52

*This and older  
changes not on  
database.*

b. Manuals

(1) MDC-7

Chapters 1, 2, 3, 6, 7, and 8; figures 1 and 2; appendixes A and B

(2) M10-6

Chapter 7

(3) M-1, Part I, changes 27, 36, 44, 74, 84, 56, 112, 121

c. Technical Bulletins

TB 10A-251

d. Circulars

10-83-64

10-90-083, Supplement No. 1

e. All Station Letters and/or Other Communications

Date	Subject
September 21, 1953	Quarters, Subsistence, and Laundry Furnished to Individuals Serving on a "Without Monetary Compensation" Basis

July 9, 1991

1. Transmitted is a change to Department of Veterans Affairs, Veterans Health Administration Manual M-1, "Operations," Part I, "Medical Administration Activities," "Chapter 2, "Quarters and Subsistence."

2. The purpose of this change is to insert a new paragraph 2.13 which:

a. Incorporates policy on furnishing free quarters to VA medical and dental residents whose index hospital counterparts receive free quarters as partial compensation.

b. States policy on furnishing free quarters to VA residents who serve short rotations (less than 6 months) at a VA medical facility and establish the need for a second residence because the substantial distance to the VA medical center makes commuting impractical while the brevity of the assignment rules out a permanent change of residence.

3. Filing Instructions

Remove pages

2-i through 2-iv  
2-3 through 2-4

Insert pages

2-i through 2-iii  
2-3 through 2-4a attached.

Page 2-5: Fourth line, change 2.18-2.20 (Reserved.) to 2.19-2.20 (Reserved.)

  
JAMES W. HOLSINGER, JR., M.D.  
Chief Medical Director

Distribution: RPC 1127  
FD

Printing Dated: 7/91

RECEIVED  
DIRECTOR'S MANAGEMENT  
STAFF (10/13)

Mar 3 3 08 PM '92

RECEIVED

March 11, 1988

Chapter 2, "Quarters and Subsistence," Part I, "Medical Administration Activities," VA Department of Medicine and Surgery Manual M-1, "Operations," is revised as indicated below:

Pages 2-1 and 2-2: Remove these pages and substitute pages 2-1 through 2-2a attached.



JOHN A. GRONVALL, M.D.  
Chief Medical Director

Distribution: RPC: 1127  
FD

Printing Date: 4/88

RESCINDED  
Paragraph 2.07 only  
October 28, 1999

June 20, 1984

Chapter 2, "Quarters and Subsistence," Part I, "Medical Administration Activities," VA Department of Medicine and Surgery Manual M-1, "Operations," is changed as indicated below:

Appendix 2B has been revised in accordance with revisions made by OMB (Office of Management and Budget) dated March 28, 1984. Major substantive changes have been made as follows:

1. Provision of a new, more flexible and comprehensive system for establishing rental rates for quarters in isolated locations
2. Elimination of employee appraisal committees as one of the three mechanisms for establishing rental rates
3. Revision of the definition of established community to eliminate numerous subjective criteria, and their replacement with uniform population and accessibility criteria
4. Elimination of an artificial constraint on real estate appraisers which had prevented them from reflecting "institutional atmosphere" in the value of quarters
5. Reduction in the number and incorporation of greater specificity in the definition of rental rate adjustments reflecting site amenities.
6. Provision of uniform annual schedules for adjusting rental rates and related charges; and
7. Elimination of the 3-year appraisal cycle.

Pages 2B-1 through 2B-13. Remove these pages and substitute pages 2B-1 through 2B-10 attached.

*John A. Gronvall, M.D.*  
JOHN A. GRONVALL, M.D.  
Acting Chief Medical Director

Distribution: RPC: 1127  
FD

12-8-83

August 24, 1983

Chapter 2, "Quarters and Subsistence," Part I, "Medical Administration Activities," VA Department of Medicine and Surgery Manual M-1, "Operations," is changed as indicated below:

NOTE: *The purpose of this change is to:*

- a. Announce policy on furnishing meals to noncareer medical and dental residents (house staff) based on locality practices of the facilities' index hospital (par. 2.29).*
- b. Announce policy on furnishing refreshments at the Annual Recognition Ceremonies for Volunteers (par. 2.32.1).*
- c. Establish certain exceptions on furnishing gratuitous meals to outpatients (par. 2.33).*

Page 2-iv, paragraph 1: Add the following:

"e. DM&S Circulars  
10-83-64"

Pages 2-i and 2-ii and 2-5 through 2-8: Remove these pages and substitute pages 2-i and 2-ii and 2-5 through 2-8b attached.

RESCISSION: DM&S Circular 10-83-64.



DONALD L. CUSTIS, M.D.  
Chief Medical Director

Distribution: RPC: 1127  
FD

RESERVED 207 only  
Paragraph 2-07 only  
October 20, 1999

January 13, 1983

Chapter 2, "Quarters and Subsistence," Part I, "Medical Administration Activities," VA Department of Medicine and Surgery Manual M-1, "Operations," is revised as indicated below:

NOTE 1: Beginning with this revision, chapter 2 will be published with its own series of changes and will carry an RPC number separate and distinct from other chapters of M-1, part I.

NOTE 2: The purpose of this revision other than editorial is to:

- a. Eliminate the provision that employees serving in a standby or on-call capacity receive lodging or meals at no cost if they are compensated for their services (pars. 2.12, 2.16 and 2.31a).
- b. Permit Directors to determine if free quarters and meals are to be authorized during emergency situations (pars. 2.12c and 2.31b(2)).
- c. State responsibilities of Building Management Service (par. 2.14).
- d. Adjust "lodging day" hours (par. 2.16b).
- e. Eliminate the requirement that employees living in nonhousekeeping quarters must take and pay for three meals a day, and food handlers one meal per day (par. 2.23).
- f. Permit Directors to provide free meals to residents serving as Officer of the Day and to include the noon meal on Saturdays, Sundays and holidays only and prohibit meals without charge for staff physicians (par. 2.31b(1)).
- g. Restrict meals for outpatients (par. 2.32).
- h. Restrict modified diets to patients only (par. 2.33b).
- i. Replace the three-digit code for subsistence plates, with a two-digit code (par. 2.38).
- j. Modify the method of preparing VA Form 10-2684 for groups of persons receiving gratuitous meals (par. 2.59g).
- k. Establish procedures for providing meals at VA expense in VCS facilities, including vending machines, for certain persons (par. 2.60).
- l. Eliminate from appendix 2A reference to Bureau of the Budget Circular A-29 which was rescinded.
- m. Revised appendix 2B in accordance with revisions made by OMB (Office of Management and Budget) Transmittal Memorandums #1, dated August 3, 1968, and #2, dated October 30, 1974.
- n. Eliminate all references to waiter style subsistence service.
- o. Eliminate laundry services for employee's personal clothing.

Due to extensive changes, brackets have not been used.

Pages 2-i through 2-B-10. Remove these pages and substitute pages 2-i through 2B-13 attached. (Ch. 2 revised.)

  
DONALD L. CUSTIS, M.D.  
Chief Medical Director

RESCISSIONS

The following material is rescinded. (Although this material is being rescinded, it may be retained for informational and guidance purposes.)

1. COMPLETE RESCISSIONS

a. Manuals

[M-1, part I (basic manual), dated January 20, 1956,] and changes [1] through 3, [6] through 16, 19 [through] 26, 28 through [30,] 32 through 35, 37, 40, 41, 43, 46 through 49, 52, 55 through 57, 59 through [62,] 65 through 67, [71, 73,] 77, 78, 80 through 82, [85,] 87, 90, 95, 98, 100, 108, 110, 111, 117, 122, [126,] 128, 129, 131, 132, 134, 137, 138, 140, 143, 145, and 156.

[M10-6 and changes 1 through 35. (This completes the rescission of this manual.)]

b. Interim Issues

- II 10-29 ✓
- II 10-138 ✓
- II 10-267 ✓
- II 10-286 ✓
- II 10-316 ✓
- II 10-325 ✓
- II 10-334 ✓
- II 10-66-31 ✓

*long chgs?*  
*EE 10-77-27*

- 10-77-29*
- 10-78-30*
- 10-78-31*
- 10-78-35*
- 10-78-42*
- 10-78-43*
- 10-78-44*
- 10-78-3*
- 10-78-16*
- 10-80-54*
- 10-82-46*

RESCINDED  
Paragraph 2.07 only  
October 28, 1999

II 10-82-46  
October 1, 1982

**TELEGRAPHIC MESSAGE**

<b>NAME OF AGENCY</b> VACO WASH., DC 20420	<b>PRECEDENCE</b>  ACTION:  INFO:	<b>SECURITY CLASSIFICATION</b>
<b>ACCOUNTING CLASSIFICATION</b>	<b>DATE PREPARED</b> 10/25/82	<b>FILE</b>
<b>FOR INFORMATION CALL</b>		
<b>NAME</b> EMILIO CARRASCO (136F)	<b>PHONE NUMBER</b> 389-2337	<b>TYPE OF MESSAGE</b> <input type="checkbox"/> SINGLE <input type="checkbox"/> BOOK <input type="checkbox"/> MULTIPLE-ADDRESS

*THIS SPACE FOR USE OF COMMUNICATION UNIT*

PLEASE RESTRICT TRANSMISSION TO 69 CHARACTERS PER LINE

*MESSAGE TO BE TRANSMITTED (Use double spacing and all capital letters)*

**TO:**  
DIRECTORS, ALVAMC AND REGIONAL OFFICES WITH OUTPATIENT CLINICS  
00/136 THIS IS INTERIM ISSUE 10-82-46 (EFFECTIVE DATE: 10/1/82)  
A. BASIC ADMINISTRATIVE ISSUE AFFECTED: IM&S MANUAL M-1, PART I  
B. OTHER ISSUES AFFECTED: NONE  
C. REASON FOR ISSUE: TO ESTABLISH POLICY TO COMPLY WITH THE PROVISIONS OF THE PROMPT PAYMENT ACT (PUBLIC LAW 97-177, ENACTED MAY 21, 1982) WHICH BECAME EFFECTIVE OCTOBER 1, 1982, OMB (OFFICE OF MANAGEMENT AND BUDGET) CIRCULAR A-125, AUGUST 19, 1982, AND OTHER APPLICABLE GUIDANCE.  
D. TEXT OF ISSUE  
1. THIS LAW REQUIRES THAT FEDERAL AGENCIES PAY THEIR BILLS ON TIME OR PAY INTEREST PENALTIES IF PAYMENTS ARE LATE. OMB CIRCULAR A-125 PRESCRIBES POLICIES TO BE FOLLOWED BY EXECUTIVE DEPARTMENTS AND AGENCIES TO ASSURE COMPLIANCE WITH THESE REQUIREMENTS. BASIC VETERANS ADMINISTRATION POLICIES TO INSURE COMPLIANCE WITH THE PROVISIONS OF PUBLIC LAW 97-177 AND OMB CIRCULAR A-125 ARE PRESCRIBED IN INTERIM ISSUES 00-82-22 AND 00-82-23.

<b>SECURITY CLASSIFICATION</b>
NOV 16 1982

<b>PAGE NO.</b> 1	<b>NO. OF PGS.</b> 8
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II 10-82-46  
October 1, 1982

**TELEGRAPHIC MESSAGE**

NAME OF AGENCY	PRECEDENCE  ACTION:  INFO:	SECURITY CLASSIFICATION
ACCOUNTING CLASSIFICATION	DATE PREPARED	FILE
FOR INFORMATION CALL		
NAME	PHONE NUMBER	TYPE OF MESSAGE <input type="checkbox"/> SINGLE <input type="checkbox"/> BOOK <input type="checkbox"/> MULTIPLE-ADDRESS

THIS SPACE FOR USE OF COMMUNICATION UNIT

MESSAGE TO BE TRANSMITTED (Use double spacing and all capital letters)

**TO:** 2. THE VARIOUS LIMITS ON THE NUMBERS OF DAYS ALLOWED FOR THE TIMELY PAYMENT OF BILLS ARE SPECIFIED IN PUBLIC LAW 97-177. THE AMOUNT OF DAYS ALLOWED FOR PAYMENT DEPENDS ON THE TYPE OF PROPERTY, MATERIALS, SUPPLIES OR SERVICES INVOLVED. TO COME WITHIN THE SCOPE OF PUBLIC LAW 97-177'S APPLICATION, THE BILLS MUST BE "PROPER INVOICES". (SEE PARAGRAPH 7 BELOW FOR WHAT CONSTITUTES A "PROPER INVOICE" AND DISCUSSION OF A PROVISION OF THIS LAW WHICH WILL BE HELPFUL FOR AVOIDING PAYMENT OF INTEREST PENALTIES.) PROPER INVOICES FOR MEDICAL BENEFITS PROVIDED TO VETERANS THROUGH THE VARIOUS PROGRAMS ADMINISTERED BY MEDICAL ADMINISTRATION SERVICE AND ACCEPTED BY THE GOVERNMENT GENERALLY MUST BE PAID WITHIN 30 CALENDAR DAYS FROM RECEIPT OF THE INVOICE. THIS IS THE "PAYMENT DUE DATE". THIS POLICY APPLIES TO MEDICAL BENEFITS WHICH GENERALLY MAY BE PROVIDED UNDER THE PROVISIONS OF DM&S MANUAL M-1, PART I, CHAPTERS 3, 12, 15, 18, 19, 20, 21, 22, 23, 29 (WHEN ISSUED) AND 30.

3. WHEN A PAYMENT DUE IS NOT MADE BY THE DUE DATE, THE INTEREST PENALTY WILL BE CALCULATED FROM THE DAY AFTER THE DUE DAY (DAY 31) UNTIL THE ESTIMATED TIME OF RECEIPT OF PAYMENT. THE INTEREST

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October 1, 1982

**TELEGRAPHIC MESSAGE**

NAME OF AGENCY		PRECEDENCE ACTION: INFO:	SECURITY CLASSIFICATION
ACCOUNTING CLASSIFICATION		DATE PREPARED	FILE
FOR INFORMATION CALL			
NAME		PHONE NUMBER	TYPE OF MESSAGE <input type="checkbox"/> SINGLE <input type="checkbox"/> BOOK <input type="checkbox"/> MULTIPLE-ADDRESS
THIS SPACE FOR USE OF COMMUNICATION UNIT			
MESSAGE TO BE TRANSMITTED (Use double spacing and all capital letters)			
<p><b>TO:</b> PENALTY IS COMPOUNDED AT 30-DAY INTERVALS. THE INTEREST PENALTY AMOUNT WILL BE PAID AT THE SAME TIME AS THE OVERDUE BILL. INTEREST PENALTIES OF \$1.00 OR LESS NEED NOT BE PAID. IN THIS CONNECTION, SEE INTERIM ISSUE 00-82-23, SEPTEMBER 30, 1982.</p> <p>4. EFFECTIVE SEPTEMBER 30, 1983, AND FOLLOWING THE END OF EACH FISCAL YEAR THEREAFTER, EACH FEDERAL AGENCY BY THE TERMS OF PUBLIC LAW 97-177, MUST SUBMIT TO OMB A DETAILED REPORT OF ANY INTEREST PENALTIES PAID UNDER THE PROMPT PAYMENT ACT. THE REPORT MUST INCLUDE BY TYPE OF PROGRAM THE NUMBER, AMOUNTS, FREQUENCY OF INTEREST PENALTY PAYMENTS AND THE REASONS SUCH PENALTIES WERE NOT AVOIDED BY PROMPT PAYMENT. OMB WILL, IN TURN, BE REQUIRED TO SUBMIT THIS INFORMATION TO THE RESPECTIVE SENATE AND HOUSE COMMITTEES ON APPROPRIATIONS, GOVERNMENT OPERATIONS, AND SMALL BUSINESS.</p> <p>5. DETAILED INSTRUCTIONS FOR FISCAL COMPLIANCE WITH THE PROMPT PAYMENT ACT HAVE BEEN PUBLISHED IN INTERIM ISSUE 00-82-23, WHICH AFFECTS VA MANUAL MP-4, PART III, AND PARTICULARLY CHAPTER 2, CAPTIONED, EXAMINATION OF VOUCHERS AND CONTRACTS. THIS INFORMATION INCLUDES DEFINITIONS, AMONG OTHERS, FOR THE TERMS "BUSINESS CONCERN".</p>			
		SECURITY CLASSIFICATION	
		PAGE NO. 3	NO. OF PGS. 8
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**TELEGRAPHIC MESSAGE**

II 10-82-46  
October 1, 1982

NAME OF AGENCY		PRECEDENCE  ACTION:  INFO:	SECURITY CLASSIFICATION
ACCOUNTING CLASSIFICATION	DATE PREPARED	FILE	
FOR INFORMATION CALL			
NAME	PHONE NUMBER	TYPE OF MESSAGE <input type="checkbox"/> SINGLE <input type="checkbox"/> BOOK <input type="checkbox"/> MULTIPLE-ADDRESS	

THIS SPACE FOR USE OF COMMUNICATION UNIT

MESSAGE TO BE TRANSMITTED (Use double spacing and all capital letters)

**TO:**  
 "CONTRACT", "DUE DATE", "PAYMENT DATE", AND "PROPER INVOICE". THE RATE OF INTEREST PENALTY IS ALSO INCLUDED. INTERIM ISSUE 00-82-22, PREPARED BY THE OFFICE OF PROCUREMENT AND SUPPLY, HAS ALSO BEEN ISSUED TO INSURE PROMPT PAYMENT ACT COMPLIANCE IN MATTERS RELATED TO ALL VA PROCUREMENTS GENERALLY.

6. ALTHOUGH THE FISCAL OFFICER, OR DESIGNEE, HAS THE PRIMARY RESPONSIBILITY FOR FINAL CERTIFICATION OF BILLS FOR PAYMENT, ENTERING PAYMENT DUE DATES AND CALCULATION OF INTEREST PENALTIES, MEDICAL ADMINISTRATION SERVICE PERSONNEL WILL ASSIST THE FISCAL OFFICER IN COMPLYING WITH THE REQUIREMENTS OF THE PROMPT PAYMENT ACT. FOR EXAMPLE, THE CHIEF, MEDICAL ADMINISTRATION SERVICE WILL INSURE THAT ALL BILLS RECEIVED OF EVERY TYPE ARE PROMPTLY STAMPED WITH THE DATE OF THEIR RECEIPT IN THE MAILROOM AND THAT EACH BILL IS PROMPTLY DELIVERED TO THE APPROPRIATE INITIAL APPROVING UNIT, SUCH AS SUPPLY SERVICE, OFFICE OF THE CHIEF OF STAFF, FEE SERVICES SECTION, ETC. MEDICAL ADMINISTRATION SERVICE PERSONNEL RESPONSIBLE FOR PROCESSING BILLS FOR MEDICAL BENEFITS WILL ENTER ON THE FACE OF EACH BILL THE

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**TELEGRAPHIC MESSAGE**

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October 1, 1982

NAME OF AGENCY	PRECEDENCE ACTION: INFO:	SECURITY CLASSIFICATION
ACCOUNTING CLASSIFICATION	DATE PREPARED	FILE
FOR INFORMATION CALL		
NAME	PHONE NUMBER	TYPE OF MESSAGE <input type="checkbox"/> SINGLE <input type="checkbox"/> BOOK <input type="checkbox"/> MULTIPLE-ADDRESS

THIS SPACE FOR USE OF COMMUNICATION UNIT

MESSAGE TO BE TRANSMITTED (Use double spacing and all capital letters)

**TO:**  
DATE OF ITS RECEIPT IN THE MAILROOM AND THE PAYMENT DUE DATE.  
(THIS WILL BE DONE TO INSURE THAT THE BILL HAS BEEN DATE STAMPED IN THE MAILROOM AND TO FACILITATE THE CALCULATION OF THE PAYMENT DUE DATE.) THEY WILL COMPLETE THEIR PART OF THE PAYMENT PROCESSING TO INCLUDE NOTING THE DATE VA ACCEPTED THE SERVICES AS A VALID VA OBLIGATION ON THE BILL, AND THEN FORWARDING THE BILLS TO THE APPROPRIATE FISCAL SERVICE UNIT WITHIN FIVE (5) WORKDAYS WHEN APPROVED. THOSE APPROVED BILLS WHICH, UNDER NORMAL PAYMENT PROCESSING, WILL NOT BE PAID BEFORE THE "PAYMENT DUE DATE" (PLUS A 15- CALENDAR DAY GRACE PERIOD). SHOULD BE INCLUDED IN A SEPARATELY MARKED BATCH BEFORE FORWARDING TO FISCAL FOR COMPUTATION OF LATE PAYMENT PENALTIES IF APPLICABLE. MEDICAL ADMINISTRATION SERVICE PERSONNEL WILL, IN TURN, REQUEST FROM FISCAL SERVICE, OR SUPPLY SERVICE OR OTHER PERTINENT STAFF OFFICE, WHEN APPROPRIATE, ANY ASSISTANCE WHICH MAY BE NECESSARY ON MATTERS CONCERNING AGENCY POLICY ON THE PROMPT PAYMENT ACT, WITH A VIEW TO INSURING THAT PAYMENTS DUE FROM VA FOR MEDICAL BENEFITS ARE MADE ON TIME.

SECURITY CLASSIFICATION

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 October 1, 1982

**TELEGRAPHIC MESSAGE**

NAME OF AGENCY		PRECEDENCE  ACTION:  INFO:	SECURITY CLASSIFICATION
ACCOUNTING CLASSIFICATION		DATE PREPARED	FILE
FOR INFORMATION CALL			
NAME		PHONE NUMBER	TYPE OF MESSAGE <input type="checkbox"/> SINGLE <input type="checkbox"/> BOOK <input type="checkbox"/> MULTIPLE-ADDRESS
THIS SPACE FOR USE OF COMMUNICATION UNIT			
MESSAGE TO BE TRANSMITTED <i>(Use double spacing and all capital letters)</i>			
<p><b>TO:</b>          7. A BILL OR WRITTEN REQUEST FOR PAYMENT FROM A BUSINESS CONCERN (OR INDIVIDUAL) FOR PROPERTY, MATERIALS, SUPPLIES OR SERVICES RENDERED MUST SHOW THE FOLLOWING INFORMATION TO BE CONSIDERED A "PROPER INVOICE". THIS INFORMATION INCLUDES: (1) THE NAME AND ADDRESS OF THE BUSINESS CONCERN (AND FOR MEDICAL BENEFITS, THE SOCIAL SECURITY NUMBER OR EMPLOYER'S IDENTIFICATION NUMBER OF THE PHYSICIAN, OTHER HEALTH CARE PROVIDER, HOSPITAL, ETC.), (2) INVOICE DATE, (3) NUMBER OF CONTRACT OR OTHER AUTHORIZATION FOR DELIVERY OF PROPERTY OR SERVICES (4) THE VETERAN'S IDENTIFYING DATA, THE MEDICAL CONDITION FOR WHICH TREATED, A DESCRIPTION OF SERVICES RENDERED, DATES THE SERVICES WERE RENDERED, THE FEES BEING CHARGED FOR THE SERVICES RENDERED, THE EXISTENCE OF AN EMERGENCY CONDITION, ETC., (5) INVOICE NUMBER, AND (6) SUCH OTHER SUBSTANTIATING DOCUMENTATION OR INFORMATION REQUIRED BY THE CONTRACT (OR ENFORCEABLE AGREEMENT). IF THE BILL RECEIVED IS NOT A PROPER INVOICE (BECAUSE OF OMISSION OF INFORMATION, INCORRECT INFORMATION OR OTHER PROBLEMS), THE BUSINESS CONCERN MUST BE NOTIFIED IN WRITING WITHIN 15 CALENDAR DAYS THAT PAYMENT WILL NOT BE PROCESSED UNTIL A</p>			
			SECURITY CLASSIFICATION
PAGE NO. 6		NO. OF PGS. 8	NOV 16 1982

II 10-82-46  
 October 1, 1982

**TELEGRAPHIC MESSAGE**

NAME OF AGENCY	PRECEDENCE  ACTION:  INFO:	SECURITY CLASSIFICATION
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FOR INFORMATION CALL		
NAME	PHONE NUMBER	TYPE OF MESSAGE <input type="checkbox"/> SINGLE <input type="checkbox"/> BOOK <input type="checkbox"/> MULTIPLE-ADDRESS

THIS SPACE FOR USE OF COMMUNICATION UNIT

MESSAGE TO BE TRANSMITTED (Use double spacing and all capital letters)

**TO:**  
 PROPER INVOICE IS SUBMITTED. THE NOTIFICATION WILL STOP THE COUNT OF DAYS ALLOWED TO PROCESS THE BILL "ON TIME". FAILURE TO NOTIFY THE BUSINESS CONCERN WITHIN 15 CALENDAR DAYS FROM RECEIPT OF A BILL WHICH IS NOT A PROPER INVOICE WILL RESULT IN THE PAYMENT OF AN INTEREST PENALTY IF PAYMENT IS MADE LATE.

8. THE CHIEF, MEDICAL ADMINISTRATION SERVICE WILL INSURE THAT THESE NOTICES OF INADEQUATE INVOICES ARE MADE WITHIN THE REQUIRED 15 CALENDAR DAYS. THIS PROVISION WILL BE HELPFUL IN VA FOR AVOIDING PAYMENT OF INTEREST PENALTIES SINCE A HIGH NUMBER OF BILLS FOR MEDICAL SERVICES ARE PROVIDED UNDER ENFORCEABLE AGREEMENTS AND FREQUENTLY INVOLVE VETERANS WHOSE ELIGIBILITY FOR THE SERVICES RENDERED HAS NOT BEEN ESTABLISHED. EXAMPLES OF SUCH BILLS RELATE TO NON-VA HOSPITALIZATION, UNAUTHORIZED CLAIMS AND SOME FEE-BASIS CARE. BILLS FOR MEDICAL SERVICES TO VETERANS AS TO WHOM ELIGIBILITY HAS NOT YET BEEN ESTABLISHED WILL NOT BE CONSIDERED VALID VA OBLIGATIONS SINCE VA MAY NOT ACCEPT SUCH SERVICES UNTIL SUCH ELIGIBILITY IS ESTABLISHED. THE FACT THAT ELIGIBILITY FOR PAYMENT OF THE BILL BY VA HAS NOT BEEN ESTABLISHED

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**TELEGRAPHIC MESSAGE**

II 10-82-46  
October 1, 1982

NAME OF AGENCY	PRECEDENCE  ACTION:  INFO:	SECURITY CLASSIFICATION
ACCOUNTING CLASSIFICATION	DATE PREPARED	FILE
FOR INFORMATION CALL		
NAME	PHONE NUMBER	TYPE OF MESSAGE <input type="checkbox"/> SINGLE <input type="checkbox"/> BOOK <input type="checkbox"/> MULTIPLE-ADDRESS

THIS SPACE FOR USE OF COMMUNICATION UNIT

**MESSAGE TO BE TRANSMITTED** (Use double spacing and all capital letters)

**TO:**  
FOR THE VETERAN OR FOR THE SERVICES RENDERED WILL BE INCLUDED IN THE NOTICE TO THE BUSINESS CONCERN. THE BUSINESS CONCERN WILL ALSO BE ADVISED THAT PROCESSING FOR PAYMENT OF THE BILL, AND THE COUNT OF DAYS ALLOWED FOR PAYMENT ON TIME, WILL BEGIN ON THE DAY ELIGIBILITY IS ESTABLISHED. THE NECESSARY ELIGIBILITY DETERMINATIONS WILL BE MADE AS EXPEDITIOUSLY AS POSSIBLE. THIS PROVISION WILL NOT BE USED TO EXCUSE DELAYS IN PROCESSING OF BILLS CAUSED BY OTHER REASONS. EXISTING PROCEDURES WILL BE FOLLOWED ON DENIALS OF PAYMENTS OF BILLS RELATING TO MEDICAL BENEFITS RENDERED TO VETERANS DETERMINED TO BE INELIGIBLE.

E. ADDRESS ANY INQUIRIES IN CONNECTION WITH THIS INTERIM ISSUE TO MR. EMILIO CARRASCO IN VACO (136F), FTS NUMBER 389-2337.

F. THE PROVISIONS OF THIS INTERIM ISSUE WILL BE INCORPORATED IN A CHANGE ADDING A NEW SECTION TO CHAPTER 1 OF DM&S MANUAL M-1, PART I.

G. RESCISSION: THIS INTERIM ISSUE WILL NOT BE CONFIRMED WITH A PRINTED COPY AND IS RESCINDED September 30, 1983. 136F/10

DISTRIBUTION: RPC: 1016 (VACO AND NONVA ONLY)  
NS

PAGE NO. 8		NO. OF PGS. 8		SECURITY CLASSIFICATION  NOV 16 1982
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10-82

II 10-80-54  
September 18, 1980

TELEGRAPHIC MESSAGE

NAME OF AGENCY VACO, WASHINGTON, D.C. 20420	PRECEDENCE ACTION: INFO:	SECURITY CLASSIFICATION
ACCOUNTING CLASSIFICATION	DATE PREPARED 8/27/80	TYPE OF MESSAGE <input type="checkbox"/> SINGLE <input type="checkbox"/> BOOK <input type="checkbox"/> MULTIPLE-ADDRESS
FOR INFORMATION CALL		
NAME Emilio Carrasco (136F)	PHONE NUMBER 2337	

THIS SPACE FOR USE OF COMMUNICATION UNIT

RESTRICT TRANSMISSION TO 69 CHARACTERS PER LINE  
MESSAGE TO BE TRANSMITTED (Use double spacing and all capital letters)

TO:

DIRECTORS, ALVAMC AND REGIONAL OFFICES WITH OUTPATIENT CLINICS

00/136 THIS IS INTERIM ISSUE 10-80-54

A. BASIC ADMINISTRATIVE ISSUES AFFECTED: DM&S MANUAL M-1, PART I,

B. OTHER ISSUES AFFECTED: NONE

C. REASON FOR ISSUE: TO EXTEND THE PROVISIONS OF INTERIM ISSUE 10-79-43, DATED SEPTEMBER 24, 1979, WHICH REQUIRES THE REPORTING OF DATA RELATING TO FEE AND CONTRACT UTILIZATION FOR PREPARATION OF A REPORT TO CONGRESS AS MANDATED BY PUBLIC LAW 96-22.

D. TEXT OF ISSUE: THE RESCISSION DATE OF II 10-79-43 IS EXTENDED UNTIL SEPTEMBER 22, 1981.

E. RESCISSION: THIS INTERIM ISSUE WILL NOT BE CONFIRMED WITH A PRINTED COPY AND IS RESCINDED SEPTEMBER 22, 1981.

136F/10

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SECURITY CLASSIFICATION 610574 P SEP 18 1980
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PAGE NO. 1	NO. OF PGS. 1
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Veterans Administration  
Department of Medicine and Surgery  
Washington, D.C. 20420

June 2, 1978

INTERIM ISSUE 10-78-16

A. BASIC ADMINISTRATIVE ISSUE AFFECTED: DM&S Manual, M-1, Part I

B. OTHER ISSUES AFFECTED: II 10-76-44, II 10-77-7, II 10-77-14,  
II 10-77-22, II 10-77-35

C. REASON FOR ISSUE: To unify and up-date all current instructions for implementing Public Law 94-491. This issue contains current criteria for determining eligibility for hospital care, domiciliary care or medical services for certain former members of armed forces of Poland or Czechoslovakia, and the procedures for the processing of applications for such care.

D. TEXT OF ISSUE:

1. Former members of the armed forces of Poland or Czechoslovakia who:

a. served in armed conflict with an enemy of the United States during WW I, or WW II, and

b. served in or with the armed forces of Britain or France, and

c. have satisfactory evidence of such service, and

d. have been citizens of the United States for ten or more years

are eligible for hospital care, domiciliary care and medical services in the United States to the same extent as if such service had been performed in the armed forces of the United States.

2. Applicants for care, under the provisions of Public Law 94-491, must present the following to establish eligibility:

a. Proof of citizenship in the United States for at least ten years.

b. Proof of honorable service in the armed forces of Czechoslovakia or Poland during WW I or WW II.

c. Proof of honorable service in or with the British or French armed forces.

NOTES: (1) Proofs of service for b. and c. are sometimes contained in one document.

(2) The fact that in an individual case the Czechoslovakian or Polish service may not have been prior to service in or with France or Britain is not disqualifying as long as an applicant has had service during either war in both the armed forces of his/her homeland and in or with British or French forces.

3. The applicant is responsible for providing evidence of proof of eligibility.

4. The British War Office has advised that records for Czechoslovakian veterans have been returned to the Czechoslovakian Government. As a result, it has been determined that the provisions of the law will be met if the applicant presents evidence from the Czechoslovakian Government that he/she served honorably during World War I or II against an enemy of the United States as a member of the Czechoslovakian Armed Forces and also served in or with the British or French Armed Forces. Individuals who served with Czechoslovakian and British Armed Forces should write to the Czechoslovakian Government and request a certification of service abroad with such Czechoslovakian and British Forces to include the dates and types of discharge from military service and if applicable records or a certification therefrom, of any injury, disease, or disability treated or observed during such wartime service. The Czechoslovakian Government has advised that applicants should provide, unconditionally, the following data, to facilitate the search of records necessary to provide certification:

- a. First and last name (as well as the name used during the war);
- b. Date and place of birth;
- c. Permanent residence at the time of conscription;
- d. The unit abroad in which the applicant served (for example, the west, the middle east);
- e. The military unit into which the applicant was inducted and assigned, and the dates of assignment (from \_\_\_\_\_ to \_\_\_\_\_);
- f. If wounded, the name and area of fighting where the injuries were suffered, as well as the place of medical treatment, and

g. Address of present residence.

5. Applicants should contact the following for proof of service and/or disability.

a. Czechoslovakian veterans who served in or with the British Armed Forces may write to the following addresses to obtain proof of service:

WW I Veterans write to

MILITARY HISTORICAL INSTITUTE  
PRAHA 3  
ZIZKOV, U PAMATNIKA NO. 2  
CZECHOSLOVAKIA, EUROPE 1300

WW II Veterans write to

ARCHIVES OF THE MILITARY EVIDENCE FOR PERSONNEL  
TRNAVA  
CZECHOSLOVAKIA, EUROPE 91700

b. Applicants who served in or with the French Armed Forces must obtain an authenticated certification of service as members of the armed forces of their homeland, Poland or Czechoslovakia, as well as service in or with French forces from:

MINISTERE des ANCIENS COMBATTANTS  
et VICTIMES de GUERRE  
37 RUE BELLECHASSE 75007  
PARIS, FRANCE

c. Former members of the Armed Forces of Poland who served in or with the British Armed Forces must obtain an authenticated certification of service in the Polish Armed Forces and in or with the British Armed Forces from:

ARMY RECORDS CENTRE  
BOURNE AVENUE, HAYES  
MIDDLESEX, ENGLAND

6. Naturalized citizens may request proof of citizenship by obtaining Form G-641 and submitting it to the Immigration and Naturalization Office, 1025 Vermont Avenue, N.W., Washington, DC 20420.

7. Applicants for care under P.L. 94-491 should complete VA Form 10-10 in the same manner as for United States veterans, except:

a. Record the United States citizenship naturalization number

II 10-78-16  
June 2, 1978

in the first available space provided for service number and identify as naturalization number.

b. Specify the country with which the applicant served, Poland or Czechoslovakia, in section titled "Active Military Service and Record of Active Duty Status." Check "Other Specify" and enter name of country.

8. Establishing eligibility for care of service-connected conditions:

a. Persons wishing to establish service connection are responsible for obtaining records, or certifications therefrom, of treatment and/or examination of any disability resulting from injury or disease claimed to have been incurred in or aggravated by military service.

b. The health care facility with which the applicant applies for care will forward to VA Center, Wilmington, Delaware:

(1) A VA Form 10-7131 indicating condition(s) for which service connection is claimed.

(2) Copy of certification of service establishing dates of qualifying service.

(3) Copy of service medical record and/or other records supporting the claim of service connection, or certification therefrom by the country for which the veteran served.

(4) Current medical evaluation of disability alleged to be service connected.

9. The VA Center at Wilmington maintains a central national files system on persons applying for benefits under Public Law 94-491 who require a rating for establishing service connection of a disability:

a. The Medical Administration Service at VA Center, Wilmington, Delaware, will establish and maintain a folder for all P.L. 94-491 applicants for benefits based on service connection.

b. Medical Administration Service at Wilmington will log incoming requests for rating of service connection and forward the request to the Adjudication Division.

c. The Adjudication Division will make a memorandum rating using the legend "for hospital or outpatient treatment purpose - P.L. 94-491." Evaluation of conditions established as service connected will be limited to statement of either "50 percent or more" or "less than 50 percent." The rating and evaluation will be returned to Medical Administration Service at VA Center, Wilmington.

II 10-78-16  
June 2, 1978

d. Medical Administration Service will file copies of the memorandum rating and documentary evidence received in support of the claim for service connection in the file of the claimant. The original of VA Form 10-7131 will be returned to the health care facility requesting the rating.

e. Medical Administration Service at Wilmington will respond to all inquiries for information in files maintained pursuant to claims for service connection under Public Law 94-491. Note: No information is contained in BIRLS for P.L. 94-491 applicants.

10. After eligibility for care has been established under the provisions of P.L. 94-491:

a. Prepare VA Form 10-1124W, Worksheet for VA Form 10-1124b, Patient Data Card.

b. Prepare a Patient Data Card, PDC, from the worksheet.

c. Show the name, address, Social Security Number, and the identification number (service serial number) issued by the country with which the veteran served.

d. The remainder of the PDC will be completed the same as for U.S. veterans except the Regional Office code will always be "60" for VA Center, Wilmington, Delaware.

11. The Embassies of both Poland and Czechoslovakia have advised that they have no programs whereby payment would be made, in whole or in part, for hospital, domiciliary care or medical outpatient services to World War I or World War II Polish or Czechoslovakian veterans while such veterans are in the United States.

E. RESCISSIONS: II 10-76-44, II 10-77-7, II 10-77-14, II 10-77-22 and II 10-77-35.

F. This interim issue is rescinded January 1, 1979.



JOHN D. CHASE, M.D.  
Chief Medical Director

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FD

CONFIRMATION COPY

Veterans Administration  
Department of Medicine and Surgery  
Washington, D. C. 20420  
January 30, 1974

INTERIM ISSUE 10-74-3

- A. BASIC ADMINISTRATIVE ISSUE AFFECTED: DM&S Manual M-1, Part I,  
Chapter 12
- B. OTHER ISSUES AFFECTED: II 10-73-30, II 10-73-35 and II 10-73-44
- C. REASON FOR ISSUE:

To provide for establishing and maintaining waiting lists for admissions to VA Nursing Home Care Units (NHCUs) and establishing responsibility for direct admissions of service-connected veterans to community nursing homes.

D. TEXT OF ISSUE:

1. When applicable and except for changes herein, the policies and procedures contained in Chapter 12, M-1, Part I, apply to direct admissions to VA Nursing Home Care Units and community nursing homes.
2. Stations having Nursing Home Care Units will establish and maintain a waiting list to insure that direct applications for nursing care and hospitalized patients who are candidates for nursing care are admitted to Nursing Home Care Units according to the priorities established in II 10-73-35. Applications will be considered for admission by date that the application or request for transfer was received. Preferential consideration will not be given for applicants who are currently hospitalized or domiciled at the station having the NHCUs. Referrals for transfer from an inpatient status from stations not having nursing home units will be made in accordance with paragraph 12.17 of Chapter 12.
3. Directors of medical facilities are responsible for negotiating and consummating nursing home contracts and for inspecting nursing homes under contract that are nearest their facility. However, it is expected that there be close coordination between all stations to prevent duplication of actions involved in contracting for and inspecting of community nursing homes.
4. The Director of the medical facility nearest the community nursing home where admission is planned is responsible for direct admission of service-connected veterans. Responsibility includes the placement of patient, issuance of authorizations, processing of invoices, and follow-up care. When circumstances warrant and it is mutually agreeable between the Directors involved, responsibility may be accepted by the Director of a

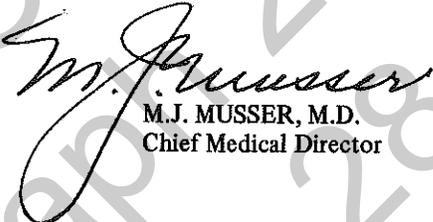
II 10-74-3  
January 30, 1974

medical facility other than the one nearest the community nursing home.

5. The Hospital Director is still responsible for actions involving a patient outplaced from an inpatient status at his hospital to a community nursing home. Responsibility includes placing patient, issuing authorization, processing invoices, and follow-up care of the patient.

6. The determination of need for nursing care may be made by a VA or private physician, but in all cases, the decision to admit a service-connected veteran directly to a community nursing home must be made by a designated VA physician. A VA Form 10-10 properly annotated in the upper right block to show benefit applied for and a VA Form 10-10m adequately describing patient's disabilities will be required for each direct admission. When using a fee basis physician to determine need for nursing care, necessary instructions and forms will be furnished to the physician at the time the examination is authorized.

7. It is expected that many problems arising at stations because of this added responsibility can be resolved through participation in regionalization or other coordinated effort. However, any significant problems, i. e., the inability to place a service-connected veteran in a nursing home because of lack of funds or available bed, will be brought to the attention of the appropriate Director, Field Operations, Region \_\_\_\_\_ (111B).



M.J. MUSSER, M.D.  
Chief Medical Director

Distribution: RPC: 1117  
FD

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CONFIRMATION COPY  
VETERANS ADMINISTRATION  
Department of Medicine and Surgery  
Washington, D. C. 20420  
November 21, 1973

INTERIM ISSUE 10-73-44

- A. BASIC ADMINISTRATIVE ISSUE AFFECTED: DM&S Manual M-1, Part I
- B. OTHER ISSUES AFFECTED: II 10-73-29, II 10-73-34 and II 10-73-36
- C. REASON FOR ISSUE:

To implement the provisions of Public Law 93-82, with respect to direct admissions to VA Nursing Home Care Units for nonservice-connected disabilities; amend instructions in II 10-73-29 to exclude dental care except when adjunct; and amend reporting instructions in II 10-73-34 and II 10-73-36.

D. TEXT OF ISSUE:

1. Direct admissions to VA Nursing Home Care Units.

a. Any veteran, as defined in VA Regulation 6030(A), who requires nursing home care for a nonservice-connected disability may be admitted directly to a VA Nursing Home Care Unit.

b. VA Regulations 6047(C)(1), (D) and (F) are being changed to include this direct admission authority. Pending promulgation of the changes, eligibility determinations will cite this interim issue.

c. Any veteran applying for direct admission to a VA Nursing Home Care Unit under authority of VA Regulation 6047(D) must certify that he is unable to defray the expense of nursing home care. Counseling will be conducted on the same basis as for hospitalization.

d. Application for direct admission to a VA Nursing Home Care Unit may be made on VA Form 10-10, properly annotated in the upper right block to show benefit applied for.

2. Outpatient care for veterans who are 80 percent or more disabled because of service-connected disabilities.

a. Interim Issue 10-73-29, dated September 27, 1973, omitted information about dental care being excluded, except when adjunct to a medical condition. Accordingly, the text of II 10-73-29 is amended by adding the following sentence to paragraph 2:

"Dental care is not included, except when adjunct to a medical condition."

See II 10-74-3

Placed by II 10-75-45

~~3. Reimbursing veterans for loss of personal effects sustained by fire, earthquake, or other natural disaster.~~

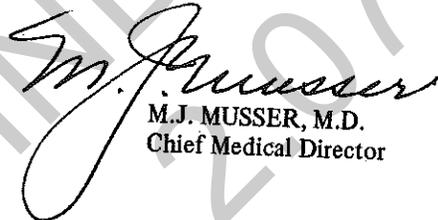
~~Interim Issue 10-73-34, dated October 12, 1973, is amended by adding the following sentence to paragraph 2 of the text.~~

~~"A negative report is not required."~~

~~4. Payment or reimbursement of the expenses of unauthorized hospital care and other medical services.~~

~~Interim Issue 10-73-36, dated October 15, 1973, is amended by adding the following sentence to paragraph 3 of the text.~~

~~"A negative report from stations of fee jurisdiction is required."~~

  
M.J. MUSSER, M.D.  
Chief Medical Director

Distribution: RPC: 1016  
FD

RESERVED FOR  
Paragraph 28, 1999  
October 28, 1999

VETERANS ADMINISTRATION  
Department of Medicine and Surgery  
Washington, D. C. 20420  
November 19, 1973

INTERIM ISSUE 10-73-43

- A. BASIC ADMINISTRATIVE ISSUE AFFECTED: DM&S Manual M-1, Part I
- B. OTHER ISSUES AFFECTED: None
- C. REASON FOR ISSUE:

To supplement instructions contained in Interim Issue 10-73-39 to provide for processing of applicants who apply for dependents and survivors' care from non-VA sources.

D. TEXT OF ISSUE:

1. Public Law 93-82 authorizes the VA to provide medical care for the spouse or child of a veteran who has a total disability, permanent in nature, resulting from a service connected disability, and the survivor or child of a veteran who has died as a result of a service connected disability. As a result of a recent agreement between the VA and the Department of Defense, medical care for dependents and survivors, when authorized by the VA, will be furnished under the auspices of CHAMPUS (Civilian Health and Medical Program of the Uniformed Services). Health care benefits administered through CHAMPUS for those persons determined eligible by the VA will be known as CHAMPVA (Civilian Health and Medical Program of the Veterans Administration). These benefits are the same as the benefits provided dependents and survivors of retirees under the CHAMPUS program as provided in Section 103b of Public Law 93-82. These benefits are described in some detail on VA Form 10-7954, attachment F to this issue.

2. DM&S field stations and regional offices with outpatient clinics will render every assistance to applicants who inquire or apply for dependent and survivor medical care benefits under Public Law 93-82. The following procedures pertaining to the CHAMPVA program will be implemented upon receipt of this issue.

3. VA stations maintaining a log of non-veteran applicants who have previously inquired about dependent and survivor care and for new applicants who apply for such care will furnish the applicant directly or by mail the following:

- (a) FL 10-441, Letter of Transmittal of VA Form 10-10d (attachment A).
- (b) VA Form 10-10d, Application for Medical Benefits for Dependents or Survivors (attachment B).

II 10-73-43  
November 19, 1973

4. When the completed VA Form 10-10d is returned to the VA station, appropriate procedures as outlined below will be taken to establish eligibility and to provide for identification of entitled beneficiaries to receive non-VA care under the CHAMPVA program.

5. Pending availability of a revised VA Form 10-7131 an original and one copy of overprinted VA Form 3232, General Information Request (attachment C), will be used to verify a dependent's or survivor's eligibility.

(a) Identifying information will be obtained from the applicant's VA Form 10-10d and/or from BIRLS (Beneficiary Identification and Records Locator Subsystem). When it is necessary to make an inquiry to BIRLS for information on the veteran, attach one copy of the message from BIRLS when submitting the VA Form 3232. When the location of the claims folder of the veteran who is the source of the applicant's eligibility is known, the form will be submitted to the station having the folder. When the location of the claims folder is not known, the form will be submitted to the station having jurisdiction.

(b) A copy of all VA Forms 3232 submitted will be maintained in a suspense file pending return of the eligibility data.

(c) The VA Form 3232, when returned by the regional office will contain available data for the spouse or survivor and all other known dependent children of the veteran.

(d) Station may overprint their own supply of VA Form 3232, used for this purpose.

6. The VA station which submitted the request will determine eligibility for care under CHAMPVA even though the applicant resides closer to another VA station.

7. If the applicant and/or family are determined to be eligible for CHAMPVA, the approving VA station will assign identification numbers (VA claim number with a modifier) to the eligible applicant and dependents in the space provided for this purpose on VA Form 10-10d.

For CHAMPVA purposes, only the veteran's claim number will be utilized to identify a spouse, widow, or dependent children. The spouse or widow will be identified by adding an alpha suffix modifier "A" to the file number. The dependent child or children will be identified consecutively by using alpha suffix modifiers B through Z. If there is no living spouse or widow, the first ID number (veteran's file number) assigned for a child will still be identified by a "B".

EXAMPLE

(A) Living veteran with a total disability permanent in nature resulting from a service connected disability. Veteran's file number is C 12 345 678. ID numbers will be assigned as follows:

Spouse	12 345 678A
Child No. 1	12 345 678B
Child No. 2	12 345 678C
etc.	

(B) Deceased veteran whose death resulted from a service connected disability. Veteran's file number is XC 14 891 237. ID numbers will be assigned as follows:

Widowed Spouse	14 891 237A
Child No. 1	14 891 237B
Child No. 2	14 891 237C
etc.	

(C) Spouse is deceased of a veteran identified in A above or widow deceased as in B above. Veteran's file number is C 19 876 543. ID numbers will be assigned as follows:

Child No. 1	19 876 543B
Child No. 2	19 876 543C
Child No. 3	19 876 543D
etc.	

8. One administrative record folder will be established for each family and identified by the veteran's name (sponsor) and claim number since entitlement to dependent and survivor care emanates from the sponsor's eligibility. This will be referred to as the "Sponsor's Record Folder" and will be maintained alphabetically in an active file system separate from medical records and administrative records now maintained for veteran patients. All applications, eligibility documents, and correspondence pertaining to members of the same family will be retained in the Sponsor's Record Folder.

9. FL 10-442, Notification of Entitlement under CHAMPVA (attachment D), will be mailed to the applicant with the following forms:

(a) VA Form 10-7953, Information for Providers of Medical Care (attachment E). One copy for each member of the family approved for CHAMPVA care, individually identified by name of patient, patient's I.D. card number, name of sponsor, effective date will be September 1, 1973, and expiration date.

NOTE: Expiration dates will be computed to the date the spouse, widow or helpless child will reach age 65. For children the expiration date will be the date the child will reach 18. For children who are attending school after age 18, the expiration date will be the date the child will reach age 23. For informational purposes, a child under CHAMPVA is defined as being under age 18 contrasting eligibility for a child under CHAMPUS where age 21 is recognized. In addition, it will be noted that the term wife includes husband of any female veteran and the term widow includes the widower of any female veteran.

(b) VA Form 10-7954, Instructions to Dependents and Survivors Approved for Care Under CHAMPVA, (attachment F), one copy per family.

10. A carbon copy of the Notification of Entitlement and a copy of page 1 of Information for Providers of Medical Care for each approved beneficiary will be filed in the "Sponsor's Record Folder."

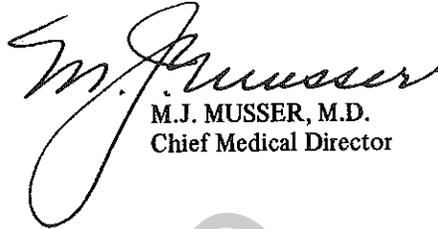
11. If the applicant and/or children are ineligible for dependent or survivor care under CHAMPVA, an individually typed letter with an adequate explanation signed by the Chief, Medical Administration Service will be mailed to the applicant.

12. The VA station accountable for the survivor or dependent beneficiary is responsible for taking tort feason recovery action. Since Public Law 87-693, the Federal Medical Care Recovery Act, applies to all Federal agencies, there may be instances when the VA will be asked by CHAMPUS to effect recovery action. Procedures defined in M-1, Part I, Ch. 15 will be applicable in these instances.

13. At a later date, subsequent instructions will be furnished and a data sheet provided for the purpose of abstracting certain data from VA Form 10-10d applications which have been approved for CHAMPVA care. Such data will be abstracted from the Sponsor's Record Folder and keypunched at the station.

II 10-73-43  
November 19, 1973

14. We anticipate issuing computer generated notices of entitlement to eligible persons based on compensation and pension ADP tapes. Prior to issuance of these notices, instructions will be disseminated to the field.

  
M.J. MUSSER, M.D.  
Chief Medical Director

Distribution: RPC: 1016  
FD

RESCINDED  
Paragraph 2.07 only  
October 28, 1999



VETERANS ADMINISTRATION  
HOSPITAL  
Any Station, U.S.A.

II 10-73-43  
Nov. 19, 1973

IN REPLY  
REFER TO: 136

Miss Mary J. Smith  
1234 Third Street  
Any Town, Urstate 34567

Dear Miss Smith:

As a result of your recent inquiry concerning medical care benefits to dependents and survivors under Public Law 93-82, we wish to furnish you this information.

The following persons may be determined eligible as dependent and survivor beneficiaries of the Veterans Administration for medical care and services under CHAMPVA (Civilian Health and Medical Care Program of the VA) providing they are not now eligible for care under CHAMPUS or Medicare:

- a. The wife or child of a veteran who has a total disability, permanent in nature, resulting from a service-connected disability.
- b. The widow or child of a veteran who has died as the result of a service-connected disability.

Persons who meet the dependent and survivor requirements as defined above may apply for CHAMPVA by completing the enclosed VA Form 10-10d, Application for Medical Benefits for Dependents or Survivors. Please complete the necessary items of information as specified on the form and be sure to include the names of your children and their birth dates. It is important that you include the veteran's identification data, including veteran's name and file number (claim number). Return the completed application to the VA station address on this letterhead. When the application is received, the VA station will determine eligibility and notify you accordingly.

If determined eligible for medical care benefits under CHAMPVA, survivors and dependents will receive appropriate identification and information concerning method of filing claims for medical care received from private sources.

Sincerely yours

JOHN A. JONES

Chief, Medical Administration  
Service

Enclosure: VA Form 10-10d

FL 10-441  
NOV 1973

attachment A

VETERANS ADMINISTRATION  
**APPLICATION FOR MEDICAL BENEFITS  
FOR DEPENDENTS OR SURVIVORS**

TYPE OF BENEFIT APPLIED FOR  
1  CHAMPVA 2  VA SPECIALIZED MEDICAL CARE

**INSTRUCTIONS FOR APPLICANTS:**

**GENERAL** - To be eligible for VA medical care, you must be related, as indicated in Item 8, to a veteran who has a total and permanent service-connected disability or who died from a service-connected disability and not entitled to medical care under Chapter 55, Title 10 (CHAMPUS) or Subchapter XVII, Chapter 7, Title 42 (MEDICARE), U.S. Code.

**CHAMPVA** - If you are applying for medical care under the Veterans Administration Cost Sharing Plan, complete VA Form 10-10d except Items 2, 4, 12, 13, 14, 15, and 16. Application for care for dependent children may also be made on this form by listing them in Item 17.

**VA HOSPITALIZATION** - When applying for specialized medical care in a VA hospital, you should complete VA Form 10-10d, except Item 17 and have your physician complete VA Form 10-10m. Care will usually be provided under the VA Cost Sharing Program (CHAMPVA).

**COMPLETE THE FOLLOWING CONCERNING THE APPLICANT**

1. LAST NAME - FIRST NAME - MIDDLE INITIAL OF APPLICANT <b>SMITH, Mary Jane</b>		2. SOCIAL SECURITY NO.	3. SEX 1 <input type="checkbox"/> M 2 <input checked="" type="checkbox"/> F	4. RELIGION
5. APPLICANT'S HOME ADDRESS (Include County and ZIP Code) <b>1234 Third Street Any Town, Urstate 34567</b>		6. TELEPHONE NO.	7. DATE AND PLACE OF BIRTH <b>Any Place, U.S.A. May 20, 1956</b>	
8. RELATIONSHIP TO VETERAN 1 <input type="checkbox"/> SPOUSE 2 <input type="checkbox"/> WIDOW 3 <input checked="" type="checkbox"/> CHILD	9. IF YOU ARE AN UNMARRIED CHILD OF THE VETERAN AND OVER 18 BUT UNDER 23 YEARS OF AGE, ARE YOU ATTENDING SCHOOL ON A FULL-TIME BASIS? 1 <input type="checkbox"/> YES 2 <input type="checkbox"/> NO		10. DO YOU BELIEVE THIS NEED FOR CARE IS RELATED TO YOUR EMPLOYMENT? 1 <input type="checkbox"/> YES 2 <input type="checkbox"/> NO	
11. ARE YOU ELIGIBLE FOR MEDICAL CARE FROM- CHAMPUS 1 <input type="checkbox"/> YES 2 <input checked="" type="checkbox"/> NO MEDICARE 3 <input type="checkbox"/> YES 4 <input checked="" type="checkbox"/> NO		12. ARE YOU FINANCIALLY ABLE TO PAY COST OF YOUR TRANSPORTATION TO AND FROM A VA MEDICAL FACILITY FOR THIS MEDICAL CARE? 1 <input type="checkbox"/> YES 2 <input type="checkbox"/> NO		
13. IF YOU ARE ENTITLED TO HOSPITAL CARE UNDER AN INSURANCE POLICY, MEMBERSHIP IN A UNION, ETC., GIVE NAME AND ADDRESS OF AGENCY OR ORGANIZATION. BRING YOUR POLICY WITH YOU.		14. DO YOU BELIEVE YOUR NEED FOR HOSPITAL CARE IS DUE TO AN ACCIDENT CAUSED BY ANOTHER PERSON? (If "Yes" is checked, attach an explanation and include name and address of person or organization involved.) 1 <input type="checkbox"/> YES 2 <input type="checkbox"/> NO		

15. I designate the following person or persons, in the order listed, to receive possession of all my personal property left on the premises under the control of the VA after leaving such place or at the time of my death. (This designation does not constitute a will or transfer of title.)

NAME, ADDRESS AND ZIP CODE	TELEPHONE NO.	RELATIONSHIP
A.		
B.		
16. NAME AND ADDRESS OF PERSON TO BE NOTIFIED IN AN EMERGENCY, IF DIFFERENT FROM ITEM 15.		

17. DEPENDENT CHILDREN OTHER THAN SHOWN IN ITEM 1 (Continue on reverse if needed)	NAME	DATE OF BIRTH	SEX (✓)		SAME AS ITEM 9 (✓)		FOR VA USE ONLY
			M	F	YES	NO	ALPHA-SUFFIX MODIFIER
1.							
2.							
3.							
4.							

**COMPLETE THE FOLLOWING CONCERNING THE VETERAN**

18. LAST NAME - FIRST NAME - MIDDLE INITIAL OF VETERAN <b>SMITH, John Q</b>		19. SOCIAL SECURITY NUMBER <b>456 78 9012</b>	20. DATE OF BIRTH <b>July 1, 1921</b>
21. FILE NUMBER (CLAIM NUMBER) <b>C-38 227 554</b>	22. IS VETERAN DECEASED? 1 <input type="checkbox"/> YES 2 <input checked="" type="checkbox"/> NO	23. LOCATION OF FILE (CLAIM) FOLDER <b>VARO, Any Station, U.S.A.</b>	

I understand the questions. The answers to all questions are true and correct to the best of my knowledge and belief. <b>Nov. 26, 1973</b> <i>Mary Jane Smith</i> (Date) (Signature of Patient or his Representative)		<b>FOR VA USE ONLY</b>	
		ADMISSION DATE	AUTHORITY FOR ADMISSION OR TREATMENT

WARNING: If you knowingly make a false statement of any material fact in or in connection with this application, you are subject to prosecution in a U.S. Court.

GENERAL INFORMATION REQUEST			SOCIAL SECURITY NO. Applicant
TO	Director (21) VARO Any Station, U.S.A.	FROM	Director (136) VAH Any Station, U.S.A.
			SERVICE SERIAL NO. Veteran 64620153
SUBJECT	Applicant: SMITH, Mary Jane Veteran: SMITH, John Q. Applicant's Relationship to Veteran: Dependent Child		CLAIM NO. Veteran c- 38 227 554 XC
			POLICY NO. Applicant's Date of Birth H K May 20, 1956
			FNORN FVORV
INQUIRY			
Applicant has requested medical care from VA alleging eligibility under PL 93-82 . Please furnish information requested below.			
DATE	NAME AND TITLE OF PERSON PREPARING INQUIRY		SIGNATURE
10/16/73	JOHN A. JONES Chief of Medical Administration		<i>John A. Jones</i>
TO	Director (136) VAH, Any Station, U.S.A.	FROM	Director (21) VARO, Any Station, U.S.A.
REPLY (If additional space is required, use plain white paper)			
Records verify the above identifying information and show that:			
Applicant's Relationship to Veteran is -			
<input type="checkbox"/> Wife <input type="checkbox"/> Widow <input checked="" type="checkbox"/> Dependent Child Under 18 years of Age <input type="checkbox"/> Dependent Child 18-23 Years of Age and Attending School <input type="checkbox"/> Helpless Child <input type="checkbox"/> Exceptions _____			
Veteran -			
<input checked="" type="checkbox"/> Is <input type="checkbox"/> Is not rated P&T resulting from a SC condition. <input type="checkbox"/> Did <input type="checkbox"/> Did not die as a result of a SC condition <input checked="" type="checkbox"/> Has <input type="checkbox"/> Does not have other dependents or survivors (List names and date of birth of all others. Include information regarding children 18-23 years of age who are attending school).			
SMITH, Sally Mae    DOB: April 10, 1958    Dependent Child SMITH, John Q., Jr.    DOB: June 19, 1954    Dependent Child (Approved school attendance thru June 1974). SMITH, Helen Marie    DOB: September 10, 1932    Legal Wife			
DATE	NAME AND TITLE OF PERSON PREPARING REPLY		SIGNATURE
10/17/73	FRED BROWN Chief, Adjudication Division		<i>Fred Brown</i>



VETERANS ADMINISTRATION  
HOSPITAL  
Any Station, U.S.A.

II 10-73-43  
Nov. 19, 1973

IN REPLY  
REFER TO: 136

Miss Mary J. Smith  
1234 Third Street  
Any Town, Urstate 34567

Dear Miss Smith:

You have been determined eligible to receive medical care, partially at the expense of the Government, effective September 1, 1973.

A deductible of \$50 must be paid by you each fiscal year for outpatient treatment. When claims are submitted for two or more eligible members of a family, the deductible is \$100. After the deductible has been met, the provider of care will be reimbursed 75 percent of the remaining reasonable charges, when a proper claim is filed with the CHAMPUS fiscal agent in the State where services were obtained.

If you are hospitalized in a non-VA hospital, CHAMPUS will pay 75 percent of the reasonable charges.

Pending receipt of a permanent identification card, which we will issue as soon as possible, you should keep this letter. Show it to your physician, or other provider of care, also show him the enclosed VA Form 10-7953, Information for Providers of Medical Care. Instructions to Dependents and Survivors Approved for Care Under CHAMPVA, VA Form 10-7954, is enclosed to assist you in filing benefit claims with CHAMPUS.

If you have any questions about this program, I suggest you contact this station.

Sincerely yours,

JOHN A. JONES

Chief, Medical Administration  
Service

Enclosures: VA Form 10-7953  
VA Form 10-7954

VETERANS ADMINISTRATION  
**INFORMATION FOR PROVIDERS OF MEDICAL CARE**

NAME OF PATIENT SMITH, Mary Jane		PATIENT'S ID CARD NO. 38 227 554B	ISSUING VA STATION (Name and address)  VA Hospital Any Station, U.S.A.
EFFECTIVE DATE September 1, 1973	EXPIRATION DATE May 20, 1974		
NAME OF SPONSOR SMITH, John Q.		VA STATION NO. (3 Digit) 123	

The person whose name appears above is eligible to receive medical care, through CHAMPVA (Civilian Health and Medical Program of the Veterans Administration) as a survivor or dependent beneficiary of the Veterans Administration. The entitlement of VA beneficiaries under this program is the same as provided to dependents of retirees with CHAMPUS entitlement with the same deductible and cost sharing requirements. Please submit your claims to your CHAMPUS fiscal agent, on the appropriate CHAMPUS claim form.

1. CHAMPVA will pay, subject to the same deductible and cost sharing requirements as CHAMPUS, for:
  - a. Hospitalization.
  - b. Outpatient treatment and services.
  - c. Drugs and medicines obtainable only by prescription including insulin and oxygen.
  - d. Dental care when it is a part of medical or surgical treatment.
  - e. Orthopedic braces, crutches, artificial limbs, and artificial eyes.
  - f. Care by a doctor of medicine, osteopathy, dental surgery, dental medicine and surgical chiropody. Also, services of a doctor of optometry and psychologist when practicing within the scope of their licenses; and services of other professional personnel when ordered by a physician as essential for the proper care and treatment of the patient.
  - g. Immunizations when required as part of medical treatment.
  - h. Family planning services including counseling and guidance.
  - i. Such other medical services and surgical procedures which are considered authorized benefits under the CHAMPUS program.
2. CHAMPVA will not pay for:
  - a. The cost of travel to obtain non-VA medical care, except ambulance travel when recommended by a physician.
  - b. Chiropractic services.
  - c. Routine physical examinations.
  - d. Domiciliary or custodial care.
  - e. Hearing aids, eyeglasses for correction of refractive error, or prostheses except as shown in Item 1e, above.
  - f. Such other services which are excluded under the CHAMPUS program.

**INSTRUCTIONS FOR COMPLETING CLAIM FORMS**

(DA Form 1863-1, Civilian Hospitals and DA Form 1863-2, Civilian Sources)

Item No.	Item No.	Item No.	
1.	Name of patient	9.	Leave blank
2.	Date of birth	10.	Enter the 3-digit number of issuing VA station
3.	Address	11.	Enter "VA" as block 8
4.	Check (1), (2), or (3)	12.	Leave blank
5.	Patient's ID Number; Enter effective date and expiration date	13.	Check appropriate box and cross out inapplicable portion of statement. Print name, relationship to patient, date, and obtain signature.
6.	Leave blank		
7.	Enter name of veteran		
8a.	Leave blank		
8b.	VA File No. (Claim No.) of Veteran		

## VETERANS ADMINISTRATION

II 10-73-43  
Nov. 19, 1973

### INSTRUCTIONS TO DEPENDENTS AND SURVIVORS APPROVED FOR CARE UNDER CHAMPVA

Survivors and dependents who have been determined eligible by the VA are covered under CHAMPVA by the following cost sharing plan:

1. For authorized inpatient care CHAMPVA will pay 75 percent of the reasonable charges of the hospital and professional personnel.
2. For authorized outpatient care a deductible must be paid by the beneficiary each fiscal year (1 July through 30 June). When a claim for authorized care is submitted for only one beneficiary, the deductible is \$50. When claims for authorized care are submitted for two or more beneficiaries of a family, the deductible is \$100. After the deductible has been paid, CHAMPVA pays 75 percent of the remaining reasonable charges for authorized care.
3. When outpatient care is directly related to the condition for which patient is hospitalized, if provided within 30 days before and 120 days after hospitalization, it is considered inpatient care in computing the patient's share of charges.

### PARTICIPATION IN CHAMPVA BY THE PROVIDER OF CARE

Participation in CHAMPVA is entirely voluntary for the physician or any other source of medical care. Under the CHAMPVA cost sharing plan the Government pays a share of the reasonable charges for authorized health benefits. In determining if a charge is reasonable, the customary charges made by the physician and the prevailing charges of other physicians in the community for similar services are considered. If the care involves unusual circumstances and professional effort, this is taken into consideration. Similar procedures are used to determine reasonable charges for authorized services rendered by other specialists in the health professions. Hospital charges are determined to be reasonable when they are the customary charges of that hospital to the general public. Once a physician or other source of care accepts a patient as a VA beneficiary under CHAMPVA, the patient does not have to pay more than the cost sharing amount. For this reason, it is recommended that a patient confirm in advance that a physician or other source of care will participate under CHAMPVA. A patient who selects a non-participating source of care may find that the cost sharing portion of the payment may be greater with such additional cost to be paid by the patient.

It is required that a patient having other health care insurance provided by law, through employment, or under a private plan that such other insurance benefits be used before CHAMPVA can make payment. CHAMPVA will pay the remaining allowable charges, if such charges do not exceed the amount that would have been paid had there been no other insurance.

### HOW TO FILE CHAMPVA CLAIMS

**Forms Used** - CHAMPVA claims are filed on either DA Form 1863-1 or 1863-2. The DA Form 1863-1 is used by hospitals; and the 1863-2 form is used by other sources of care and beneficiaries.

Most sources of care have been furnished supplies of the appropriate form. Blank forms may also be obtained from the office to which a claim will be sent. (See listing of CHAMPUS FISCAL AGENTS on page 3.)

**What an Itemized Bill or Receipt Must Contain** - A physician's bill or receipt must show the patient's name, diagnosis, care or service provided and dates thereof, and the charges. Drug receipts must show the name of the patient, the name of the pharmacy, the prescription number, date filled, and the amount charged. In the case of insulin, no prescription number is required, but the receipt must specify "insulin." "Receipt" means a statement of services or supplies furnished and charges therefor that has been marked "Paid" and signed or initialed by the source of care or his representative. Similar evidence of payment, such as a cancelled check or money order stub, may be enclosed with an itemized bill that has not been receipted to establish proof of payment.

**How To Obtain the Outpatient Deductible Certificate** - Accumulate itemized receipted bills until they equal or exceed \$50 for one patient or \$100 for the family for the fiscal year. The fiscal year begins on 1 July and ends on 30 June of the following calendar year. Remember this when figuring your deductible. Remember also that an expense is incurred on the date the service or supply is received. Payments made for unauthorized health benefits cannot be used to satisfy the deductible.

II 10-73-43, Nov. 19, 1973

A separate claim form will be used for each beneficiary for whom itemized receipted bills are submitted. DA Form 1863-1 (for hospital care) or 1863-2 (for outpatient services) will be used for this purpose. Complete Items 1, 2, 3, 4 (designate whether spouse, daughter or son), Item 5 (ID card number assigned by VA, and effective date and expiration date of card), Item 7 (Name of veteran), Item 8b (VA file number or claim number of veteran). Item 10 (indicate "VA" include station number on card) and Item 13 (check appropriate box and be sure to indicate name of patient, relationship, date prepared, and signature of person completing the claim form or forms, as applicable, and send to the fiscal agent of the State in which services were received.

Upon adjudication of the claim, the fiscal agent will issue the beneficiary or family, as applicable, a certificate showing that the deductible has been satisfied for that fiscal year. The fiscal agent will also reimburse the beneficiary 75 percent of the allowable charges paid in excess of the deductible.

**After Receipt of the Deductible Certificate** - When obtaining authorized outpatient services after receipt of the deductible certificate, pay the participating source of care 25 percent of his charges and complete the Items 1 through 5, 7, 8b, 10, 11 and 13 of DA Form 1863-2 for the source of care if other than a hospital. If the source of outpatient care is a hospital, complete the same items of DA Form 1863-1. The source of care will then complete the remainder of the form and submit it to the fiscal agent for payment of the remaining allowable charges.

**Claims for Inpatient Care** - Complete the same items (as indicated above) of DA Form 1863-1 and give it, together with your share of the charges, if applicable, to your attending physician. The hospital and physician will then complete the remainder of the forms and submit them to their appropriate fiscal agent and hospital contractor for payment of the Government's share of the allowable charges.

**Reimbursement Claims.** If a patient makes a payment which is in excess of his applicable share or if he pays the source of care the entire amount of charges, he may file a claim for reimbursement. Remember that you cannot be reimbursed more than the Government's share of reasonable charges for authorized care, no matter how much you may have paid the source of care.

A claim for reimbursement of the Government's share of allowable charges for either inpatient or outpatient care may be filed by completing the same items of DA Form 1863-1 or 1863-2, attaching thereto itemized receipted bills and forwarding the form with the supporting itemized receipted bills to the fiscal agent of the state in which the care was obtained.

**CHAMPUS FISCAL AGENTS**

All beneficiaries and sources of medical care except hospitals should use the following addresses when filing any CHAMPVA claim for services rendered in the United States or Puerto Rico.

Hospitals should also file claims for outpatient care with the appropriate fiscal agent, but should file claims for inpatient care with the appropriate hospital contractor listed. The appropriate fiscal agent is the one for the State (or Puerto Rico) in which services were rendered.

<p><b>Alabama</b> Mutual of Omaha Insurance Company P.O. Box 1298 Omaha, Nebr. 68101</p> <p><b>Alaska</b> Washington Hospital Svc. Assn. P.O. Box 327 Seattle, Wash. 98111</p> <p><b>Arizona</b> Arizona Blue Shield Medical Svc. P.O. Box 13466 Phoenix, Ariz. 85002</p> <p><b>Arkansas</b> Arkansas Blue Cross &amp; Blue Shield, Inc. 601 Gaines Street Little Rock, Ark. 72201</p> <p><b>California</b> California Physicians' Svc. 720 California Street San Francisco, Calif. 94108</p> <p><b>Colorado</b> Colorado Medical Service, Inc. 244 University Blvd., Denver, Colo. 80206</p> <p><b>Connecticut</b> Connecticut General Life Insurance Company Hartford, Conn. 06115</p> <p><b>Delaware</b> Blue Cross &amp; Blue Shield of Delaware, Inc. 201 West 14th St. Wilmington, Del. 19801</p> <p><b>District of Columbia</b> (Includes D.C., Prince Georges and Montgomery Counties, Md., and Arlington and Fairfax Counties, Va., and the cities of Alexandria and Falls Church, Va.) Medical Service of the District of Columbia 1021 14th Street N.W. Washington, D.C. 20005</p> <p><b>Florida</b> Blue Shield of Florida, Inc. P.O. Box 2170 Jacksonville, Fla. 32203</p> <p><b>Georgia</b> Medical Association of Georgia 938 Peachtree St., N.E. Atlanta, Ga. 30309</p>	<p><b>Hawaii</b> Hawaii Medical Svc. Assn. P.O. Box 860 Honolulu, Hawaii 96808</p> <p><b>Idaho</b> North Idaho District Medical Service Bureau, Inc. 201 Breier Bldg. Lewiston, Idaho 83501</p> <p><b>Illinois</b> Mutual of Omaha Insurance Co. P.O. Box 1298 Omaha, Nebr. 68101</p> <p><b>Indiana</b> Indiana State Medical Assn. 3935 North Meridian St. Indianapolis, Ind. 46208</p> <p><b>Iowa</b> Iowa Medical Society 1001 Grand Avenue West Des Moines, Iowa 50265</p> <p><b>Kansas</b> Kansas Physicians' Service 1133 Topeka Ave. Topeka, Kan. 66612</p> <p><b>Kentucky</b> Kentucky Physicians' Mutual, Inc. 3101 Bardstown Rd. Louisville, Ky. 40205</p> <p><b>Louisiana</b> Continental Service Life &amp; Health Insurance Co. P.O. Box 3397 Baton Rouge, La. 70821</p> <p><b>Maine</b> Associated Hospital Service of Maine 509 Forest Ave. Portland, Me. 04101</p> <p><b>Maryland</b> (Excludes Prince Georges and Montgomery Counties, which are served by the fiscal agent for the District of Columbia.) Maryland Medical Svc. Inc. 7800 York Road Baltimore, Md. 21204</p> <p><b>Massachusetts</b> Mass. Medical Svc. &amp; Mass. Blue Cross, Inc. 133 Federal St. Boston, Mass. 02110</p>	<p><b>Michigan</b> Michigan Medical Svc. 441 East Jefferson Ave. Detroit, Mich. 48226</p> <p><b>Minnesota</b> Minnesota Medical Service, Inc. 2344 Nicollet Avenue Minneapolis, Minn. 55404</p> <p><b>Mississippi</b> Mississippi State Medical Assn. 735 Riverside Dr. Jackson, Miss. 39202</p> <p><b>Missouri</b> Missouri Medical Svc. 3615 Olive Street St. Louis, Mo. 63108</p> <p><b>Montana</b> Montana Physicians' Svc. P.O. Box 1677 Helena, Mont. 59601</p> <p><b>Nebraska</b> Nebraska Medical Svc., CHAMPUS Dept. P.O. Box 3248 Main Post Office Station Omaha, Nebr. 68103</p> <p><b>Nevada</b> Nevada State Medical Assn. 3660 Baker Lane Reno, Nev. 89502</p> <p><b>New Hampshire</b> New Hampshire-Vermont Physicians Svc. One Pillsbury St. Concord, N.H. 03301</p> <p><b>New Jersey</b> Medical-Surgical Plan of New Jersey 500 Broad St. Newark, N.J. 07102</p> <p><b>New Mexico</b> Surgical Service, Inc. of New Mexico 12800 Indian School Drive, N.E. Albuquerque, N.M. 87112</p> <p><b>New York</b> United Medical Service, Inc. 2 Park Avenue New York, N.Y. 10016</p> <p><b>North Carolina</b> North Carolina Blue Cross &amp; Blue Shield, Inc. 440 West Franklin Street Chapel Hill, N.C. 27514</p>
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CHAMPUS FISCAL AGENTS--Continued

**North Dakota**  
 North Dakota Physicians' Svc.  
 301 Eighth Street, South  
 Fargo, N.D. 58102

**Ohio**  
 Mutual of Omaha Insurance Co.  
 P.O. Box 1298  
 Omaha, Nebr. 68101

**Oklahoma**  
 Oklahoma Physicians' Svc.  
 P.O. Box 1738  
 Tulsa, Okla. 74101

**Oregon**  
 Oregon Physicians' Svc.  
 P.O. Box 1071  
 Portland, Ore. 97207

**Pennsylvania**  
 Medical Service Assn. of Pa.  
 Blue Shield Bldg.  
 Camp Hill, Pa. 17011

**Puerto Rico**  
 Mutual of Omaha Insurance Co.  
 P.O. Box 1298  
 Omaha, Nebr. 68101

**Rhode Island**  
 Mutual of Omaha Insurance Co.  
 P.O. Box 1298  
 Omaha, Nebr. 68101

**South Carolina**  
 Mutual of Omaha Insurance Co.  
 P.O. Box 1298  
 Omaha, Nebr. 68101

**South Dakota**  
 South Dakota Medical Service, Inc.  
 711 North Lake Ave.,  
 Sioux Falls, S.D. 57104

**Tennessee**  
 Blue Cross  
 Blue Shield of Tenn.  
 707 Chestnut St.  
 Chattanooga, Tenn. 37402

**Texas**  
 Mutual of Omaha Insurance Co.  
 P.O. Box 1298  
 Omaha, Nebr. 68101

**Utah**  
 Blue Shield of Utah  
 P.O. Box 270  
 Salt Lake City, Utah 84110

**Vermont**  
 New Hampshire-Vermont  
 Physicians Svc.  
 One Pillsbury St.  
 Concord, N.H. 03301

**Virginia**  
 (Excludes Arlington and Fairfax  
 Counties and the cities of Alexandria  
 and Falls Church, which are served  
 by the fiscal agent for the District of  
 Columbia.)  
 Blue Shield of Virginia  
 P.O. Box 656  
 Richmond, Va. 23205

**Washington**  
 Washington Physicians' Svc.  
 1800 Terry Ave.  
 Seattle, Wash. 98101

**West Virginia**  
 Medical-Surgical Care, Inc.  
 203 Union Trust Bldg.  
 Parkersburg, W.Va. 26101

**Wisconsin**  
 Wisconsin Physicians Service  
 P.O. Box 1787  
 Madison, Wis. 53701

**Wyoming**  
 Wyoming Medical Service, Inc.  
 P.O. Box 2266  
 Cheyenne, Wyo. 82001

CHAMPUS HOSPITAL CONTRACTORS

Hospitals in the United States and Puerto Rico must send claims covering inpatient services to the CHAMPUS hospital contractor serving the state in which the hospital is located.

Mutual of Omaha Insurance Company is the CHAMPUS hospital contractor for the states listed below. The address to which claims should be sent is 840 N. Lake Shore Dr., AHA Bldg. W., Omaha, Nebr. 68101.

Arkansas	Minnesota
Florida	Missouri
Georgia	Nebraska
Illinois	North Dakota
Indiana	Oklahoma
Iowa	South Carolina
Kansas	South Dakota
Louisiana	Texas

Wisconsin

Blue Cross Association is the CHAMPUS hospital contractor for the states listed below. The headquarters address is 919 N. Michigan Ave., Chicago, Ill. 60611. However, hospitals in these states mail claims to their local Blue Cross Plan offices rather than to the Chicago office.

Alabama	Hawaii	Nevada	Puerto Rico
Alaska	Idaho	New Hampshire	Rhode Island
Arizona	Kentucky	New Jersey	Tennessee
California	Maine	New Mexico	Utah
Colorado	Maryland	New York	Vermont
Connecticut	Massachusetts	North Carolina	Virginia
Delaware	Michigan	Ohio	Washington
District of Columbia	Mississippi	Oregon	West Virginia
	Montana	Pennsylvania	Wyoming

TELEGRAPHIC MESSAGE

NAME OF AGENCY <b>WASHINGTON D C</b>	PRECEDENCE ACTION: <b>P</b> INFO:	SECURITY CLASSIFICATION
ACCOUNTING CLASSIFICATION <b>NOV 8 10 44 AM '73</b>	DATE PREPARED <b>NOVEMBER 2, 1973</b>	TYPE OF MESSAGE <input checked="" type="checkbox"/> SINGLE <input type="checkbox"/> BOOK <input type="checkbox"/> MULTIPLE-ADDRESS
FOR INFORMATION CALL		
NAME <b>M. TAVARONE (136F)</b>	PHONE NUMBER <b>2337</b>	
THIS SPACE FOR USE OF COMMUNICATION UNIT		

MESSAGE TO BE TRANSMITTED (Use double spacing and all capital letters)

TO:

DIRECTORS OF VA HOSPITALS, DOMICILIARY, OUTPATIENT CLINICS AND REGIONAL OFFICES WITH OUTPATIENT CLINICS

00/ THIS IS INTERIM ISSUE 10-73-42

A. BASIC ADMINISTRATIVE ISSUE AFFECTED: DM&S MANUAL M-1, PART I

B. OTHER ISSUES AFFECTED: NONE

REASON FOR ISSUE:

TO PROVIDE PARTIAL INSTRUCTIONS FOR IMPLEMENTATION OF PUBLIC LAW 93-82 RELATING TO AMBULATORY CARE.

D. TEXT OF ISSUE:

1. AMBULATORY CARE MAY BE FURNISHED TO VETERANS WHO ARE ELIGIBLE FOR VA HOSPITAL CARE AND WHO DO NOT OTHERWISE HAVE ENTITLEMENT TO OUTPATIENT CARE WHEN:

a. AN APPLICATION IS MADE FOR HOSPITAL CARE AND

b. A MEDICAL DETERMINATION INDICATES THAT SUCH CARE IS

REASONABLY NECESSARY BUT THE REQUIRED CARE CAN BE PROVIDED

ON AN AMBULATORY BASIS. THIS DETERMINATION

SHOULD BE MADE BY THE EXAMINING OR

PAGE NO.	NO. OF PGS.
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1

4

SECURITY CLASSIFICATION

TELEGRAPHIC MESSAGE

NAME OF AGENCY	PRECEDENCE ACTION: INFO:	SECURITY CLASSIFICATION
ACCOUNTING CLASSIFICATION	DATE PREPARED	TYPE OF MESSAGE <input type="checkbox"/> SINGLE <input type="checkbox"/> BOOK <input type="checkbox"/> MULTIPLE-ADDRESS
FOR INFORMATION CALL		
NAME	PHONE NUMBER	
THIS SPACE FOR USE OF COMMUNICATION UNIT		

MESSAGE TO BE TRANSMITTED (Use double spacing and all capital letters)

TO:  
TREATING PHYSICIAN, AND SHOULD BE BASED ON HIS PROFESSIONAL JUDGMENT THAT THE MEDICAL SERVICES TO BE PROVIDED ARE NECESSARY TO TREAT A CONDITION WHICH WOULD NORMALLY REQUIRE BED CARE, OR WHICH, IF UNTREATED, COULD REASONABLY BE EXPECTED TO REQUIRE SUCH CARE IN THE IMMEDIATE FUTURE. THIS WOULD NOT, HOWEVER, COVER ROUTINE MAINTENANCE TREATMENT OF CHRONIC CONDITIONS WHICH DO NOT NORMALLY REQUIRE HOSPITAL CARE, SUCH AS DAILY INSULIN INJECTIONS FOR DIABETICS, ADMINISTRATION OF ANTI-HYPERTENSIVE DRUGS, ETC. SUCH DETERMINATION WILL BE RECORDED ON VA FORM 10-10m, MEDICAL CERTIFICATE, BY THE EXAMINING PHYSICIAN.

2. A VETERAN WHO IS REQUIRED BY VA REGULATION 6047(D) TO CERTIFY INABILITY TO PAY THE COSTS OF HOSPITALIZATION ELSEWHERE WILL BE FURNISHED AN ESTIMATE OF THE COST OF INPATIENT CARE WHICH WOULD BE REQUIRED IF THE MEDICAL CONDITION REMAINED UNTREATED. HIS DECISION AS TO INABILITY TO PAY WILL BE BASED ON THAT AMOUNT AND OTHER

ATED FACTORS INVOLVED IN THE

SECURITY CLASSIFICATION

PAGE NO.	NO. OF PGS.
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2

4

NAME OF AGENCY		PRECEDENCE	SECURITY CLASSIFICATION
		ACTION:	
		INFO:	
ROUTING CLASSIFICATION	DATE PREPARED	TYPE OF MESSAGE	
FOR INFORMATION CALL		<input type="checkbox"/> SINGLE <input type="checkbox"/> BOOK <input type="checkbox"/> MULTIPLE-ADDRESS	
NAME	PHONE NUMBER		

THIS SPACE FOR USE OF COMMUNICATION UNIT

MESSAGE TO BE TRANSMITTED (Use double spacing and all capital letters)

TO:

COUNSELING PROGRAM.

3. WHEN LEGAL AND MEDICAL ELIGIBILITY HAS BEEN DETERMINED, A MEDICAL RECORD WILL BE ESTABLISHED. NECESSARY EXAMINATIONS AND TREATMENTS WILL BE SCHEDULED AND THE PATIENT NOTIFIED ACCORDINGLY. MEDICATIONS AND MEDICAL SUPPLIES NECESSARY TO ACCOMPLISH THE TREATMENT OBJECTIVE MAY BE FURNISHED.

4. AMBULATORY CARE WILL BE TERMINATED WHEN THE PATIENT'S CONDITION HAS IMPROVED OR STABILIZED TO THE EXTENT THAT FURTHER CARE IS NO LONGER REQUIRED TO SATISFY THE PURPOSE FOR WHICH IT WAS INITIATED.

~~5. THE FOLLOWING CHANGE WILL BE MADE TO VA FORM 10-2875, OUTPATIENT ROUTING LIST.~~

~~a. PURPOSE CODE 4 IS CHANGED BY DELETING "INSURANCE" AND ADDING "AMBULATORY CARE". THIS PURPOSE WILL BE USED WHEN RECORDING A VISIT OF A VETERAN FOR AMBULATORY CARE.~~

~~b. PURPOSE CODE B "MISCELLANEOUS" IS AMENDED TO INCLUDE VISITS FOR INSURANCE PURPOSES.~~

*Deleted by  
II 10-76-5*

6. THESE INSTRUCTIONS RELATING

SECURITY CLASSIFICATION

PAGE NO.

3

NO. OF PGS.

4

TELEGRAPHIC MESSAGE

NAME OF AGENCY	PRECEDENCE ACTION: INFO:	SECURITY CLASSIFICATION
ACCOUNTING CLASSIFICATION	DATE PREPARED	TYPE OF MESSAGE <input type="checkbox"/> SINGLE <input type="checkbox"/> BOOK <input type="checkbox"/> MULTIPLE-ADDRESS
FOR INFORMATION CALL		
NAME	PHONE NUMBER	
THIS SPACE FOR USE OF COMMUNICATION UNIT		

MESSAGE TO BE TRANSMITTED (Use double spacing and all capital letters)

TO:  
TO AMBULATORY CARE SUPERSEDE AND REPLACE THE CRITERIA WHICH GOVERNED THE PROVIDING OF SIMILAR CARE IN THE I2 STATION PILOT PROGRAM.

7. THIS INTERIM ISSUE WILL NOT BE CONFIRMED BY PRINTED ISSUE.

136F/10

RESCINDED  
Paragraph 2.07 only  
October 28, 1999

SECURITY CLASSIFICATION
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PAGE NO. 4	NO. OF PGS. 4
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VACO WASHINGTON D C

SIGNED AND DATED

OCT 12 4 04 PM '73

OCTOBER 10, 1973

DEPT. OF  
MEDICINE & SURGERY

X

N. McFARLAND (136F)

2337

DIRECTORS OF VA HOSPITALS, DOMICILIARY, OUTPATIENT CLINICS AND REGIONAL OFFICES WITH OUTPATIENT CLINICS

OO/ THIS IS INTERIM ISSUE 10-73-3 )

A. BASIC ADMINISTRATIVE ISSUE AFFECTED: DM&S MANUAL M-1, PART I

B. OTHER ISSUES AFFECTED: II 10-73-30

C. REASON FOR ISSUE:

TO PROVIDE PRIORITIES FOR ADMITTING PERSONS DIRECT OR BY TRANSFER TO VA NURSING HOME CARE UNITS.

D. TEXT OF ISSUE:

1. PRIORITIES FOR ADMISSION TO VA NURSING HOME CARE UNITS ARE:

(a) PRIORITY GROUP I INCLUDES VETERAN PATIENTS RECEIVING HOSPITAL OR DOMICILIARY CARE IN VA FACILITIES WHOSE TRANSFER IS REQUIRED FOR SERVICE-CONNECTED OR ADJUNCT DISABILITIES; AND PERSONS BEING FURNISHED CARE IN ARMED-FORCES HOSPITALS WHO WILL REQUIRE A PROTRACTED PERIOD OF NURSING HOME CARE UPON RELEASE THEREFROM, AND WILL BECOME VETERANS ON DISCHARGE FROM ACTIVE MILITARY SERVICE.

(b) PRIORITY GROUP II INCLUDES VETERAN APPLICANTS NOT HOSPITALIZED OR DOMICILED BY VA WHO REQUIRE NURSING HOME CARE FOR SERVICE-CONNECTED OR ADJUNCT DISABILITIES.

(c) PRIORITY GROUP III INCLUDES VETERAN PATIENTS RECEIVING HOSPITAL OR DOMICILIARY CARE IN VA FACILITIES WHOSE TRANSFER IS REQUIRED FOR NONSERVICE-CONNECTED DISABILITIES.

(d) PRIORITY GROUP IV INCLUDES VETERAN PATIENTS NOT HOSPITALIZED OR DOMICILED BY VA WHO REQUIRE NURSING HOME CARE FOR NONSERVICE-CONNECTED DISABILITIES.

2. THIS INTERIM ISSUE WILL NOT BE CONFIRMED BY PRINTED ISSUE.

136F/10

SIGNED & DISPATCHED

OCT 5 11 06 AM '73

OCTOBER 4, 1973  
MEDICINE & SURGERY

X

VACO WASHINGTON D C

M. TAVARONE (136F)

2337

DIRECTORS OF VA HOSPITALS, DOMICILIARY, OUTPATIENT CLINICS AND REGIONAL OFFICES WITH OUTPATIENT CLINICS

OO/ THIS IS INTERIM ISSUE 10-73-33

A. BASIC ADMINISTRATIVE ISSUE AFFECTED: DM&S MANUAL M-1, PART I

B. OTHER ISSUES AFFECTED: NONE

C. REASON FOR ISSUE:

TO PROVIDE PARTIAL INSTRUCTIONS FOR IMPLEMENTATION OF PUBLIC LAW 93-82. ADDITIONAL INSTRUCTIONS WILL FOLLOW.

D. TEXT OF ISSUE:

1. VA PAYMENTS MAY BE MADE TO STATE HOMES FOR THE CARE OF VETERANS WITH SERVICE AFTER JANUARY 31, 1955, IN THE SAME MANNER AND UNDER THE SAME CRITERIA AS FOR VETERANS OF A WAR.

2. EFFECTIVE SEPTEMBER 1, 1973, THE FOLLOWING ARE THE MAXIMUM PER DIEM RATES WHICH MAY BE PAID TO A STATE FOR THE CARE OF WAR VETERANS RECEIVING HOSPITAL CARE, NURSING HOME CARE OR DOMICILIARY CARE IN AN APPROVED STATE VETERANS' HOME:

<u>HOSPITAL CARE</u>	<u>NURSING CARE</u>	<u>DOMICILIARY CARE</u>
\$10.00	\$6.00	\$4.50

3. THIS INTERIM ISSUE WILL NOT BE CONFIRMED BY PRINTED

ISSUE. 136F/10

TELETYPE MESSAGE

NAME	PRECEDENCE	SECURITY CLASSIFICATION
VACO WASHINGTON D C	ACTION: P INFO	
ACCOUNTING CLASSIFICATION	DATE PREPARED	TYPE OF MESSAGE
	OCTOBER 3, 1973	<input checked="" type="checkbox"/> SINGLE <input type="checkbox"/> BOOK <input type="checkbox"/> MULTIPLE-ADDRESS
FOR INFORMATION CALL		
NAME	PHONE NUMBER	
M. TAVARONE	2337	

THIS SPACE FOR USE OF COMMUNICATION UNIT

MESSAGE TO BE TRANSMITTED (Use double spacing and all capital letters)

TO:  
DIRECTORS OF VA HOSPITALS, DOMICILIARY, OUTPATIENT CLINICS AND REGIONAL OFFICES WITH OUTPATIENT CLINICS

OO/ THIS IS INTERIM ISSUE 10-73-30

A. BASIC ADMINISTRATIVE ISSUE AFFECTED: DM&S MANUAL M-1, PART I

B. OTHER ISSUES AFFECTED: NONE

C. REASON FOR ISSUE:  
TO PROVIDE PARTIAL INSTRUCTIONS FOR IMPLEMENTATION OF PUBLIC LAW 93-82. ADDITIONAL INSTRUCTIONS WILL FOLLOW.

D. TEXT OF ISSUE:

1. ANY VETERAN, ~~AS DEFINED IN VA REGULATION 6039,~~ WHO REQUIRES *FOR A SERVICE CONNECTED CONDITION* NURSING HOME CARE, *FOR A VETERAN* MAY BE ADMITTED DIRECTLY TO A VA NURSING CARE UNIT. *INSTRUCTIONS RELATIVE TO DIRECT ADMISSION OF NON-SERVICE CONNECTED* IF HE REQUIRES NURSING HOME CARE FOR A SERVICE-CONNECTED CONDITION, HE *CONDITIONS* MAY ALSO BE ADMITTED DIRECTLY TO A NON-VA NURSING HOME AT VA EXPENSE, *WILL FOLLOW* PROVIDED THERE IS DETERMINATION OF NEED BY A VA PHYSICIAN. WHEN EXAMINATION BY A VA PHYSICIAN IS NOT FEASIBLE, AN EXAMINATION TO DETERMINE NEED MAY BE AUTHORIZED ON A FEE BASIS.

2. THIS INTERIM ISSUE WILL NOT BE CONFIRMED BY PRINTED ISSUE.

136F/10

OCT 3 1973

MTAVARONE:has 136 13 1118

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SECURITY CLASSIFICATION
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P

VACO WASHINGTON D C

SEPTEMBER 27, 1973

SIGNED & DISPATCHED

SEP 27 3 07 PM '73

DEPT. OF MEDICINE & SURGERY

P. C. GIBERT (136F)

2851

DIRECTORS OF VA HOSPITALS, DOMICILIARY, OUTPATIENT CLINICS AND REGIONAL OFFICES WITH OUTPATIENT CLINICS

OO/ THIS IS INTERIM ISSUE 10-73-29

A. BASIC ADMINISTRATIVE ISSUE AFFECTED: DMES MANUAL M-1, PART I

B. OTHER ISSUES AFFECTED: NONE

C. REASON FOR ISSUE:

TO PROVIDE PARTIAL INSTRUCTIONS FOR IMPLEMENTATION OF PUBLIC LAW 93-82. ADDITIONAL INSTRUCTIONS WILL FOLLOW.

D. TEXT OF ISSUE:

1. ANY VETERAN AS DEFINED IN VAR 6030 IS ELIGIBLE FOR HOSPITALIZATION IN A VA HOSPITAL. THE REQUIREMENT OF WAIVING SERVICE HAS BEEN ELIMINATED. THERE IS NO CHANGE WITH RESPECT TO ABILITY TO PAY.

2. VETERANS WHO ARE 80 PERCENT OR MORE DISABLED BECAUSE OF SERVICE-CONNECTED DISABILITIES ARE ENTITLED TO OUTPATIENT CARE FOR ANY CONDITION. PRIORITY IS NOT A FACTOR. WHEN ISSUING PATIENT DATA CARDS TO THESE PATIENTS, ENTER 80 AS A SPECIAL ELIGIBILITY CODE IN SPACES 25 AND 26, LINE 8. *Dental care is not included, except when adjunct to a medical condition.*

3. THIS INTERIM ISSUE WILL NOT BE CONFIRMED BY VAINTED ISSUE.

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(10-73-49)