

VDC: Updates and Expansion

April 11, 2022

2022 National
Self-Direction Conference



Choose **VA**

VA



U.S. Department
of Veterans Affairs

Agenda

1

Welcome

2

VDC Update and Overview

3

Important Updates and Reminders for FMS Providers

4

Nationwide Growth and Expansion

5

Questions & Answer



VDC: Updates and Overview



Veteran Directed Care (VDC) Program

- The VDC program serves Veterans of any age who are at risk of admission to an institution
 - Veterans hire workers, including family, friends, and neighbors, to provide personal care services in accordance with a Veteran-developed and VA-approved spending plan
 - Veterans receive assistance to manage their employer responsibilities from person-centered counselors and financial management services (FMS) providers.
 - VAMCs purchase VDC services from VA-approved Aging and Disability Network Agencies (ADNAs) using Veterans Care Agreements



Choose **VA**

VA



U.S. Department
of Veterans Affairs

VDC Program Components

- Veteran receives a Personal Care Services Case Mix Tool score.
- Case mix level links to a budget amount, adjusted by county-specific cost of home health care labor.
- VDC provider works with Veteran to develop spending plan following person-centered planning model that is then approved by VAMC.
- VHA purchases care and goods, as identified in the Veteran's Spending Plan.
 - 97% of expenditures are for direct care
- VHA also purchases administrative services from VDC providers.
- Spending is monitored on a monthly basis.
- Veteran opts out of Homemaker/Home Health Aide, Community Adult Day Health Care, and Home Respite programs when using VDC.



Choose **VA**

VA



U.S. Department
of Veterans Affairs

VDC Providers

- VA Medical Centers (VAMCs) purchase VDC from VA-approved Aging and Disability Network Agencies (ADNAs), using Veterans Care Agreements, including:
 - Area Agencies on Aging
 - Aging and Disability Resource Center/No Wrong Door Systems
 - Centers for Independent Living
 - State Units on Aging
- Before offering VDC, ADNAs complete a VA Readiness Review, conducted by VA Central Office
 - Ensures ADNAs have demonstrated the skills and competencies to deliver VDC to Veterans



Choose **VA**

VA



U.S. Department
of Veterans Affairs

VDC Key Statistics

Fiscal Year	Unique Veterans	Average Annual Program Census	Average Monthly Cost per Veteran
2019	3,601	44	\$2,542
2020	4,383	54	\$2,926
2021	5,054	62	\$3,527
2022 (to date)	4,485	57	\$3,198

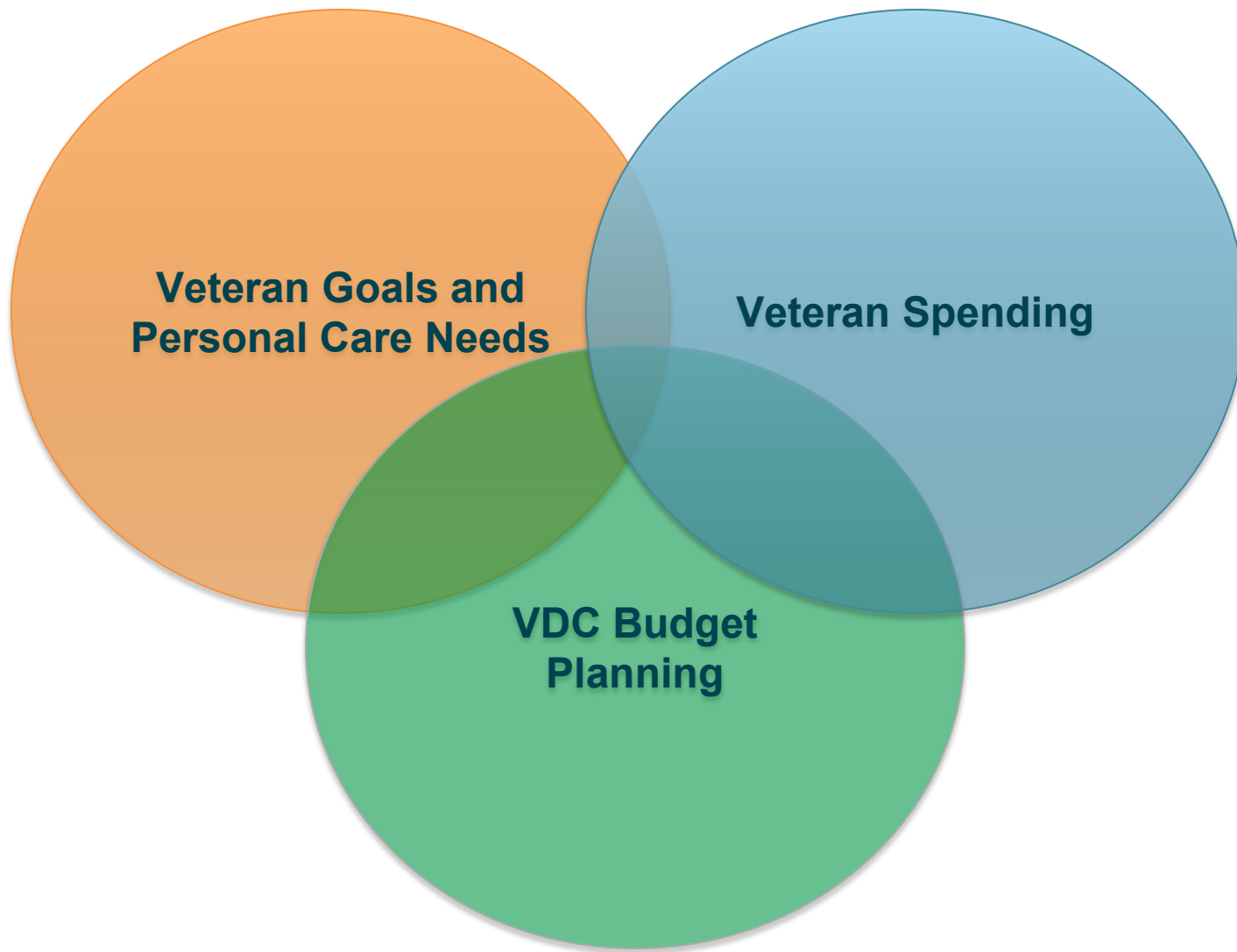
Top VAMCs by Enrollment in FY 2022

(V17) (671) San Antonio, TX HCS	367	N/A	\$2,391
(V06) (652) Richmond, VA HCS	324	N/A	\$2,009
(V19) (554) Aurora, CO HCS	317	N/A	\$3,160
(V15) (657) St. Louis, MO HCS	307	N/A	\$2,795
(V19) (436) Montana HCS	210	N/A	\$3,393
(V19) (660) Salt Lake City, UT HCS	194	N/A	\$2,390

Important Updates and Reminders for FMS Providers



VDC Provider: Responsibilities



VA Requirements for VDC Providers

1. Develop and update (as needed) VDC Spending Plans for VAMC approval
2. Submit Monthly Service Reports (MSRs)
3. Invoice monthly based actual spending



VDC Spending Plans

- Based on the Veteran's VDC authorization
- Outlines monthly and VDC spending over the authorization
- Provides details on the Veteran's spending beyond monthly estimates
- Should include other information such as back-up and emergency care



VDC Spending Plans

- The Veteran's total spending should be based on the "average monthly budget"
 - This is important to consider for Veterans that will remain on the program beyond an initial VDC authorization
 - For example:
 - A Veteran is referred to VDC for a 12-month period (7/1/2021 – 6/30/2022). Their "global budget" is \$24,000 and their average monthly budget is \$2,000.
 - It takes thirty days for the Veteran to develop a plan (to include identifying, hiring, and training their employees) and for the VAMC to approve the plan. The Veteran begins using their VDC budget on 8/1/2021.
 - The Veteran's spending should still average out to \$2,000 per month [or \$22,000 total over the remaining eleven months] even though they are authorized for \$24,000.
- VA will reimburse any VDC spending that is included in the VDC Spending Plan, up to the Veteran's "global budget"

Case Mix Calculator

A	B
Table 1. VDC Case Mix Rate Calculator	
State	Massachusetts
County or City	NORFOLK
Case Mix Level	D
Start Date of SEOC^ (MM/DD/YYYY)	10/1/2021
End Date of SEOC (MM/DD/YYYY)	9/30/2022
Number of Months in SEOC	12.0
Prorated First Month Veteran Budget	\$2,779
Average Monthly Veteran Budget	\$2,779
Monthly Administrative Fee	\$784
Average Monthly VA Obligation	\$3,563
Total Veteran Budget for SEOC	\$33,352
Full Assessment Fee	\$1,105
Partial Assessment Fee	\$552
Total VA Obligation for SEOC (if includes Full Assessment Fee)	\$43,864
Total VA Obligation for SEOC (if DOES NOT include Full Assessment Fee)	\$42,760



Goods and Services Criteria

All VDC Goods and Services must meet the following criteria:

1. Meet the identified needs, goals and outcomes in the Veteran's spending plan; AND
2. Improve the Veteran's ability to remain safely in their home; AND
3. Address activities of daily living or instrumental activities of daily living needs of the Veteran; AND
4. Be the least costly alternative that reasonably meets the Veteran's identified needs; AND
5. Not be provided or paid for by VA, Medicare, Medicaid, TRICARE, or other agency, organization, program, service, or insurance; AND
6. Not be the responsibility of the Veteran as a homeowner to maintain, repair, or replace; AND
7. Must meet one or more of the following goals:
 - i. Enhance community inclusion and support the Veteran's ability to remain in their home and access their community resources and network;
 - ii. Increase the Veteran's independence;
 - iii. Develop, maintain, or improve personal, social, physical, and/or work-related skills;
 - iv. Decrease dependency on formal support services (i.e., reduce the need for human assistance);
 - v. Increase Veteran's safety in their home and community; and/or
 - vi. Enhance family involvement by increasing the ability of direct care workers and caregivers including family members and friends to receive education and skills training needed to provide support to the Veteran.
- AND;
8. Be for the Veteran.



VDC Spending Plan

VDC Spending Plan

Case Mix Level: G	
For Services Beginning: 1/1/2021	VDC Provider Contact: Karen Hall
Veteran Name: John Smith	VAMC Contact: Lei Judd
Veteran SSN: XXX-XX-6000	Date last updated: 1/4/2021
Authorization Period (Start and End Date): January 1, 2021 - December 31, 2021	Date submitted to VA: 1/4/2021

Estimated One-Time and Monthly Expenses

Personal Care Services (Subtotal)	\$1,950.48
Routine Planned Goods and Services (Subtotal)	\$170.00
Monthly ADNA Admin. Fee (Subtotal)	\$757.00
Estimated Recurring Monthly Spending	\$2,877.48
One-Time Goods & Services Purchases (Subtotal)	\$870.00
Emergency/Back-Up Care (Subtotal)	\$700.00
Employer Costs for Benefits Paid to Employees(Subtotal)	\$239.21
Total Estimated One-Time Purchases & Emergency/Backup Care	\$1,809.21

Estimated Totals for Authorization Period

VDC Budget during Authorization:	\$36,420.00
Total # of Months Veteran will use their VDC Budget:	12
VDC Monthly Case Mix Rate (from Case Mix Rate Calculator):	\$3,035.00
Average Monthly Spending	\$3,028.24
Estimated Average Monthly Spending Within Case Mix Rate?	Yes
Total Spending During Authorization (Estimate):	\$36,338.93
VDC Budget Remaining (Estimate):	\$81.07

Key

	Field is calculated
	User drop-down menu
	Cell Requires User Input



Monthly Service Reports

- Monthly Service Reports are submitted to the referring VAMC for two purposes:
 - 1) VAMCs are required to verify all spending incurred by the Veteran is included in the approved spending plan - VAMCs will not reimburse for any services not included in the spending plan; and
 - 2) VAMCs are required to verify that reimbursement to a VDC provider for a Veteran does not exceed the Veteran's authorized budget. Tracking total spending during the authorization ensures total spending does not exceed the total authorized budget.
- VDC providers should discuss with their VAMC the preferred method for sending this information. Several options include uploading Monthly Service Reports to HSRM, sending via secure email, fax, or secure mail.



VDC Billing & Invoicing

- VDC providers are required to invoice based on the days in the month in which the Veteran received personal care services.
- The daily rate included should be based on the total amount being invoiced (Veteran spending + the monthly administrative fee) divided by the number of days in which the Veteran received personal care services.
- VDC providers are encouraged to submit VDC invoices electronically as it will reduce processing times and the likelihood of rejections.
- VDC Providers must invoice within 180 days after the date of service.



VDC Billing & Invoicing

- The U.S Department of Veterans Affairs (VA) has helpful resources for common billing issues and rejections that VDC providers may encounter during the billing and invoicing process. These resources include:
 - Information for finding an explanation of codes for rejected claims:
https://www.va.gov/COMMUNITYCARE/revenue_ops/rejected_claims.asp
 - Factsheet for preventing paper claims rejections:
https://www.va.gov/COMMUNITYCARE/docs/pubfiles/factsheets/FactSheet_25-05.pdf



ACL Technical Assistance

- If VDC Providers are unable to reach a resolution, please email veterandirected@acl.hhs.gov and provide the following information:
 - The number of invoices greater than 60 days are not paid in full
 - The rejection codes received from VA
 - A brief summary of the action taken
 - Whether you registered for HSRM and CEP

VDC Growth and Expansion



VA Expansion of VDC

VA amplifies access to home, community-based services for eligible Veterans

WASHINGTON — The Department of Veterans Affairs' [Office of Geriatrics and Extended Care](#) is expanding its [Home-Based Primary Care](#), [Medical Foster Home](#) and [Veteran-Directed Care](#) programs to make them available at all VA medical centers by the end of fiscal year 2026.

VA will add 58 medical foster homes and 70 Veteran-directed care programs to VAMCs across the nation and add 75 home-based primary care teams to areas with the highest unmet need.

“These [evidence-based programs](#) allow Veterans to age-in-place, avoid or delay nursing home placement and choose the care environment that aligns most with their care needs, preferences and goals,” said Executive Director of VA Office of Geriatrics and Extended Care Scottie Hartronft, M.D. “Veterans using these programs have experienced [fewer hospitalizations](#) and emergency department visits, reduced hospital and nursing home days and fewer nursing home readmissions and inpatient complications.”

According to [VA's Policy Analysis and Forecasting Office](#), the number of Veterans of all ages who are eligible for nursing home care is estimated to expand from approximately 2 million Veterans in 2019 to more than 4 million by 2039. As this population grows, VA remains steadfast in providing the highest levels of care to Veterans in the least-restrictive settings.

These programs provide an in-home or smaller care setting than traditional institutionalized long-term care. This smaller setting of care supports less risk of transmission of COVID and other infectious diseases. Many Veterans have chosen these programs instead of institutionalized care during the pandemic for more flexibility in care preferences and less risk of COVID transmission.

Learn more about [VA geriatrics](#).



VA Expansion of VDC

- VA will fund VAMCs developing VDC to achieve nationwide expansion within five years
 - Existing VAMCs will have an opportunity to receive funding for VDC Program Coordinators
- Funding will provide:
 - Service dollars for Veteran enrollees
 - Staffing dollars for new VDC Program Coordinators
- VAMCs are selected to participate by fiscal year
- VAMCs must identify geographic areas to cover and target populations for VDC



Elizabeth Dole Home Care Act

- The Elizabeth Dole Act was introduced on March 1, 2022 by Congressional Representatives Julia Brownley (D-CA-26) and Jack Bergman (R-MI-01)
 - Senators Jerry Moran (R-KS), Maggie Hassan (D-NH), and Jon Tester (D-MT) introduced the Senate Version in Mid-March
- The proposed legislation has broad bi-partisan support in addition to support from important stakeholders including Veteran Service Organizations and the Elizabeth Dole Foundation.
- The proposed legislation has sweeping impacts on VA home and community based services, also known as non-institutional care.



Elizabeth Dole Home Care Act

- Section 2:
 - Increases the expenditure cap of home & community based services from 65% of nursing home costs to 100%
 - 100% of nursing home costs can be exceeded if in the best interest of the Veteran
- Section 3:
 - Expansion of PACE to any geographic area where PACE operates



Elizabeth Dole Home Care Act

- Section 4
 - Require that every VA facility carry out certain HCBS programs, including VDC.
 - VDC availability will include Veterans living in U.S. territories and Native Americans
 - Veterans defined as catastrophically disabled can use VDC funds during hospitalizations
 - Expansion of respite care



Elizabeth Dole Home Care Act

- Section 5
 - Expanded coordination with VA's Caregiver Support Program (CSP)
 - Automatic screening for HCBS upon denial from VA CSP
- Section 6
 - Centralized website for program information
- Section 7
 - Pilot for H/HHA in areas with supply shortages



Elizabeth Dole Home Care Act

- Section 8
 - Review of HCBS Programs
 - Assessment of staffing needs
 - Assessment of In-Home Specialty Care
 - Review of incentives and efforts relating to HCBS
 - Review of Respite Care
 - Collaboration to improve HCBS



Summary

- VA greatly appreciates the support and expertise of VDC and FMS Providers
- FMS' bring particular capabilities to ensure strong business acumen practices are integrated into VDC processes
- VA is committed to the growth and expansion of VDC and is closely monitoring the potential impact of new legislation being signed into law



Question and Answer

