



**Department of
Veterans Affairs**

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Fact Sheet

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VA Health Care and the Medical Benefits Package

One of the most visible of all Department of Veterans Affairs (VA) benefits is health care. VA has about 1,300 care facilities, including 163 hospitals, 850 ambulatory care and community-based outpatient clinics, 206 counseling centers, 137 nursing homes and 43 domiciliary facilities. Due to technology and changes in national and VA health care trends, VA has evolved from a hospital-based system to a primarily outpatient-focused system over the past five years. With 25,000 fewer employees, VA provided care to one million more veterans in 2001 than in 1995.

Medical Benefits Package

In October 1996, Congress passed Public Law 104-262, the Veterans' Health Care Eligibility Reform Act of 1996. This legislation paved the way for creation of a Medical Benefits Package -- a standardized, enhanced health benefits plan available to all enrolled veterans. The law also simplified the process for veterans to receive services.

Like other standard health care plans, the Medical Benefits Package emphasizes preventive and primary care, offering a full range of outpatient and inpatient services, including:

- Preventive services, including immunizations, screening tests, and health education and training classes
- Primary health care
- Diagnosis and treatment
- Surgery, including outpatient surgery
- Mental health and substance abuse treatment
- Home health care
- Respite (inpatient), hospice and palliative care
- Urgent and limited emergency care
- Drugs and pharmaceuticals

The Benefits Package does not generally include hearing aids and eyeglasses, unless they are needed for a service-connected disability.

Although some veterans are still eligible for services that are not part of the Medical Benefits Package, veterans may need to apply for them on a case-by-case basis and special restrictions apply to each. These include:

- Nursing home care
- Domiciliary care
- Adult day health care
- Outpatient geriatric evaluation
- Outpatient respite care

- Non-VA hospitalization or health care services for veterans with special eligibility
- Limited dental care
- Readjustment counseling
- Homeless programs
- Sexual trauma counseling

Enrollment

To receive VA health care benefits most veterans must enroll. Veterans can apply for enrollment at any VA health care facility or veterans' benefits office. An official notification regarding the veteran's priority will be mailed to the veteran after VA verifies enrollment information and processes the application.

Some veterans are exempted from having to enroll, although all veterans are encouraged to enroll to help VA plan its health care needs and provide better preventive and primary services. Veterans who do not have to enroll include: veterans with a service-connected disability of 50 percent or more, veterans who were discharged from the military within one year but have not yet been rated for a VA disability benefit, and veterans seeking care for only a service-connected disability.

Priority Groups

More than six million veterans are enrolled in the VA health care system as of October 2001. When they enroll, they are placed in priority groups or categories to help VA manage health care services within budgetary constraints and to provide quality care to those enrolled. There are seven enrollment priorities of veterans, with Priority 1 being the highest. Priority 1 veterans are those who have no service-connected disabilities or have a disability that is officially rated as "noncompensable zero percent service-connected," and whose income and assets are above the established thresholds. Priority 7 veterans must agree to make copayments for most medical care and medicines.

Cost to the Enrolling Veteran

By applying for enrollment, a veteran does not give up his or her right to use other sources of care nor does the veteran have to pay any premium to VA. However, as it has for years, VA charges copayments to higher-income veterans for medical care not related to military service.

For 2002, higher-income veterans treated for a nonservice-connected disability pay \$7 for each prescription for a 30-day supply. Outpatient copayments are determined by a three-tier copayment system. The first tier is for preventive care, laboratory tests, flat film radiology services and electrocardiograms and costs veterans nothing. This care includes flu shots, hepatitis C screenings and numerous other preventive services. Basic (primary) care outpatient visits comprise the second tier and require a copayment of \$15 per visit. The last tier includes specialty care outpatient visits, like outpatient surgery, audiology and optometry and costs \$50 per visit.

Currently, veterans pay \$812 for each 90 days of inpatient hospital care. In addition, there is a \$10 a day per diem charge. For each subsequent 90 days of care in the same 365-day period, the charge is half the cost of the first 90 days.

The maximum copayment rates that can be charged for extended-care services are:

- Nursing home, inpatient geriatric evaluation, inpatient respite: \$97 per day
- Adult day health care, outpatient geriatric evaluation, outpatient respite: \$15 per day
- Domiciliary care: \$5 per day

However, under the new rule, veterans are obligated to pay the copayment only if they and their spouse have available resources. The monthly copayment will vary from veteran to veteran and is based on financial information submitted on a VA Form 10-10EC. Once submitted, VA can calculate the monthly long-term care copayment using income and assets of the veteran and spouse, monthly expenses and a monthly allowance for both the veteran and spouse (currently set at \$20 a day for the veteran and \$20 a day for the spouse).

Veterans may or may not have a private insurance policy, but this does not affect their eligibility for VA care or their copayment requirements. While VA may bill the insurer for certain care costs above any deductible, this does not impact the veteran's health care.

For more information about enrollment and the Medical Benefits Package see: <http://www.va.gov/elig> or call 1-877-222-VETS (8387).

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