

**DEPARTMENT OF VETERANS AFFAIRS****Reasonable Charges for Inpatient Medical Severity-Diagnosis Related Groups and Skilled Nursing Facility Medical Services (v4.22); Fiscal Year 2022 Update**

**AGENCY:** Department of Veterans Affairs (VA).

**ACTION:** Notice.

**SUMMARY:** This document updates the acute inpatient and Skilled Nursing Facility (SNF)/sub-acute inpatient facility charges. The updated charges are based on Medical Severity-Diagnosis Related Groups (MS-DRG) for fiscal year (FY) 2022.

**FOR FURTHER INFORMATION CONTACT:** Debra Vatthauer, Office of Community Care, Revenue Operations, Payer Relations and Services, Rates and Charges (13RO1), Veterans Health Administration, Department of Veterans Affairs, 128 Bingham Road, Suite 1000, Asheville, NC 28806; email: [debra.vatthauer@va.gov](mailto:debra.vatthauer@va.gov); telephone: 608-821-7346 (This is not a toll-free number.)

**SUPPLEMENTARY INFORMATION:** 38 CFR 17.101(a)(1) sets forth VA's collection or recovery regulations for medical care or services provided or furnished by VA to a Veteran for a nonservice-connected disability for which the Veteran is entitled to care (or the payment of expenses of care) under a health plan contract; for a nonservice-connected disability incurred incident to the Veteran's employment and covered under a worker's compensation law or plan that provides reimbursement or indemnification for such care and services; or for a nonservice-connected disability incurred as a result of a motor vehicle accident in a state that requires automobile accident reparations insurance. The methodologies for establishing billed amounts for several types of charges are found in 38 CFR 17.101; however, this notice will only address the acute inpatient and the

SNF/sub-acute inpatient facility charges.

Based on the methodologies set forth in 38 CFR 17.101(b), this notice updates the acute inpatient facility charges that were based on the FY 2021 MS-DRGs. Acute inpatient facility charges by MS-DRGs are posted on the Veterans Health Administration (VHA) Office of Community Care (OCC) website, at the following link: [www.va.gov/communitycare/revenue\\_ops/payer\\_rates.asp](http://www.va.gov/communitycare/revenue_ops/payer_rates.asp), under the "Reasonable Charges Data Tables" section, Inpatient Data Table, as Table A (v4.21). This Table A corresponds to the Table A referenced in a notice published in the **Federal Register** on September 22, 2020 (see 85 FR 59606). Table A (v4.22) referenced in this notice provides updated charges based on the FY 2022 MS-DRGs and will replace Table A (v4.21) posted on the VHA OCC website.

Also, this notice updates the SNF/sub-acute inpatient facility all-inclusive per diem charge using the methodologies set forth in 38 CFR 17.101(c). This charge is adjusted by a geographic area factor that is based on the location where the care is provided. For the geographic area factors, see Table N, title "Acute Inpatient," and Table O, title "SNF," on the VHA OCC website under the v4.215 link in the "Reasonable Charges Data Tables" section. Tables N and O are not being updated by this notice. The SNF/sub-acute inpatient facility per diem charge is posted on the VHA OCC website under the "Reasonable Charges Data Tables" section, Table B (v4.21). This Table B corresponds to the Table B referenced in a notice published in the **Federal Register** on September 22, 2020 (see 85 FR 59606). Table B referenced in this notice is v4.22, which provides an update to the all-inclusive nationwide SNF/sub-acute inpatient facility per diem charge and will replace Table B (v4.21) posted on the VHA OCC website.

The charges in this notice for acute inpatient and SNF/sub-acute inpatient facility services are effective October 1, 2021.

This notice is retaining the table designations used for acute inpatient facility charges by MS-DRGs, which are posted on the VHA OCC website under "Reasonable Charges Data Tables." This notice also is retaining the table designation used for SNF/sub-acute inpatient facility charges, which also are posted on the VHA OCC website. Accordingly, the tables identified as being updated by this notice correspond to the applicable tables referenced in a notice published in the **Federal Register** on September 22, 2020 (see 85 FR 59606).

The list of data sources presented in Supplementary Table 1 (v4.22) reflects the updated data sources used to establish the updated charges described in this notice and will be posted on the VHA OCC website under the "Reasonable Charges Data Sources" section.

The list of VA medical facility locations is also updated. In Supplement Table 3, posted on the VHA OCC website under the VA Medical Facility Locations section, VA set forth the list of VA medical facility locations, which includes the first three digits of their zip codes and provider-based/non-provider-based designations.

Consistent with VA's regulations, the updated tables described in this notice will be posted on the VHA OCC website, under the "Payer Rates and Charges" information section.

**Signing Authority**

Denis McDonough, Secretary of Veterans Affairs, approved this document on August 16, 2021, and authorized the undersigned to sign and submit the document to the Office of the Federal Register for publication electronically as an official document of the Department of Veterans Affairs.

**Luvenia Potts,**

*Regulation Development Coordinator, Office of Regulation Policy & Management, Office of General Counsel, Department of Veterans Affairs.*

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