

Payment Integrity Scorecard

Program or Activity Purchased Long Term Services and Supports	Reporting Period Q4 2025	FY 2024 Overpayment Amount (\$M)*	\$218
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*Estimate based a sampling time frame starting 10/2022 and ending 9/2023



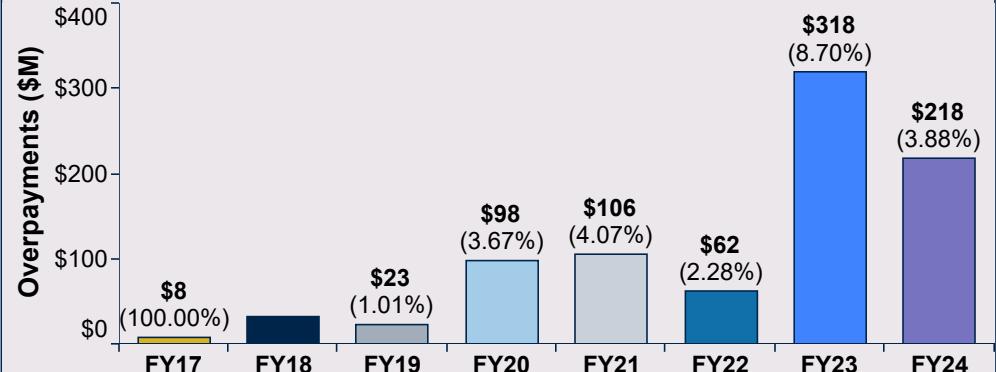
VA

Purchased Long Term Services and Supports

Brief Program Description & summary of overpayment causes and barriers to prevention:

The Purchased Long Term Services and Supports (PLTSS) program is organizationally aligned under the VHA Geriatrics and Extended Care (GEC) Office that strives to advance quality care for aging and chronically ill Veterans by providing policy direction for the development, coordination, and integration of geriatrics and long-term care clinical programs. The program reported \$218.30 million in projected monetary loss for FY 2024, which resulted from paying for claim amounts that exceeded the contract rate, claims not received within the required timeframe, or billed services that exceeded the authorized care. There are no known financial, contractor or provider status related barriers prohibiting improving prevention of improper payments.

Historical Payment Rate and Amount (\$M) (Overpayment as Percentage of Total Outlays)



Discussion of Actions Taken in the Preceding Quarter and Actions Planned in the Following Quarter to Prevent Overpayments

Actions taken regarding automation included continuing to update the claims processing systems to ensure claims are paid appropriately. Actions taken regarding change process included continuing to enforce Community Care Network contract requirements to ensure third-party administrators bill at the correct allowable rates, billed services are within the authorized care and claims are submitted within the required timeframes (see Note 1). Actions taken regarding audit included conducting post-payment reviews and establishing bills of collection for claims that were paid in the incorrect amount. Actions planned regarding change process include VA will continue clarifying payment methodology with third-party administrators to bill at the correct rates and timely submission of claims. VA will also transition all indefinite delivery contracts to utilize patient driven payment model rates as required by Centers for Medicare and Medicaid Services. Additionally, VA will work internally with network contracting offices to ensure compliant contracting methods are used to process claims. In addition, VA will work to establish Veterans Care Agreements which utilize patient driven payment model rate when appropriate. Finally, VA will work with medical center staff to ensure proper documentation is maintained to support payment accuracy and ensure clean claim requirements are adhered to.

Accomplishments in Reducing Overpayment		Date
1	VA updated payment testing methodology based on the VA Office of Inspector General (OIG) interpretation of Community Care Network contract language regarding paying the lesser of billed charges or Medicare rate; therefore removing previously identified improper payments.	Apr-25
2	VA worked with medical center staff to communicate and mitigate claims that were not paid according to contracted rates. This involved issuing modifications of contracts and re-processing billed claims to ensure payment accuracy.	Jun-25
3	VA worked with third-party administrators on lack of authorization and clean claim requirements not met payment errors to ensure corrected claims were submitted and established future offsets to recoup overpayments that were paid under the original claim.	Jun-25

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Purchased Long Term Services and Supports

Reporting Period
Q4 2025

Goals towards Reducing Overpayments		Status	ECD	Recovery Method	Brief Description of Plans to Recover Overpayments	No Brief Description of Actions Taken to Recover Overpayments
1	VA will review FY 2025 payment integrity testing results to evaluate causes of error related to monetary loss and develop effective corrective actions.	On-Track	Oct-25	1 Recovery Activity	VA recovers overpayments such as duplicate payments, payments made in the incorrect amount, unapplied credits, etc., when identified.	In FY 2025 Q4, VA identified \$6.91 million in overpayments for this program and recovered \$4.46 million to date. In FY 2026, VA will continue to process bills of collection for these identified overpayments.
2	VA will transition all indefinite delivery contracts to utilize patient driven payment model rates as required by Centers for Medicare and Medicaid Services.	On-Track	Oct-25	2 Recovery Audit	VA uses a recovery audit contract to audit claims for pre-authorized care and test compliance with referrals; whether claims are reimbursed using the appropriate methodology; and that the medical records support the diagnostic related group billed for the services.	In FY 2025 Q4, VA identified \$1.18 million in overpayments for this program and recovered \$0.76 million to date. In FY 2026, VA will continue to process bills of collection for these identified overpayments.

Amt(\$)	Root Cause of Overpayment	Root Cause Description	Mitigation Strategy	Brief Description of Mitigation Strategy and Anticipated Impact
\$218M	Overpayments within agency control that occurred because of a Failure to Access Data/Information Needed.	VA did not enforce contract requirements for third-party administrators to bill at the correct rates or ensure certifying officials validated the correct rates prior to payment. As a result, VA paid for services that exceeded the allowable contract rates.	Change Process – altering or updating a process or policy to prevent or correct error.	VA will continue clarifying payment methodology with third-party administrators to bill at the correct rates. VA is also transitioning payments from a legacy system to an automated claims adjudication system.
		VA did not enforce requirements for third-party administrators or providers to submit claims in accordance with regulatory or contractual requirements. As a result, VA paid for excluded services that did not meet contractual requirements ..	Change Process – altering or updating a process or policy to prevent or correct error.	VA will continue clarifying payment methodology with third-party administrators to ensure claims are submitted in accordance with timely filing contract requirements.
		VA did not enforce requirements for third-party administrators to ensure billed services were authorized or ensure certifying officials validated services did not exceed the authorized care. As a result, VA paid for services that exceeded the autho..	Change Process – altering or updating a process or policy to prevent or correct error.	VA will continue clarifying payment methodology with third-party administrators to ensure billed services do not exceed the authorized amount. VA is also transitioning payments from a legacy system to an automated claims adjudication system.

The Purchased Long Term Services and Supports program continues to prioritize and implement effective corrective actions and mitigation strategies that reduce improper and unknown payments as evidenced by its fourth consecutive year of reductions. Specifically, from FY 2023 to FY 2024, the program decreased its improper and unknown error rate from 38.72% to 13.52% (25.20% reduction) and improper and unknown payments from \$1.42 billion to \$760.09 million (\$657.90 million reduction). Given the time it takes to implement corrective actions and mitigation strategies, the program expects the continued positive impact of these actions on its FY 2025 improper and unknown payment rate. Note 1: VA contracts with third-party administrators to provide care to Veterans and to process and pay claims received from non-VA healthcare providers.